DRAFT PROSPECTUS
Dated February 26, 2016
Please read Section 32 of the Companies Act, 2013
100% Fixed Price Issue

SAGARDEEP ALLOYS LIMITED

Sagardeep Alloys Limited was incorporated as "Sagardeep Alloyes Private Limited" on February 13, 2007 under the Companies Act 1956 with a Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli at Ahmedabad. Name of the Company was changed & modified to Sagardeep Alloys Private Limited and fresh certificate of incorporation was issued by Registrar of Companies on June 25, 2009. Thereafter once again a fresh certificate of incorporation consequent upon change of name on conversion of the company to public limited company in the name of the "Sagardeep Alloys Limited" was granted by ROC on April 17, 2012. Company Incorporation Number (CIN) of the Company is U29253GJ2007PLC050007.

Regd. Office: 205, Pittalaya Bumba, Nr. Madhuram Cinema, Gheekanta, Ahmedabad-380001.
Tel: +91-79-2562 6304, 2562 6535; **Fax**: +91-79-2562 6535; There is no change in the registered office address since incorporation.
E-mail: secretary@sdalloys.com; **Website**: www.sdalloys.com; **Contact Person:** Mr. Dileep Panchal, Company Secretary & Compliance Officer

PROMOTERS: MR. ASAMAL S MEHTA, MR. SATISHKUMAR A MEHTA, MR. JAYESHKUMAR A MEHTA AND MR. HARISH A MEHTA

PUBLIC ISSUE OF 30,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH ("EQUITY SHARES") OF SAGARDEEP ALLOYS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 20 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS.10 PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING TO RS. 600.00 LACS ("THE ISSUE"), OF WHICH 1,55,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 20 PER EQUITY SHARE, AGGREGATING TO RS. 31.00 LACS 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 28,45,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 20 PER EQUITY SHARE, AGGREGATING TO RS. 569.00 LACS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.38% AND 25.02% 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. 20 IS 2.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only 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 202 of this Draft Prospectus. A copy will be 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 '*Issue related Information*' beginning on page 195 of this Draft Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first issue of Equity shares of Sagardeep Alloys Limited, there has been no formal market for the Equity Shares of the Company. **The face value of the Equity Shares is Rs. 10 and issue price is 2 times of the face value.** The Issue price (as determined and justified by the Company in consultation with Lead Manager as stated in Chapter titled "Basis for Issue Price" on page 57 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Equity Shares offered in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. **Specific attention of the investors is invited to the section titled "Risk factors" on page 9 of this Draft Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILTY

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

LISTING

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

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
Chartered Capital And Investment Limited 711, Mahakant, Opp V.S. Hospital, Ellisbridge, Ahmedabad-380 006 **Tel:** +91-79-2657 5337, 2657 7571 **Fax:** +91-79-2657 5731 **E-mail:** sal.ipo@charteredcapital.net **Investor Grievance Email:** investor.relation@charteredcapital.net **Website:** www.charteredcapital.net **Contact Person:** Mr. Manoj Kumar Ramrakhyani/ Mr. Sagar Bhatt **SEBI Registration No.:** INM000004018	**Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 **Tel :** +91-22- 61715400, **Fax :** +91-22- 25960329 **E-mail:** sal.ipo@linkintime.co.in **Investor Grievance Email:** sal.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact person:** Ms. Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

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

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SECTION I- DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any Act, legislation or regulation shall be to such legislation, act or regulation as amended from time to time.

In the Draft Prospectus, unless otherwise indicated or the context otherwise requires, all references to "Sagardeep Alloys Limited", "SAL", the/our "Company", "we", "our", "us" or similar terms are to Sagardeep Alloys Limited or, as the context requires, and references to "you" are to the equity shareholders and/ or prospective investors in the Equity Shares.

ISSUE RELATED TERMS

Term	Description
Allotment/ Allot/ Allotted	Unless the context otherwise requires, the issue/allotment of Equity Shares pursuant to the Issue to successful applicants.
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 Exchange.
Allottee	The successful applicants to whom the Equity Shares are allotted
Applicant	Any prospective investor who makes an application pursuant to the terms of this Draft Prospectus and the Application Form.
Application amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which the Applicant shall make an application to subscribe to the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by all Applicants to make application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account will be opened and in this case being Indusind Bank Ltd
Basis of Allotment	The basis on which the Equity Shares will be allotted as described in the section titled ***"Issue Procedure - Basis of Allotment"*** beginning on page 214 of this Draft Prospectus.
Controlling Branch of SCSB	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on http://www.sebi.gov.in
Designated Date	The date on which funds are transferred from the ASBA Accounts to the Public Issue Account in terms of the Draft Prospectus.
Designated Stock Exchange	NSE Emerge
Draft Prospectus	This Draft Prospectus dated February 26, 2016 issued in accordance with Section 32 of the Companies Act, 2013 and filed with NSE under SEBI ICDR Regulations
Eligible NRI	NRIs from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe for the Equity Shares on the basis of the terms thereof.
Issue/ Issue Size/ Offer/	Public Issue of 30,00,000 Equity Shares of face value Rs. 10 each of

Initial Public Offer/ Initial Public Offering/ IPO	Sagardeep Alloys Limited for cash at a price of Rs. 20 per Equity Share (the "***Issue Price***") aggregating up to Rs. 600.00 Lacs.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
Issue Closing Date	[●]
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 Applications.
Issue Price	The price at which Equity Shares will be issued and allotted by our Company being Rs. 20/- per Equity Share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter title ***"****Objects of the Issue*" page no. 52 of this Draft Prospectus.
LM / Lead Manager	The Lead Manager for the issue being Chartered Capital And Investment Ltd
Market Maker	Market Maker appointed by our Company from time to time, in this case being Innovate Securities 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 Making Agreement	Market Making Agreement dated [●] between our Company, LM and Market Maker
Market Maker Reservation Portion	The reserved portion of 1,55,000 Equity Shares of Rs. 10 each at an Issue Price of Rs. 20 each to be subscribed by Market Maker.
MOU/ Issue Agreement	The Memorandum of Understanding dated January 27, 2016 between our Company and Lead Manager.
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 28,45,000 Equity Shares of face value Rs. 10 each of Sagardeep Alloys Limited for cash at a price of Rs. 20 per Equity Share aggregating up to Rs. 569.00 Lacs.
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
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter X-B of the SEBI ICDR Regulations.
Other Investors	Investors other than Retail Individual Investors. 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.
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of Section 32 of the Companies Act, 2013.
Public Issue Account	The Bank Account opened with the Banker to this Issue to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers or QIBs	A mutual fund, venture capital fund alternative investment fund and foreign venture capital investor registered with the Board; a foreign portfolio investor other than Category III foreign portfolio investor registered with the Board; a public financial institution as defined in Section 4A of the Companies Act, 1956; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of twenty five crore rupees; a pension fund with minimum corpus of twenty five crore rupees; National Investment Fund set up by resolution F. No. 2/3/2005 - DDII dated November 23, 2005 of the 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 and insurance funds set up and managed by the Department of Posts, India.
Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time
Registrar/ Registrar to this Issue/RTI	Link Intime India Private Limited
Retail Individual Investors/RIIs	Individual applicants who have applied for the Equity Shares for an amount not more than 200,000 (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
Self Certified Syndicate Bank or SCSB	A Bank which is registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA including blocking of bank account, a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Underwriters	[●]
Underwriting Agreement	The Agreement dated [●] entered into amongst the Underwriters and our Company.
Working Days	"Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays.

COMPANY RELATED TERMS

Term	Description
Articles/ Articles of Association	The Articles of Association of our company.
Auditors	The statutory auditors of the Company, being M/s Piyush J Shah & Co., Chartered Accountants.
Board	The Board of Directors of our company or a duly constituted committee thereof.
Group Companies	Companies, firms and ventures promoted by our Promoter, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act or not and disclosed in the section "Promoter and Promoter Group" on page 104
Memorandum/ Memorandum of Association	Memorandum of Association of our Company, as amended
Promoters	Mr. Asamal S Mehta, Mr. Satishkumar A Mehta, Mr. Jayeshkumar A Mehta And Mr. Harish A Mehta
Promoter Group	The persons and entities constituting our Promoter group in terms of Regulation 2(zb) of the SEBI Regulations and disclosed in the section "Our Promoters and Promoter Group" on page 104
Registered Office/ Registered office of the Company	The Registered Office of the Company at 205, Pittalaya Bumba, Nr. Madhuram Cinema, Gheekanta, Ahmedabad-380001
ROC	Registrar of Companies, Gujarat, Dadra and Nagar Haveli
Subsidiary	Sagardeep Engineers Pvt Ltd

TECHNICAL/INDUSTRY RELATED TERMS

Term	Description
FDI	Foreign Direct Investment
ESIC	Employee's State Insurance Corporation
ICAI	The Institute of Chartered Accountants of India
GDP	Gross Domestic Product

CONVENTIONAL/GENERAL TERMS

Term	Description
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Depository	A body corporate registered under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	Depositories Act, 1996, as amended from time to time
Depository Participant	A depository participant as defined under the Depositories Act, 1996
FCNR Account	Foreign Currency Non Resident Account.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the rules and regulations framed thereunder.
Financial Year /fiscal year/FY/ fiscal	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
Government/ GOI	The Government of India.
GAAP	Generally Accepted Accounting Principles
HUF	Hindu Undivided Family.
Mn, mn	Million
NAV	Net asset value.
NR	Non-Resident
NRE Account	Non-Resident External Account.
NRO Account	Non-Resident Ordinary Account.
NRI/Non-Resident Indian	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NSE	The National Stock Exchange of India Ltd
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.
P/E Ratio	Price/Earnings Ratio.
PAT	Profit After Tax
PBT	Profit Before Tax
RONW	Return on Networth
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure

	Requirements) Regulations, 2009, as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.

ABBREVIATIONS

AGM	Annual General Meeting.
ASBA	Application Supported by Blocked Amount
A.Y	Assessment Year
A/C	Account
BG/LC	Bank Guarantee/ Letter of Credit
BV / NAV	Book value / Net asset value
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Ltd.
DP	Depository Participant.
EGM	Extraordinary General Meeting
EPS	Earnings Per Share.
ESOP	Employees Stock Option Plan
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board.
FIBC	Flexible Intermediate Bulk Container
FVCI	Foreign Venture Capital Investor
FIIs	Foreign Institutional Investors
GOI	Government of India.
I.T.Act	Income-Tax Act, 1961
MAT	Minimum Alternate Tax
NRI(s)	Non-Resident Indian (s)
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Ltd
N.A.	Not Applicable
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
QC	Quality Control
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India.
SCSB	Self Certified Syndicate Bank
UK	United Kingdom
U.S./U.S.A.	United States of America

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

SECTION II – RISK FACTORS

CERTAIN CONVENTIONS - USE OF MARKET DATA

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our financial statements prepared in accordance with Indian GAAP, Companies Act and the SEBI Regulations included elsewhere in this Draft Prospectus. Our fiscal year commences on April 1 every year and closes on March 31 of the next year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off.

In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “lacs” means “one hundred thousand” and the word “million” means “ten lac” and the word “Crore” means “ten million”. Throughout this Draft Prospectus, all figures have been expressed in lacs. Unless otherwise stated, all references to “India” contained in this Draft Prospectus are to the Republic of India.

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

For additional definitions, please refer to the section titled ‘Definitions and Abbreviations’ on page no. 2 of this Draft Prospectus. In the section titled ‘Main Provisions of the Articles of Association’ on page no. 250 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association of the Company.

FORWARD LOOKING STATEMENTS

We have included statements in this Draft Prospectus, that contain words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions that are “forward-looking statements”. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward looking statements. These forward looking statements include statements as to our business strategy, planned projects and other matters discussed in this Draft Prospectus regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this Draft Prospectus (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements expressed or implied by such forward-looking statements or other projections.

All forward looking statements are subject to risks, uncertainties and assumptions about the company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from the expectations include, among others:

- Our ability to retain and attract trained employees;
- Changes in the value of the Rupee and other currency changes;
- Loss or decline in the business from any of our key clients;
- General economic and business conditions in India and other countries;
- Our ability to successfully implement the strategy, growth, new projects and expansion plans;
- Changes in the Indian and international interest rates;
- Social or civil unrest or hostilities with neighboring countries or acts of international terrorism;
- Changes in laws and regulations that apply to our industry, including laws that impact our ability to enforce our collateral.
- Changes in political conditions in India.

For further discussion of factors that could cause actual results to differ, please refer the section entitled “Risk Factors” beginning on page 9 of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither the Company, the Directors, any member of the Lead Manager team 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 Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange.

RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only risks relevant to us, our Equity Shares, the industry in which we operate or India and the other regions in which we operate. To obtain a more complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," on pages 76 and 171, respectively, as well as the financial and other information contained in this Draft Prospectus.

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 trading price of our Equity Shares could decline, and all or part of your investment may be lost. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. See the section entitled "Forward Looking Statements" on page 8.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from the restated consolidated/standalone financial statements of our Company.

Materiality

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

a) Some events may not be material individually but may be found material collectively.
b) Some events may have material impact qualitatively instead of quantitatively.
c) Some events may not be material at present but may be having material impacts in future.

A. SPECIFIC TO THE OBJECT OF THE ISSUE AND INTERNAL TO THE COMPANY

1) There are outstanding litigations involving our Company, our promoters, our directors and our group companies.

Our Company, our Promoters, our Directors and our Group Companies are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Decisions in such proceedings adverse to such person/ entity's interests may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

A summary of the outstanding litigations is as follows:

Particulars	Total No	Amount involved (Rs in lacs)
Under Criminal Laws		
Cases filed by the Promoters/Directors/Group Companies/Group concerns	3	26.73
Under Tax laws		
Cases filed by the Company	3	689.14
Under Civil Laws		
Cases filed against the Company	1*	8.23+interest
Cases filed against the Promoters/Directors/Group Companies/ Group concerns	1*	8.23+interest

Others		
Notices Received by the company	3	0.60

*Same matter

For further details, please refer to section "Outstanding Litigations and Material Developments" on page no.177 of Draft Prospectus.

2) We are required to obtain and maintain certain governmental and regulatory licenses and permits and the failure to obtain and maintain such licenses and permits in a timely manner, or at all, may adversely affect our business and operations.

We are required to obtain and maintain certain approvals, licenses, registrations and permits in connection with its business and operations. There can be no assurance that we will be able to obtain and maintain such approvals, licenses, registrations and permits in the future. An inability to obtain or maintain such registrations and licenses in a timely manner, or at all, and comply with the prescribed conditions in connection therewith may adversely affect our ability to carry on our business and operations, and consequently our results of operations and financial condition.

Approval applied for but not received

- Factory license bearing registration no. 18/27201/2008 and License no. 209 was issued in the name of Sagardeep Alloyes Private Limited. The same has been expired in December 31, 2014. The company has applied for the renewal but has not received the license as on date.

- Application dated May 8, 2015 under Class 6 in respect of Common Metals and their alloys, pipe and tubes metal, copper pipes, tubes, flats, roads, nuggets, plates and copper alloys consumables included submitted to the Office of the Trademark Registrar for registration of Company's Trademark **"** SagarDeep ALLOYS LTD. **"** under Trade Marks Act, 1999.

Approval not yet applied

- Registration Certificate of Establishment bearing registration number PII/SHA2/05/0000044 dated May 16, 2008 issued by the Ahmedabad Municipal Corporation registering our Company as a commercial establishment under the Bombay Shops and Establishments Act, 1948. The said registration was valid till March 31, 2009. The company has not applied for its renewal.

There are certain approvals which are still in old name. For further details, please refer to section "Government Approvals/Licensing Arrangements" on page no.184 of Draft Prospectus.

3) Our business is substantially dependent on limited number of customers for a significant portion of our revenues. The loss of any significant clients or an adverse change in the customer relationship may have a material and adverse effect on our business and results of operations.

The Company is largely dependent on single and few customers, as the top one and top ten customers constitutes around 17.95% and 76.65% of the total income for the year 2014-15 on a standalone and consolidated basis. While we are constantly working to increase our customer base so as to enable us to reduce dependence limited number of customers, there is no assurance that we will be able to broaden our customer base in a particular time frame in future. Our business or results of operations could be adversely affected by a reduction in demand or change in preference for our product or cessation of our relationship with any such major customers.

4) The total revenue of the company is decreasing year on year since fiscal year 2013 and in spite of all its efforts, the company is unable to change the trend.

The metal sector is facing severe economic slowdown due to multiple factors most of which are not within the control of management and same is affecting the scale of operations and performance of the company due to which the profitability of the company has becomes almost stagnant during last 3 years. However, the manufacturing activity of the company is doing relatively better and company expects that it will help in maintaining and improving the future profitability in the future.

5) The Company has unsecured debt that is repayable on demand.

The Company has availed of certain unsecured loans that are repayable on demand. As on September 30, 2015, the amount of outstanding unsecured loans availed by the company which are repayable on demand is Rs. 487.50 Lacs. The unsecured loan taken by the Company is not from any Bank or Financial Institution. In the event that the lenders of such loans demands the repayment of these loans, the company would need to find alternative sources of financing, which may not be available on commercially reasonable terms or at all.

6) Investment made in Subsidiary Company as well as in the Chemical business has not worked out well as envisaged by the company.

Company invested almost Rs.3 crores in plant and machineries for the manufacturing unit of chemical products which it had acquired on rent during 2014-15. However, the said venture could not succeed and company had to shut down its operations in June 2015. In addition, the seller of the unit has forcefully taken the possession of the property as well as our machineries and stock (approximately worth Rs.9 lacs) lying in that premises. Mr. Jayeshkumar A Mehta, Director of the Company lodged a Police complaint in the Khambhat Police Station against Mr. Ritesh Kumar Patel along with few other person regarding the same. At present the matter is in dispute and company is in process to solve the matter amicably. Though the company is trying to resolve the issue through negotiations, if company is unable to get the possession of the said machineries and stock, it will have to write off the entire amount which will affect the profitability and financial position of the company to that extent which is substantial looking to the existing size of the company.

In addition, Company invested Rs.5 lacs in acquiring subsidiary company Sagardeep Engineers Private Limited ("SEPL") from its existing promoters and thereafter Rs.511.20 lacs for subscribing the share capital of this subsidiary company with no benefit accruing or expected to accrue to the company. There is neither any sizeable business in the subsidiary company nor any potential business prospect in the company which can commercially justify the amount of investment in SEPL.

7) Our Subsidiary has incurred loss in financial year 2014-15.

Our Subsidiary has incurred loss of Rs. 0.03 Lacs in financial year 2014-15. Sustained financial losses by our Subsidiary may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations. There can be no assurance that our Subsidiary or any other ventures promoted by our Promoters, will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

8) Other ventures promoted by our promoters are engaged in a similar line of business and conflict of interest cannot be ruled out which may have adverse effect on our operations and financial conditions.

Subsidiary Company, Sagardeep Engineering Pvt Ltd, and Proprietorship concern, Sagar Prakash Alloys are involved in the similar activities which is also one of the activities carried on by the issuer company.

This could lead to a potential conflict of interest for us and could adversely affect our results of operations and financial condition. There is no assurance that in case of conflict, our Promoters will not favour our group Companies owing to their common interest in both the Companies. In addition, attention to the other Group entities may distract or dilute management attention from our

business, which could adversely affect our results of operations and financial condition. For further information, see the section entitled "Our Promoters and Promoter Group" on page 104 of this Draft Prospectus.

9) Our management will have flexibility in applying the Proceeds of the Issue and the deployment of the Proceeds is not subject to any monitoring by any independent agency. The purposes for which the Proceeds of the Issue are to be utilized are based on management estimates and have not been appraised by any banks or financial institutions.

We intend to use the Proceeds of the Issue for the purposes described in "Objects of the Issue" on page 52. Our management may revise estimated costs, fund requirements and deployment schedule owing to factors relating to our business and operations and external factors which may not be within the control of our management.

The utilization of the Proceeds of the Issue and other financings will be monitored only by the Audit Committee of the Board and is not subject to any monitoring by any independent agency. Further, pending utilization of the Proceeds of the Issue, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934.

Our funding requirements and the deployment of the Proceeds of the Issue are based on management estimates and have not been appraised by any banks or financial institutions. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and, consequently, our funding requirements may also change.

10) We have experienced negative cash flows in prior periods. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial condition.

The details of the negative cash flows of the Company are as follows:

Standalone						***(Rs. in Lacs)***
Particulars	**As at**					
	30.09.15	**31.03.15**	**31.03.14**	**31.03.13**	**31.03.12**	**31.03.11**
Net Cash From /(Used In) Operating Activities	388.89	392.66	790.25	171.00	(815.82)	(520.95)
Net Cash From /(Used In) Investing Activities	(508.48)	(344.26)	(31.34)	(38.28)	23.12	(58.58)
Net Cash From Financing Activities (c)	136.79	(76.97)	(750.29)	(116.16)	802.52	583.74
Net Increase / (Decrease) in Cash	**17.20**	**(28.57)**	**8.62**	**16.56**	**9.82**	**4.21**

Consolidated			***(Rs. in Lacs)***
	As at		
Particulars	**30.09.15**	**31.03.15**	**31.03.11**
Net Cash From /(Used In) Operating Activities	**(77.26)**	**852.82**	**(520.95)**
Net Cash From /(Used In) Investing Activities	**(4.01)**	**(614.75)**	**(58.58)**
Net Cash From Financing Activities (c)	**98.87**	**(267.20)**	**583.74**
Net Increase / (Decrease) in Cash	**17.61**	**(29.13)**	**4.21**

11) There have been instances of delay in compliances, filing of various forms, as well as non-compliances under various provisions of applicable Companies Act for which penal action can be taken against the company and its officers which would adversely affect financial position of the Company to that extent.

Some of the instances of non compliances/delay in compliances of the provisions of the companies act are as under for which penal action can be taken against the company and its officers which would adversely affect financial position of the Company to that extent:

The Company has not complied with the provisions of Section 383A of the Companies Act, 1956 during the period March 22, 2012 to March 31, 2014 and the provisions of Section 203 of the Companies Act, 2013 during the period April 1, 2014 to March 31, 2015 as the Company had not appointed any Company Secretary during the said period. No show cause notice in respect of the above has been received by the Company from the office of Registrar of the Companies till date.

The company had passed a special resolution under section 149 and other applicable provisions of Companies Act, 1956 in its Extra Ordinary General Meeting held on March 6, 2014 relating to commencement of chemical business i.e. an object mentioned in the "other Object" clause of the Memorandum of Association of the Company. As per Section 117 of companies act, 2013, E-form is required to be filed within the stipulated period of passing the resolution but the company could not file E-form MGT-14 in prescribed time. Therefore, the Company filed an application to Central Government under section 460 of Companies Act, 2013 for condonation of delay in filing Form MGT-14 due to non filing of Special Resolution within stipulated time period. The said application has been made by the Company to Central Government by way of e-form i.e. Form NO. CG-1 on December 22, 2015 which is still pending. In addition, the company has also not filed a declaration in prescribed form as required under section 149(2A) with the RoC.

Company has given loan to its wholly owned subsidiary Sagardeep Engineers Private Limited which as on March 31, 2015 and September 30, 2015 stands at Rs.510.20 lacs and Rs.20.65 lacs respectively. The said loans given to subsidiary were "interest free loan" which prima facie is in non compliance of section 186 of the Companies Act, 2013.

12) Our Company has not filed certain Annual Returns appropriately in the past with respect to shareholding records.

Our Company has not filed certain Annual Returns for the financial year 2008-09, 2009-10, 2010-11 and 2011-12 appropriately with respect to shareholding records. Though our Company has appropriately maintained our Register of Members, Transfer Deeds and issued share certificates appropriately, inappropriate disclosures, as aforesaid, may in the future render us liable to statutory penalties.

13) Our indebtedness and the conditions and restrictions imposed by our financing and other agreements could adversely affect our ability to conduct our business and operations.

We have incurred a substantial amount of indebtedness which could adversely affect our financial condition. As on September 30, 2015, our short term and long term borrowings are Rs. 1900.14 Lacs on a standalone and consolidated basis. In addition, we may incur substantial additional indebtedness in the future. Our indebtedness could have several significant consequences including but not limited to the reduction of the availability of our cash flow to fund working capital, capital expenditures and other general corporate requirements. Also fluctuations in market interest rates may affect the cost of our borrowings.

Apart from that as per the terms of the sanction letter of the bank, the company can not do the certain activities, during the Currency of the bank's credit facilities, without the bank's prior permission in writing of the Banks, which amongst other, includes:

a) Implement any scheme of Expansion/ Modernization/ Diversification, except which are approved by our Bank
b) Formulate any scheme of Merger/ Acquisition/ Amalgamation / Reconstitution
c) Any Change in the management set–up /capital structure of the Company;
d) Enter into borrowing either secured or unsecured with any other Bank/ Financial Institution/ corporate body;
e) Invest/ deposit/ lend funds to the group firms & companies / directors / family members / other corporate bodies / firms / persons;

f) Create any further charge, lien or encumbrance over the assets charged to the Bank in favor of any other Bank, Financial institution, NBFC, firm, company or person or otherwise dispose off any of the fixed assets;
g) Undertake guarantee obligations on behalf of any other borrower, Group firms /Companies;
h) Pay commission / brokerage / fees etc to Guarantor / or any other person for guaranteeing the facilities sanctioned to the Company;
i) Declare dividends for any year except out of profits related to that year after paying all dues and making provisions as required for that year, provided there is no default in repayment obligations by the Company;
j) Allow the level of net working capital to come down from the estimated/projected level.

We have made an application for the Bank for issuing the non objection certificate as the capital structure will be changed after the proposed IPO but the same has not been given by the bank as on date.

14) **We have high working capital requirements. In case there is insufficient cash flow to meet our requirement of working capital or pay our debts, there may be adverse effect on the results of our operations.**

Our business requires a substantial amount of working capital. We require working capital to finance the purchase of materials before payment is received from our customers. Our working capital requirements may increase if, payment terms include reduced or no advance payments or payment schedules that specify payment less favourable to us. Moreover, if a client defaults in making its payment to which we have devoted resources, it could also affect our profitability and liquidity and decrease the capital resources that are otherwise available for other uses. There can be no assurance that the payments will be remitted by our customers to us on a timely basis. Nature of our business forces us to accord higher credits to our customers resulting in high level of outstanding receivables. Continued increases in working capital requirements and insufficient cash flows from our operations to meet any of the above requirements may have an adverse effect on our financial condition and results of operations. Moreover, we may need to incur additional indebtedness in the future to satisfy our working capital needs.

15) **We have made an application for registration of trademark for our logo "** SagarDeep ALLOYS LTD. **" which is still pending with relevant trademark authorities as a result of which we may have lesser recourse to initiate legal proceedings to protect our brand. This may lead to dilution in the brand value in respect of our products in which we may deal in future.**

We operate in an extremely competitive environment, where generating brand recognition is significant element of our business strategy. However we have made an application for registration of trademark for our logo which is still pending with relevant certifying authority and therefore we would not enjoy the statutory protections accorded to a registered trademark and our ability to use our logo may be impaired. For further details please refer to section titled "Government Approvals/Licensing Arrangements" beginning on page 184 of this Draft Prospectus.

16) The Company has not paid any dividend on equity shares and may not pay dividend in future also.

The Company has not paid any dividend on the Equity Shares in the past. Whether our Company pays dividends in the future and the amount of any such dividends, if declared, will depend upon a number of factors, including our results of operations and financial condition, capital requirements, contractual restrictions (including the terms of some of our financing arrangements that restrict our ability to pay dividends) and other factors considered relevant by our Board of Directors and shareholders. There is no assurance that our Company will declare and pay, or have the ability to declare and pay, any dividends on Equity Shares at any point in the future.

17) We do not currently have long term contracts or exclusive supply arrangements with any of our vendors, though we are dependent on a few suppliers. Any major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition.

The major raw materials which are used by the company are Copper scrap and Cathode. The raw material consumption cost is 42.90% of the total Expenditure of the Company for the financial year 2014-15 on a standalone/consolidated basis. Our Company is dependent on a few suppliers for raw materials and we do not currently have long term contracts or exclusive supply arrangements with any of our vendors. Further, we are dependent on adequate and timely deliveries of necessary raw materials or equipment. In the event of a delay, inadequacy or default in deliveries by any of our vendors, we may not be able to obtain substitutes on an adequate and timely basis or on commercially acceptable terms. A major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition.

18) There is risk associated with price fluctuation of raw material and finished product.

In the past, there have been fluctuations in the prices of critical raw materials. Such fluctuations in prices of raw material and the Company's inability to negotiate at optimum market rates may affect its profitability. Similarly, the prices of finished products have also shown price variations, which may impact its profitability.

19) The object of the issue is funded mainly from the proceeds of present public issue. Due to the delay in the public issue, if any, there may be a delay in the schedule of implementation of the project that the company proposes to undertake.

The object of the issue is to be funded mainly from the IPO. Due to the delay in the public issue, there may be a delay in the schedule of implementation of objects of the issue that the company proposes to undertake. Failure to complete the proceeds of the issue according to its schedule, may give rise to potential liabilities, as a result our returns on investments may be lower than originally expected, which may have a material adverse impact on the business operations and profitability of our Company.

20) There may be further equity offerings in the Company which will dilute the shareholding of existing shareholder.

The Company may require further infusion of funds to satisfy its capital needs and future growth plans, which the Company may not be able to procure. Any future equity offerings by the Company may lead to dilution of equity and may affect the market price of the Equity Shares.

21) We have very few permanent employees and we are dependent on contract labour. We are dependent on our Whole Time Directors and key personnel and loss of any of them may adversely affect our business performance.

Our success depends on the continued services and performance of the members of our Whole Time Directors and key employees. If one or more members of our key personnel were unable or unwilling to continue in their present positions, those persons could be difficult to replace with competent employees and our business could be adversely affected. Moreover, we do not own any key person insurance. As such, any loss of our Whole Time Directors or key employees could adversely affect our business, results of operations and financial condition. Also, we do not have permanent employees for the operations of our Manufacturing unit and entire production is dependent on contract labour. If our contractor is not able to provide sufficient contract labour in time then our production could adversely affect our business, results of operations and financial condition.

22) The Registered office is not owned by us.

The registered office is not owned by us. M/s Sagar Metals (Proprietorship concern of Mr. Asamal S Mehta) has taken this premise on lease and has permitted our company to use the

premises. Even the rent agreement between the owner of the property and M/s. Sagar Metals is not available. If the owner of this leased premise does not renew the agreements under which we occupy the premise on terms and conditions acceptable to us, or at all, or dispute the validity of the lease, we may suffer a disruption in our operations.

23) Our business is dependent on our manufacturing facility. The loss of or shutdown of operations at our manufacturing facility may have a material adverse effect on our business, financial condition and results of operations.

Our manufacturing facility is subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, continued availability of services of our external contractors, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. Although we take precautions to minimize the risk of any significant operational problems at our facility, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our facility, including due to any of the factors

24) The Company may face significant competition from a number of sources.

The Metal Sector in India is highly competitive with a large number of players. We expect the competition to intensify and increase from a number of sources. We believe that the principal competitive factors in our markets are price, quality and raw material supply. There are many companies in India, which are present across the value chain and hold a commanding position in the industry; such companies pose a threat to our Company.

25) Failure to comply with environmental laws, rules and regulations may adversely affect our business or operations.

A failure on our part to adequately comply with applicable environmental laws, rules and regulations, could hamper or adversely impact the operations of our Company, and consequently, could adversely affect the Company and its cash flows and profitability

26) The Company may continue to be controlled by our promoter group following this issue and our other shareholders may not be able to affect the outcome of shareholder voting.

After the completion of the Issue, our promoters group will collectively hold approximately 73.62% of the outstanding Equity Shares. Consequently, our Promoters Group, if acting jointly, may exercise substantial control over us and *inter alia* may have the power to elect and remove a majority of our Directors and/or determine the outcome of proposals for corporate action requiring approval of our Board of Directors or shareholders, such as lending and investing policies, revenue budgets, capital expenditure, dividend policy and strategic acquisitions/joint ventures.

27) Our insurance coverage may not adequately protect us against all losses. To the extent that we suffer loss or damage which is not covered by insurance or exceeds our insurance coverage, our results of operations and financial performance could be adversely affected.

Our Company has obtained insurance coverage in respect of certain risks. While we believe that the insurance coverage we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, nor that we have taken out sufficient insurance to cover all material losses. The Company has not taken any insurance for protecting us from future business losses and in the event of such losses occurring, the operations of our Company may be affected significantly. Furthermore, there can be no assurance that we will be able to maintain adequate insurance coverage in the future at acceptable costs. To the extent that we suffer loss or damage for which we do not obtain or maintain insurance or exceeds our insurance coverage, the loss would have to be borne by us and our results of operations and financial performance could be adversely affected.

28) Our Promoters, Directors and Key Managerial Personnel (KMPs) may have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Promoters, Directors and KMPs may be deemed to be interested in our Company to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. Our Promoters, Directors & Key Managerial Personnel are interested in the certain transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled **"Our Management"** and **"Our Promoters and Promoter Group",** beginning on page 92 and 104 respectively and the **"Related Party Transactions"** on page 110 of this Draft Prospectus.

29) We have entered into certain transactions with related parties.

The Company has entered into transactions with related parties. There can be no assurance that the Company could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that the Company will enter into related party transactions in the future and there can be no assurance that such transactions will be on terms favourable to us. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on the Company's financial condition and results of operations. For further information on the transactions with related parties, please refer "Related Party Transactions" on page 110 of this Draft Prospectus.

30) 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.

31) 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 Exchange may fluctuate as a result of the factors, including:

- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Adverse media reports on Company or pertaining to the our Industry;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal policies; and
- Significant developments in India's environmental regulations.

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

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

The Issue Price of our Equity Shares has been determined by fixed price method. This price is be based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 57 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

33) You will not be able to sell immediately on Stock Exchange 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 the Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

34) 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.

B. EXTERNAL RISK FACTORS BEYOND THE CONTROL OF THE COMPANY

Certain factors beyond the control of the Company could have a negative impact on the Company's performance, such as:

35) Changes in Government Policies and political situation in India could adversely affect our business operations.

Since 1991, the Government of India has pursued policies of economic liberalization, including relaxing restrictions on the private sector. The Company cannot assure you that these liberalization policies will continue in future. Protest against liberalization could slowdown the pace of economic development. The rate of economic liberalization could change, specific laws and policies could change, and foreign investment, currency exchange rates and other matters affecting investing in our securities could change as well.

Any adverse change in Government policies relating to our Industry in general may have an impact on the profitability of the industry.

36) Changes in regulations could adversely affect our business operations.

Changes in regulatory environment relating to Metal Sector in and outside the country will significantly impact the business of the Company.

37) Changes in taxation policies could adversely affect our business operations & results of operations.

Statutory taxes and other levies may affect our margin in the event of our inability to factor such expense in our trading margin. Any increase in taxes and/ or levies, or the imposition of new taxes and/ or levies in the future, may have a material adverse impact on our business, results of operations and financial condition.

38) Terrorist attacks, civil unrests and other acts of violence or war in India and around the world could adversely affect the financial markets, result in a loss of business confidence and adversely affect our business, results of operations, financial condition and cash flows.

Terrorist attacks, civil unrests and other acts of violence or war in India and around the world may adversely affect worldwide financial markets and result in a loss of business confidence and ultimately adversely affect our business, results of operations, financial condition and cash flows. India has, from time to time, experienced instances of civil unrest and political tensions and hostilities in some parts of the country and among neighbouring countries. Such political and social tensions could create a perception that investment in Indian companies involves higher degrees of risk could have a possible adverse effect on the Indian economy, future financial performance and the trading prices of our Equity Shares.

39) We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows.

40) Any downgrading of India’s debt rating by an international rating agency could have a negative impact on our business.

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.

41) 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.

42) A slowdown in economic growth in India could cause our businesses to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. As a result, a slowdown in the Indian economy could adversely affect our business. India's economy could be adversely affected by a general rise in interest rates, inflation, natural calamities, increases in commodity prices, and protectionist efforts in other countries or various other factors. In addition, the Indian economy is in a state of transition. It is difficult to gauge the impact of these fundamental economic changes on our business. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business**.**

43) Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

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

44) Trading of Equity Shares will be permitted only in Dematerialized form and shareholders holding Equity Shares in physical form will not be able to trade in such Equity Shares.

Since the Equity Shares of the Company are required to be traded compulsory in demat form, shareholders who hold shares in Physical Form may not be able to trade in such Equity Shares unless they get their holding dematerialized.

C. PROMINENT NOTES

1. Public Issue of 30,00,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. 20/- per Equity Share ("Issue Price") aggregating to Rs. 600.00 Lacs, of which 1,55,000 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 28,45,000 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 26.38% and 25.02%, respectively of the post Issue paid up equity share capital of the Company.
2. This Issue is being made for at least 25% of the post- issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:
   a) Minimum fifty percent to retail individual investors; and
   b) Remaining to other than retail individual investors; and
   c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.
3. In the event of over-subscription, allotment shall be made as set out in paragraph titled "***Basis of Allotment***" beginning on page 214 of the Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. National Stock Exchange of India Ltd. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
4. Net worth of the Company as on September 30, 2015 is Rs. 1739.61 lacs on a standalone basis and Rs. 1666.73 lacs on a consolidated basis. The book value of the Equity Shares of the Company as on September 30, 2015 is Rs. 20.78 per Equity Share on a standalone basis and Rs. 21.54 per Equity Share on a consolidated basis.
5. Except as stated in the section "Capital Structure" on page no.43 of Draft Prospectus, the Company has not issued any Equity Shares for consideration otherwise than for cash.
6. Investors are advised to refer the paragraph on "Basis for Issue Price" on page no. 57 of this Draft Prospectus before making an investment in the Issue.
7. Investors are free to contact the Lead Manager or Registrar to the issue or Compliance Officer for any clarification or information or complaints pertaining to the Issue.
8. Investors may note that allotment and trading in shares of the Company shall be done only in dematerialized form.

9. All information shall be made available by the Lead Manager and the Company 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.
10. The average cost of acquisition of Equity Shares of face value of Rs.10 each by our promoters is given below:

Sr. No.	Name of Promoter	Avg. Cost of Acquisition (Rs.)
1	Mr. Asamal S Mehta	5.28
2	Mr. Satishkumar A Mehta	9.66
3	Mr. Jayeshkumar A Mehta	6.57
4	Mr. Harish A Mehta	26.95

11. There has been no financing arrangements whereby the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing Draft Prospectus with Stock Exchange.
12. Sagardeep Alloys Limited was incorporated as "Sagardeep Alloyes Private Limited" on February 13, 2007. Name of the Company was changed & modified to Sagardeep Alloys Private Limited and fresh certificate of incorporation was issued by Registrar of Companies on June 25, 2009. Thereafter once again a fresh certificate of incorporation consequent upon change of name on conversion of the company to public limited company in the name of the "Sagardeep Alloys Limited" was granted by ROC on April 17, 2012.
13. For Related party transactions, please refer page 110 under heading "Related Party transactions" of the Draft Prospectus. The tabular summary of the Related Party Transactions is as under:

Related Party Transactions (Standalone)

(Rs. in Lacs)

Name of the Party	Nature of Transaction	Amount of Transaction till September 30, 2015	Amount of Transaction in 2014-15
Asamalji Mehta	Interest	-	-
Asamalji Mehta	Remuneration	4.50	9.00
Harish Mehta	Remuneration	4.50	9.00
Jayeshkumar Mehta	Remuneration	4.50	9.00
Sagardeep Engineers Pvt Ltd	Interest & Loan	-	510.20
Sangita Mehta	Share Transfer	-	1.75
Satish Mehta	Share Transfer	-	3.25
Satish Mehta	Remuneration	4.50	9.00
Total		**18.00**	**551.20**

Related Party Transactions (Consolidated)

(Rs. in Lacs)

Name of the Party	Nature of Transaction	Amount of Transaction till September 30, 2015	Amount of Transaction in 2014-15
Asamalji Mehta	Remuneration	4.50	9.00
Harish Mehta	Remuneration	4.50	9.00
Jayeshkumar Mehta	Remuneration	4.50	9.00
Sangita Mehta	Share Transfer	-	1.75
Satish Mehta	Remuneration	4.50	9.00
Satish Mehta	Share Transfer	-	3.25

Total		**18.00**	**41.00**

14. Sagardeep Engineers Pvt Ltd is holding 6,33,500 Equity Shares of Issuer Company. Except this and as disclosed in the section “Related Party Transactions” on page 110 of Draft Prospectus, no group company has any business interest in the Issuer Company.

SECTION III - INTRODUCTION

SUMMARY

The Investor should read the following summary with the Risk Factors included on page no 9 and the more detailed information about the Company and the financial statements included in the Draft Prospectus.

Industry Overview

The Company is operating in metal sector comprising mainly copper industry and steel industry.

COPPER SECTOR

What is Copper?

Copper is a malleable and ductile metallic element that is an excellent conductor of heat and electricity as well as being corrosion resistant and antimicrobial. Copper occurs naturally in the Earth's crust in a variety of forms. It can be found in sulfide deposits (as chalcopyrite, bornite, chalcocite, covellite), in carbonate deposits (as azurite and malachite), in silicate deposits (as chrysycolla and dioptase) and as pure "native" copper.

Copper and copper based alloys are used in a variety of applications that are necessary for a reasonable standard of living. Its continued production and use is essential for society's development.

Copper is one of the most recycled of all metals. It is our ability to recycle metals over and over again that makes them a material of choice. Recycled copper (also known as secondary copper) cannot be distinguished from primary copper (copper originating from ores), once reprocessed. Recycling copper extends the efficiency of use of the metal, results in energy savings and contributes to ensuring that we have a sustainable source of metal for future generations.

Copper is an important contributor to the national economies of mature, newly developed and developing countries. Mining, processing, recycling and the transformation of metal into a multitude of products creates jobs and generates wealth. These activities contribute to building and maintaining a country's infrastructure, and create trade and investment opportunities. Copper will continue to contribute to society's development well into the future

Alloyed with other metals, such as zinc (to form brass), aluminum or tin (to form bronzes), or nickel, for example, it can acquire new characteristics for use in highly specialized applications. In fact, society's infrastructure is based, in part, on copper.

INDIAN SCENERIO

The history of Indian copper industry goes back to 1967 with the incorporation of Hindustan Copper Ltd (HCL) and thereafter acquisition of mines from the public sector National Minerals Development Corporation (NMDC). But, the real twist in copper story took with the opening up this sector for private sector players in 1992 which saw the involvement of Indo Gulf Corporation (now a part of Hindalco Industries) and Sterlite Industries into copper smelting and refining through concentrate imports from various mining-rich countries. ***(Source:*** *metalworld.co.in/feature1-0208.pdf****)***

At present, the demand for copper minerals in the Country for primary copper production is met through two sources i.e. Copper ore mined from indigenous mines and imported concentrates. The indigenous mining activity among the primary copper producers is limited to only Hindustan Copper Limited (HCL). The other primary copper producers in the private sector import the required mineral in the form of concentrate.

Currently, three major players dominate the Indian Copper Industry. Hindustan Copper Limited (HCL) in Public Sector, M/s Hindalco Industries and M/s Sterlite Industries in Private Sector. HCL is the only vertically integrated copper producer in the country, while M/s Hindalco Industries at Dahej in Gujarat and M/s Sterlite Industries in Tuticorn in Tamil Nadu have setup port based smelting and refining

plants. Production of copper cathode by major players in copper industry for the year 2013-14 was 6,44,280 tonnes and during 2014-15 (up to December 2014) are given at Table below

PRODUCTION OF COPPER IN INDIA ***(in tones)***

Commodity	**Number of Factories**	**Installed Capacity**	**Production in 2013-14**	**Production in 2014-15 (upto Dec 2014)**
Cathode HCL	2	49,500	17,005	10,938
Sterlite Industries Ltd.	1	4,00,000	2,94,433	2,65,565
Hindalco India Ltd (Unit : Birla Copper)	1	5,00,000	3,32842	2,87,296
Total		**9,49,500**	**6,44,280**	**5,63,799**

FUTURE OUTLOOK

With the liberalised policies of the Government, the Indian Copper Sector registered a quantum rise in production. The present installed capacity of refined copper has reached at around ten lakh tonnes per year. India's position has shifted from being a net importer of copper to a net exporter. The main demand for refined copper is in the electrical and electronic sectors, construction sector, consumer durables and transport sector. The potential upcoming areas which are likely to boost the internal demand for copper are infrastructure development and railways, power sector, especially rural electrification and information technology sector. At the same time there are potential export markets for refined copper in the Middle-East and South East Asian countries which could be further explored. However, growth in the copper sector is heavily dependent on demand in China.

As per the market survey carried out by Indian Bureau of Mines, the demand of copper by 2016-17 is estimated at one million tonnes based on sectorial growth of copper consumption.
(Source: Indian Minerals Year Book 2014 by Indian Bureau of Mines)

STEEL SECTOR

INDUSTRY STRUCTURE

Steel is an iron based mixture containing two or more metallic and/or non metallic elements usually dissolving into each other when melted. Since it is an iron based alloy—as per its end user requirements—other than iron it may contain one or more other elements such as carbon, manganese, silicon, nickel, lead, copper, chromium, etc. For example, stainless steel (a type of steel) mainly contains chromium that is normally more than 10.5 percent with/without nickel or other alloying elements. Steel is produced using Steel Melting Shop that includes converter, open earth furnace, electric arc furnace and electric induction furnace.

Broadly there are two types of steel according to its composition: alloy steel and non-alloy steel. Alloying steel is produced using alloying elements like manganese, silicon, nickel, chromium, etc. Non-alloy steel has no alloying component in it except that are normally present such as carbon. Non-alloy steel is mainly of three types viz. mild steel (contains upto 0.3% carbon), medium steel (contains between 0.3-0.6% carbons) and high steel (contains more than 0.6% carbon). All types of steel other than mild steel are called special steel. It is mainly because a special care is taken in order to maintain particular level of chemical composition in such steel. This process gives different properties to the steel according to its composition. In India, non-alloying steel constitutes about 95 percent of total finished steel production, and mild steel has large share in it.

According to shape/size/form steel is categorized into different types such as liquid steel, ingots, semis (semi-finished steel) and finished steel. Liquid steel is a first product that comes out from Steel Melting Shop. Liquid steel further goes into ingots, and then ingots advance to semis. Semis are called semi-finished steel products because they are further subject to forging/rolling in order to produce finish steel products such as flat steel products and long steel products. Crude steel generally includes ingots and semis. According to end use, steel is categorized into structural steels, construction steel, deep drawing Steel, forging quality, rail steel, etc.

(Source: Indian Steel Industry, Final Report: January 2009 Indicus Analytics New Delhi by Public Enterprises, Government Policy and Impact on Competition)

THE GROWTH PROFILE

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

Crude steel capacity was 109.85 mt in 2014-15 and India, which emerged as the 3rd largest producer of crude steel in the world in 2015 as per ranking released by the WSA, has to credit, the capability to produce a variety of grades and that too, of international quality standards.

The country is expected to become the 2nd largest producer of crude steel in the world soon, provided all requirements for creation of fresh capacity are adequately met
(Source: An overview of steel sector: Website; Ministry of Steel)

SUMMARY OF BUSINESS OVERVIEW OF OUR COMPANY

Sagardeep Alloys Limited was incorporated as "Sagardeep Alloyes Private Limited" on February 13, 2007 under the Companies Act 1956 with a Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Name of the Company was changed & modified to Sagardeep Alloys Private Limited and fresh certificate of incorporation was issued by Registrar of Companies on June 25, 2009. Thereafter once again a fresh certificate of incorporation consequent upon change of name on conversion of the company to public limited company in the name of the "Sagardeep Alloys Limited" was granted by ROC on April 17, 2012.

The company was incorporated with a view to carry out the manufacturing and trading of copper and brass products such as pipes & tubes and trading of stainless steel, copper, brass and other metal products. The Company started its business activity with trading of SS Scrap, Copper, Aluminum, S.S. Patta and Brass etc in financial year 2008-09. The company is supplying its products in domestic market.

During the year 2009-10, the Company started its manufacturing activities by acquiring the Industrial land located at Santej, Gandhinagar in Gujarat. At present, the Company is engaged in the business of manufacturing of Copper Pipes, Flats, Coils, Rods, Plates and Copper Alloys Consumables and trading of Ferrous and Non ferrous Metals and alloys. The Factory is located at Block No 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Taluka-Kalol, Ghandhinagar-382721, Gujarat (India).

The Company has got ISO 9001:2008 certification for "Manufacturing and Supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloys Consumables and Trading and Supply of Ferrous and Non Ferrous Metals and Alloys" from BSCIC.

The product range of the company includes:

Copper	**Brass**
Pipes / Tubes / Lugs PVC coated Tubes Rods / Coils / Earthing Bus Bars / Forgings / Section Flats / Strips / Plates Anodes / Nuggets/ Fittings	Talley Plates Commercial bronze Gliding Metal Red / Low Brass Cartridge Brass Yellow Brass Muntz Metals
Copper Nickel (Grades: 90/10 & 70/30)	**Stainless Steel**
Copper Nickel Tubes Copper Nickel Pipes Copper Nickel Flats	Pipes / Tubes Sheets / Plates Bars Fittings

Copper Nickel Plates Copper Nickel Pipe Fittings Copper Nickel Round Bars	Duplex & Super Duplex: Rod / Pipe / Plates in grade of 2205/2207 etc

Company's products are industrial in nature and are utilized in various industries such as Air Conditioning and Refrigeration, Engineering & Gas Application etc. Our Clientele list includes some reputed Govt. undertakings, Public Sector undertakings and Engineering Giants.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our restated standalone financial statements as of and for the years ended March 31, 2011, March 31, 2012, March 31, 2013, March 31, 2014, March 31, 2015 and six months ended September 30, 2015 and restated consolidated financial statements as of and for the years ended March 31, 2011, March 31, 2015 and six months ended September 30, 2015. These financial statements have been prepared in accordance with Indian GAAP, applicable provisions of the Companies Act, 1956, Companies Act, 2013 and restated in accordance with the SEBI Regulations, and are presented in the section titled "*Financial Information*" on page 113.

The summary financial information presented below should be read in conjunction with our restated standalone and consolidated financial statements, the notes thereto and the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 171.

Restated Standalone Financial Statements of Assets & Liabilities

(₹ In Lacs)

Particulars	As at					
	September 30, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
I. EQUITY AND LIABILITIES						
1. Shareholders' funds						
(a) Share capital	837.16	837.16	837.16	837.16	837.16	140.00
(b) Reserves and surplus	902.45	893.49	826.67	761.01	697.44	326.23
Sub-Total	**1739.61**	**1730.65**	**1663.83**	**1598.17**	**1534.60**	**466.23**
2. Share application money pending allotment	-	-	-	-	-	60.00
Sub-Total	**-**	**-**	**-**	**-**	**-**	**60.00**
3. Non-current liabilities						
(a) Long-term borrowings	508.52	180.95	-	12.90	23.83	27.91
(b) Deferred tax liabilities (Net)	46.46	28.15	33.42	27.82	20.94	14.21
(c) Long-term provisions	-	-	-	-	-	-
Sub-Total	**554.98**	**209.10**	**33.42**	**40.72**	**44.77**	**42.12**
4. Current liabilities						
(a) Short-term borrowings	1391.62	1482.36	1479.88	1981.98	1835.64	1647.10
(b) Trade payables	733.84	805.86	1714.24	772.35	2157.13	2410.25
(c) Other current liabilities	724.76	83.19	10.71	147.03	29.59	24.75
(d) Short-term provisions	23.36	3.57	13.33	1.00	21.84	44.89
Sub-Total	**2873.58**	**2374.98**	**3218.16**	**2902.36**	**4044.20**	**4126.99**
TOTAL	**5168.17**	**4314.73**	**4915.41**	**4541.25**	**5623.57**	**4695.34**
II. ASSETS						
1. Non-current assets						
(a) Fixed assets	656.41	672.31	374.39	355.62	328.91	337.42
(b) Non-current investments	516.20	5.00	-	-	-	16.80
(c) Long-term loans and advances	44.73	525.46	13.78	12.51	11.28	0.05
(d) Other Non-Current Assets	**-**	**-**	**-**	**-**	**-**	**-**
Sub-Total	**1217.34**	**1202.77**	**388.17**	**368.13**	**340.19**	**354.27**
2. Current assets						
(a) Current investments	-	-	-	-	-	-
(b) Inventories	916.60	267.91	1604.30	1061.21	1970.26	1052.07

(c) Trade receivables	2392.48	2296.15	2767.62	2664.81	3231.96	2505.55
(d) Cash and cash equivalents	30.43	13.23	41.80	33.18	16.62	6.80
(e) Short-term loans and advances	611.32	534.67	113.52	413.92	64.54	776.65
(f) Other current assets	-	-	-	-	-	-
Sub-Total	**3950.83**	**3111.96**	**4527.24**	**4173.12**	**5283.38**	**4341.07**
TOTAL	**5168.17**	**4314.73**	**4915.41**	**4541.25**	**5623.57**	**4695.34**

Restated Standalone Statement of Profit and Losses

(₹ In Lacs)

Particulars	As at					
	September 30, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
I. Revenue from operations						
a) of products manufactured by the issuer	2742.33	5425.77	2609.75	3527.24	4458.20	2999.91
b) of products traded in by the issuer	3370.40	7819.53	12937.45	16519.00	13387.82	10405.57
Total Revenue from Operations	6112.73	13245.30	15547.20	20046.24	17846.02	13405.48
II. Other income	8.36	19.93	14.54	10.06	25.41	34.74
III. Total Revenue (I + II)	6121.09	13265.23	15561.74	20056.30	17871.43	13440.22
Increase / (Decrease) in Inventories	641.90	(1257.79)	378.38	(808.40)	815.17	480.14
IV. Total	6762.99	12007.44	15940.12	19247.90	18686.60	13920.36
V. Expenses:						
Cost of materials consumed	2407.96	5116.83	2383.39	3002.03	3916.41	2672.31
Purchases of Stock-in-Trade/Labour	3706.64	5611.52	12755.95	15589.71	13929.20	10658.50
Staff Costs	29.94	93.14	68.28	62.66	71.22	50.71
Other Manufacturing Expenses	463.44	778.61	366.56	203.35	222.83	157.35
Administration Expenses	21.20	67.67	32.71	38.01	66.89	38.37
Selling & Distribution Expenses	-	-	0.13	3.84	1.51	0.31
Interest Expenses	100.04	260.40	235.29	251.57	200.74	134.12
Total expenses	6729.22	11928.17	15842.31	19151.17	18408.80	13711.67
VI. Profit before extraordinary items and tax (IV - V)	33.77	79.27	97.81	96.73	277.80	208.69
VII. Extraordinary Items-	-	-	-	-	-	0.29
VIII. Profit before tax (VI-VII)	33.77	79.27	97.81	96.73	277.80	208.98
IX. Tax expense:						
(1) Current tax	6.50	16.65	26.55	26.28	83.50	62.37
(2) Deferred tax	18.31	(5.27)	5.60	6.88	6.73	11.25
X. Profit (Loss) for the period (VIII- IX)	8.96	67.89	65.66	63.57	187.57	135.36
XVI. Earning per equity share:						
(1) Basic	0.11	0.81	0.78	0.76	2.66	2.02
(2) Diluted	0.11	0.81	0.78	0.76	2.66	2.02

Restated Standalone Statement of Cash Flow

(₹ In Lacs)

Particulars	As at					
	September 30, 2015	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**	**March 31, 2012**	**March 31, 2011**
CASH FLOW FROM OPERATING ACTIVITIES						
Restated Net profit Before Tax	33.77	79.27	97.81	96.73	277.80	208.98
Adjustments For:						
Depreciation	14.23	36.16	12.57	11.98	11.21	9.36
Preliminary Expenses	-	5.00	-	0.07	0.07	0.07
Interest Received	(1.05)	(0.89)	-	-	(12.23)	(28.70)
Dividend Received	-	-	-	-	(0.30)	(0.11)
Net (gain) / loss on Foreign Exchanges	-	-	-	-	2.00	(0.64)
Net gain / loss on Sale of Investments	-	-	-	-	4.08	(1.68)
Rental income	-	-	-	(0.48)	(0.64)	(0.16)
Interest and Finance Charges	100.04	260.40	235.29	251.57	200.74	134.12
Operating Profit before working capital changes	**146.99**	**379.94**	**345.67**	**359.87**	**482.73**	**321.24**
Adjustment For:						
Decrease/(Increase) in Inventories	(648.69)	1336.39	(543.09)	909.05	(918.19)	(573.76)
Decrease/(Increase) in Trade receivables	(96.33)	471.47	(102.81)	567.15	(726.41)	(1354.65)
Decrease/(Increase) in Short-term loans and advances	(76.65)	(421.15)	300.40	(349.38)	712.11	(738.16)
Decrease/(Increase) in Long Term Loans and Advances	480.73	(511.68)	(1.27)	(1.23)	(11.23)	-
Decrease/(Increase) in Trade Payables	(72.02)	(908.38)	941.89	(1384.78)	(253.12)	1855.78
Decrease/(Increase) in Other Current Liabilities	641.57	72.48	(136.32)	117.44	4.84	4.86
Decrease/(Increase) in Short Term Provisions	19.79	(9.76)	12.33	(20.84)	(23.05)	26.11
Cash Generated from Operations	**395.39**	**409.31**	**816.80**	**197.28**	**(732.32)**	**(458.58)**
Taxes Paid	6.50	16.65	26.55	26.28	83.50	62.37
Net Cash From /(Used In) Operating Activities (A)	**388.89**	**392.66**	**790.25**	**171.00**	**(815.82)**	**(520.95)**
Cash Flow From Investing Activities						
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	1.67	(335.15)	(31.34)	(38.76)	(2.77)	(81.25)
Decrease/(Increase) in Non Current investments	(511.20)	(5.00)	-	-	12.72	(6.30)
Preliminary Expenses Incurred	-	(5.00)	-	-	-	-
Interest Received	1.05	0.89	-	-	12.23	28.70
Dividend Received	-	-	-	-	0.30	0.11
Rental income	-	-	-	0.48	0.64	0.16

Net Cash From /(Used In) Investing Activities (B)	**(508.48)**	**(344.26)**	**(31.34)**	**(38.28)**	**23.12**	**(58.58)**
Cash Flow From Financing Activities						
Proceeds from Issue of Shares	-	-	-	-	536.16	-
Security Premium	-	-	-	-	344.64	-
Interest and Finance Charges	(100.04)	(260.40)	(235.29)	(251.57)	(200.74)	(134.12)
Proceeds / (Repayments) of Share Application Money	-	-	-	-	(60.00)	60.00
(Decrease)/Increase in Short Term Borrowing	(90.74)	2.48	(502.10)	146.34	188.54	632.35
(Decrease)/Increase in Long Term Borrowing	327.57	180.95	(12.90)	(10.93)	(4.08)	24.87
Net gain / loss on Foreign Exchanges	-	-	-	-	(2.00)	0.64
Net Cash From Financing Activities (c)	**136.79**	**(76.97)**	**(750.29)**	**(116.16)**	**802.52**	**583.74**
Net Increase / (Decrease) in Cash (A)+(B)+(C)	**17.20**	**(28.57)**	**8.62**	**16.56**	**9.82**	**4.21**
Cash and Cash equivalents at the beginning of the year	13.23	41.80	33.18	16.62	6.80	2.59
Cash and Cash equivalents at the end of the year	**30.43**	**13.23**	**41.80**	**33.18**	**16.62**	**6.80**

i) The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"

ii) Figures in Brackets represent outflows

iii) The above statement should be read with the restated statement of profit and loss, cash flow statements, significant accounting policies and notes to restated summary statements as appearing in Annexure I, II, respectively.

Restated Consolidated Financial Statements of Assets & Liabilities

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	773.81	773.81	140.00
(b) Reserves and surplus	892.92	882.77	326.23
(c) Minority Interest	-	-	0.49
Sub-Total	**1666.73**	**1656.58**	**466.72**
2. Share application money pending allotment	-	-	60.00
Sub-Total	**-**	**-**	**60.00**
3. Non-current liabilities			
(a) Long-term borrowings	508.52	180.95	27.91
(b) Deferred tax liabilities (Net)	46.46	28.15	14.21
(c) Long-term provisions	-	-	-
(d) Other Non-Current Liabilities	-	-	-
Sub-Total	**554.98**	**209.10**	**42.12**
4. Current liabilities			
(a) Short-term borrowings	1391.62	1482.36	1647.10
(b) Trade payables	745.82	807.55	2410.25
(c) Other current liabilities	724.76	82.88	24.75
(d) Short-term provisions	23.74	3.64	45.04
Sub-Total	**2885.94**	**2376.43**	**4127.14**
TOTAL	**5107.65**	**4242.11**	**4695.98**
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	1061.96	1077.85	337.42
(b) Non-current investments	-	-	
(c) Deferred tax assets (net)	-	-	
(d) Long-term loans and advances	54.28	45.46	0.20
Sub-Total	**1116.24**	**1123.31**	**337.62**
2. Current assets			
(a) Current investments – Shares Quoted	-	-	16.29
(b) Inventories	922.76	274.07	1052.07
(c) Trade receivables	2425.89	2296.15	2505.55
(d) Cash and cash equivalents	31.44	13.83	7.80
(e) Short-term loans and advances	611.32	534.75	776.65
(f) Other current assets	-	-	-
Sub-Total	**3991.41**	**3118.80**	**4358.36**
TOTAL	**5107.65**	**4242.11**	**4695.98**

Restated Consolidated Statement of Profit and Losses

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
I. Revenue from operations			
of products manufactured by the issuer	2742.33	5425.77	2999.91
of products traded by the issuer	3402.22	7819.53	10405.57
Total Revenue from Operation	6144.55	13245.30	13405.48
II. Other income	8.36	19.93	34.74
III. Total Revenue (I + II)	6152.91	13265.23	13440.22
IV. Increase / (Decrease) in Inventories	641.90	(1257.79)	480.14
V. Total (III + IV)	6794.81	12007.44	13920.36
VI. Expenses:			
Cost of materials consumed	2407.96	5116.83	2672.31
Purchases of Stock-in-Trade	3663.58	5611.52	10658.50
Staff Costs	29.94	93.14	50.71
Other Manufacturing Expenses	536.29	778.61	157.35
Administration Expenses	21.50	67.68	38.37
Selling & Distribution Expenses	-	-	0.31
Interest costs	100.04	260.40	134.12
Total expenses	6759.31	11928.18	13711.67
VII. Profit before extraordinary items and tax (V – VI)	35.50	79.26	208.69
VIII. Extraordinary Items-	-	-	0.29
IX. Profit before tax (VII – VIII)	35.50	79.26	208.98
X. Tax expense:			
(1) Current tax	7.04	16.65	62.37
(2) Deferred tax	18.31	(5.27)	11.25
XI. Profit (Loss) for the period (IX – X)	10.15	67.88	135.36
XII. Earning per equity share:			
(1) Basic	0.13	0.88	2.02
(2) Diluted	0.13	0.88	2.02

Restated Consolidated Statement of Cash Flow

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
CASH FLOW FROM OPERATING ACTIVITIES			
Restated Net profit Before Tax and Extraordinary Items	35.50	79.26	208.98
Adjustments For:			
Depreciation	20.94	36.16	9.36
Preliminary Expenses	-	5.00	0.07
Interest Received	(1.05)	(0.89)	(28.70)
Dividend Received	-	-	(0.11)
Net (gain)/loss on foreign exchange	**-**	**-**	(0.64)
Interest and Finance Charges	100.04	260.40	134.12
Profit on sales of shares	-	-	(1.68)
	-	-	(0.16)
Operating Profit before working capital changes	**155.43**	**379.93**	**321.24**
Adjustment For:			
Decrease/(Increase) in Inventories	(648.69)	1330.24	(573.76)
Decrease/(Increase) in Trade receivables	(129.74)	471.46	(1354.65)
Decrease/(Increase) in Short-term loans and advances	(76.57)	(415.97)	(738.16)
Decrease/(Increase) in Long Term Loans and Advances	(8.82)	(12.57)	-
Decrease/(Increase) in Trade Payables	(23.81)	(945.82)	1855.78
Decrease/(Increase) in Other Current Liabilities	641.88	62.12	4.86
Decrease/(Increase) in Short Term Provisions	20.10	-	26.11
Cash Generated from Operations	**(70.22)**	**869.39**	**(458.58)**
Taxes Paid	7.04	16.57	62.37
Net Cash From /(Used In) Operating Activities (A)	**(77.26)**	**852.82**	**(520.95)**
Cash Flow From Investing Activities			
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(5.06)	(589.75)	(81.25)
Decrease/(Increase) in Non Current investments			(6.30)
Preliminary Expenses Incurred	-	(5.00)	-

Interest Received	1.05	0.89	28.70
Dividend Received	-	-	0.11
Rental Income	-	-	0.16
Loans and Advances to others	-	(20.89)	-
Net Cash From /(Used In) Investing Activities (B)	**(4.01)**	**(614.75)**	**(58.58)**
Cash Flow From Financing Activities			
Interest and Finance Charges	(100.04)	(260.40)	(134.12)
Proceeds / (Repayments) of Share Application Money	-	-	60.00
(Decrease)/Increase in Short Term Borrowing	(90.74)	2.48	632.35
(Decrease)/Increase in Long Term Borrowing	327.57	(47.25)	24.87
(Decrease)/Increase in Non-Current Liabilities	(37.92)	37.97	-
Net gain / loss on Foreign Exchanges	**-**	**-**	0.64
Net Cash From Financing Activities (c)	**98.87**	**(267.20)**	**583.74**
Net Increase / (Decrease) in Cash (A)+(B)+(C)	**17.61**	**(29.13)**	**4.21**
Cash and Cash equivalents at the beginning of the year	13.83	42.96	3.59
Cash and Cash equivalents at the end of the year	**31.44**	**13.83**	**7.80**

i) The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"

ii) Figures in Brackets represent outflows

iii) The above statement should be read with the restated statement of profit and loss, cash flow statements, significant accounting policies and notes to restated summary statements as appearing in Annexure I, II, respectively.

THE ISSUE

Equity Shares offered	
Public Issue	**30,00,000 Equity Shares**
Of Which	
Market Maker Reservation Portion	1,55,000 Equity Shares of Rs.10 each for cash at a price of Rs. 20 per equity share aggregating to Rs. 31.00 lacs
Net Issue to the Public	28,45,000 Equity Shares of Rs.10 each for cash at a price of Rs. 20 per equity share aggregating to Rs. 569.00 lacs
Of Which	
Non Retail Portion [(1)]	14,22,500 Equity Shares of Rs.10 each for cash at a price of Rs. 20 per equity share aggregating to Rs. 284.50 lacs*
Retail Portion [(1)]	14,22,500 Equity Shares of Rs.10 each for cash at a price of Rs. 20 per equity share aggregating to Rs. 284.50 lacs**
Equity Shares outstanding prior to the Issue	83,71,600 Equity shares of Rs.10 each
Equity Shares outstanding after the Issue	1,13,71,600 Equity Shares of Rs.10 each
Objects of the Issue	Please see the section entitled "Objects of the Issue" on page 52 of this Draft Prospectus.

Allocation to all categories shall be made on a proportionate basis. For details, please refer to the section "Issue Procedure – Basis of Allotment" on page 214 of this Draft Prospectus.

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

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

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

GENERAL INFORMATION

SAGARDEEP ALLOYS LIMITED

Regd. Office: 205, Pittalaya Bumba, Nr. Madhuram Cinema, Gheekanta, Ahmedabad-380001
There is no change in the registered office address since incorporation.
Tel: +91-79-2562 6304, 2562 6535; **Fax**: +91-79-2562 6535; **E-mail:** secretary@sdalloys.com;
Website: www.sdalloys.com;
Contact Person: Mr. Dileep Panchal, Company Secretary & Compliance Officer

Sagardeep Alloys Limited was incorporated as "Sagardeep Alloyes Private Limited" on February 13, 2007 under the Companies Act 1956 with a Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Name of the Company was changed & modified to Sagardeep Alloys Private Limited and fresh certificate of incorporation was issued by Registrar of Companies on June 25, 2009. Thereafter once again a fresh certificate of incorporation consequent upon change of name on conversion of the company to public limited company in the name of the "Sagardeep Alloys Limited" was granted by ROC on April 17, 2012. Company Incorporation Number (CIN) of the Company is U29253GJ2007PLC050007.

There is no change in the registered office address since incorporation.

The Company is registered with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.

BOARD OF DIRECTORS OF THE COMPANY

Sr. No.	Name	Designation
1.	Mr. Asamal S Mehta	Whole Time Director
2.	Mr. Satishkumar A Mehta	Managing Director
3.	Mr. Jayeshkumar A Mehta	Whole Time Director
4.	Mr. Harish A Mehta	Whole Time Director
5.	Mr. Hemang M Panchal	Non Executive Independent Director
6.	Mr. Hemendra B Patel	Non Executive Independent Director
7.	Ms. Vinita P Maheshwari	Non Executive Independent Director
8.	Mr. Nileshkumar D Patel	Non Executive Independent Director

Please refer the section "Our Promoters and Promoter Group" for profile of promoter directors and section "Our Management" for brief profile of other directors, on page no.104 and 92 respectively of this Draft Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Dileep Panchal
Sagardeep Alloys Limited
205, Pittalaya Bumba, Nr. Madhuram Cinema,
Gheekanta, Ahmedabad-380001
Tel: +91-79-2562 6304, 2562 6535;
Fax: +91-79-2562 6535;
E-mail: secretary@sdalloys.com;
Website: www.sdalloys.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 accounts etc.

CHIEF FINANCIAL OFFICER

Mr. Bhavik R Somani
Sagardeep Alloys Limited

205, Pittalaya Bumba, Nr. Madhuram Cinema,
Gheekanta, Ahmedabad-380001
Tel: +91-79-2562 6304, 2562 6535;
Fax: +91-79-2562 6535;
E-mail: accounts@sdalloys.com;
Website: www.sdalloys.com

LEGAL ADVISOR TO THE COMPANY

Rajendra V. Gurjar, Advocate
206, 2nd Floor, Part 1, Anand Mangal Complex,
B/H Omakar House, Femina Town, C. G. Road, Navrangpura,
Ahmedabad-380009
Tel: +91-79-27412066;
Contact person: Mr. Rajendra V. Gurjar
Email address: rajendravgurjar@yahoo.com

BANKERS TO THE COMPANY

Bank of Baroda
3, Satyawadi Society, Usmanpura,
Ahmedabad – 380013
Tel: +91-79-27551012, 27561670/1840
Fax: +91-79-27560622
E-mail: usmanp@bankofbaroda.com
Contact Person: Mr. Mukesh Chaudhary

ISSUE MANAGEMENT TEAM

BOOK RUNNING LEAD MANAGER

Chartered Capital And Investment Limited
711, Mahakant, Opp V.S. Hospital,
Ellisbridge, Ahmedabad-380 006
Tel: +91-79-2657 5337, 2657 7571
Fax: +91-79-2657 5731
E-mail: sal.ipo@charteredcapital.net
Website: www.charteredcapital.net
Contact Person: Mr. Manoj Kumar Ramrakhyani/Mr. Sagar Bhatt

REGISTRAR TO THE ISSUE

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai 400 078
Tel :+91-22- 61715400, Fax :+91-22- 25960329
E-mail: sal.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Ms. Shanti Gopalkrishnan

STATUTORY AUDITORS OF THE COMPANY

M/s Piyush J Shah & Co.
Chartered Accountants
504-B, Shikhar Complex, Nr. Vadilal House, Mithakhali Six Roads,
Navrangpura, Ahmedabad-380009
Tel: +91-79-26400333
Email: pjshahca@rediffmail.com
Contact Person: Mr. Pyush J Shah

BANKER TO THE ISSUE

Indusind Bank Limited
Cash Management Services,
4th Floor, PNA House, Street no. 17,
Plot N-57, MIDC, Andheri East, Mumbai-400093
Tel: +91-22-61069248
Fax: +91-22-61063315
Email: suresh.esaki@Indusind.com
Contact Person: Mr. Suresh Esaki
www.indusind.com

SELF CERTIFIED SYNDICATE BANKS

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html. For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

BROKER CENTRES/ DESIGNATED CDP LOCATIONS/ DESIGNATED RTA LOCATIONS

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES BETWEEN LMs

Since Chartered Capital And Investment Limited is the sole LM for this Issue, all the Issue related activities are handled by Chartered Capital And Investment Limited.

CREDIT RATING

As this is 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.

EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Auditor, M/s. Piyush J Shah & Co., Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 in this Draft Prospectus in relation to the report dated February 5, 2016 on the restated audited financial statements of our Company and the statement of tax benefits dated December 30, 2015 included in this Draft Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Prospectus.

TRUSTEES

This being an Issue of Equity Shares, appointment of Trustees is not required.

MONITORING AGENCY

As the net proceeds of the Issue will be less than Rs. 50,000 Lacs, as per the SEBI Regulations it is not required that a monitoring agency be appointed by our Company.

APPRAISING ENTITY

None of the objects of the issue has been apprised by any entity.

UNDERWRITING AGREEMENT

Our Company has entered into an Underwriting Agreement dated [●] with the Underwriters for the Equity Shares proposed to be issued through the Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions, as specified therein. The Issue has been 100% underwritten.

The Underwriter(s) have indicated their intention to underwrite the following number of Equity Shares:

Name and Address of the Underwriters	**Indicated Number of Equity Shares to be Underwritten**	**Amount Underwritten (Rs. in lacs)**
Chartered Capital And Investment Limited 711, Mahakant, Opp V.S. Hospital, Ellisbridge, Ahmedabad-380 006 Tel: +91-79-2657 5337, 2657 7571 Fax: +91-79-2657 5731 E-mail: sal.ipo@charteredcapital.net Website: www.charteredcapital.net Contact Person: Mr. Manoj Kumar Ramrakhyani/Mr. Sagar Bhatt [●]	[●] [●]	[●] [●]

In the opinion of our Board of Directors (based on a certificate given by the Underwriter(s)), the resources of the above mentioned Underwriter(s) is sufficient to enable them to discharge its underwriting obligations in full. The above mentioned Underwriter(s) are registered with SEBI and eligible to underwrite as per applicable regulations.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated [●] with the following Market Maker, duly registered with SME segment of NSE to fulfil the obligations of Market Making:

Innovate Securities Pvt Ltd (ISPL)

1st Floor, Devashish, 39, Sardar Patel Nagar,
Nr. Nest Hotel, Navrangpura, Ahmedabad - 380009
Tel: +91-79-26561106, 26421314, 26421315
Fax: +91-79-26423759
Email: innovatescrap@gmail.com
Contact Person: Mr. Amar M. Parikkh
SEBI Reg. No. INB 230700236
Market Maker Reg. No. (SME Segment of NSE): INB 230700236

ISPL, registered with SME segment of NSE will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended and the circulars issued by NSE 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 shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by NSE. Further, the Market Maker shall inform the NSE in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be Rs. 1,00,000. However, the investors with holdings less than Rs. 1,00,000 shall be allowed to offer their holding to the Market Maker 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. 20, the minimum lot size is 5,000 Equity Shares thus minimum depth of the quote shall be Rs. 1,00,000 until the same would be revised by NSE.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker for the quotes given by him.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide buy quote if the shares of Market Maker in our Company reaches to 25% of Issue Size (including the 5% issue size out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of issue size would not be taken into consideration of computing the threshold of 25% of Issue Size. Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold. As soon as the Equity Shares of the Market Maker in our Company reduce to 24% of Issue Size, Market Maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
6. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, ISPL is acting as the sole Market Maker.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Stock Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Stock Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
    In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI ICDR Regulations. Further our Company and the Lead Manager reserve the right to appoint another Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.
11. NSE SME Exchange will have all margins which are applicable on the NSE Main Board viz. Mark-to- Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
12. Punitive Action in case of default by Market Makers: Stock 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 Stock 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 Stock Exchange from time to time. The Stock Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Stock 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. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 25,000 Lacs, 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 NSE SME Exchange/ Platform.

Sr. No.	Market Price Slab (In Rs.)	Proposed Slab (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 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 crores	25%	24%
Rs. 20 to Rs. 50 crores	20%	19%
Rs. 50 to Rs. 80 crores	15%	14%
Above Rs. 80 crores	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/NSE from time to time.

CAPITAL STRUCTURE

The Share Capital Structure of the Company as on date of filing this Draft Prospectus with SEBI is as below:

(Rs. in lacs)

	Share Capital	Aggregate Nominal Value	Aggregate Value including premium
A.	**Authorised Share Capital** 2,00,00,000 Equity Shares of Rs.10 each	2000.00	
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue** 83,71,600 Equity Shares of Rs.10 each fully paid-up	837.16	
C.	**Issue in terms of this Draft Prospectus** 30,00,000 Equity Shares of Rs.10 each	300.00	**600.00**
	Of which:		
	Market Maker Reservation portion of 1,55,000 Equity Shares	15.50	**31.00**
	Net issue of 28,45,000 Equity Shares		
	Of which:		
	(i) Non Retail Portion of up to 14,22,500 Equity Shares	142.25	**284.50**
	(ii) Retail Portion of at least 14,22,500 Equity Shares	142.25	**284.50**
D.	**Issued, Subscribed and Paid-Up Share Capital after the Issue** 1,13,71,600 Equity Shares of Rs.10 each	1137.16	**1941.80**
E.	**Share Premium Account** Before the Issue After the Issue	504.64 **804.64**	

Change in Authorised Share Capital

1. The initial authorized share capital of the Company was Rs.1,00,000 divided into 10,000 equity shares of Rs.10 each.
2. The authorized share capital of Rs. 1,00,000 divided into 10,000 equity shares of Rs.10 each was increased to Rs.1,00,00,000 divided into 10,00,000 equity shares of Rs.10 each pursuant to a resolution of shareholders passed at the EGM held on January 22, 2009.
3. The authorized share capital of Rs.1,00,00,000 divided into 10,00,000 equity shares of Rs.10 each was increased to Rs.1,50,00,000 divided into 15,00,000 equity shares of Rs.10 each pursuant to a resolution of shareholders passed at the EGM held on January 21, 2010.
4. The authorized share capital of Rs. 1,50,00,000 divided into 15,00,000 equity shares of Rs.10 each was increased to Rs.2,00,00,000 divided into 20,00,000 equity shares of Rs.10 each pursuant to a resolution of shareholders passed at the EGM held on April 25, 2011.
5. The authorized share capital of Rs. 2,00,00,000 divided into 20,00,000 equity shares of Rs.10 each was increased to Rs.20,00,00,000 divided into 2,00,00,000 equity shares of Rs.10 each pursuant to a resolution of shareholders passed at an EGM held on February 6, 2012.

Our current authorized share capital is sufficient to meet the requirements of the Public Issue.

Notes to Capital Structure

1. Share Capital history of the Company.

The current capital structure of the Company is built up as under.

Date of Allotment of Equity	No of Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of consid	Reasons for allotment	Cumulative no of Shares	Cumulative paid up share capital	Cumulative Share Premium

Shares				eration			(Rs.)	(Rs.)
February 13, 2007	10,000	10	10	Cash	Subscription to Memorandum [1]	10,000	1,00,000	Nil
February 3, 2009	9,90,000	10	10	Cash	Preferential Allotment[2]	10,00,000	1,00,00,000	Nil
March 19, 2010	1,00,000	10	50	Cash	Preferential Allotment[3]	11,00,000	1,10,00,000	4000000
March 30, 2010	3,00,000	10	50	Cash	Preferential Allotment[4]	14,00,000	1,40,00,000	16000000
May 30, 2011	4,00,000	10	62.5	Cash	Preferential Allotment[5]	18,00,000	1,80,00,000	37000000
March 22, 2012	53,10,000	10	Nil	Bonus	Bonus Issue (295:100) [6]	71,10,000	7,11,00,000	Nil
March 29, 2012	12,61,600	10	50	Cash	Preferential Allotment[7]	83,71,600	8,37,16,000	50464000

[1] Mr. Asamal S Mehta and Mr. Satishkumar A Mehta were allotted 5000 Equity Shares each pursuant to their subscription to our Memorandum

[2] Preferential Allotment of 300000 Equity Shares to Mr. Asamal S Mehta, 300000 Equity Shares to Mr. Satishkumar S Mehta and 390000 Equity Shares to Mr. Jayeshkumar A Mehta

[3] Preferential Allotment of 100000 Equity Shares to Mr. Mahesh Kanungo

[4] Preferential Allotment of 4000 Equity Shares to Mr. Satishkumar A Mehta, 16000 Equity Shares to Mr. Palak N Gajjar, 50000 Equity Shares to Yankee Management Services Pvt Ltd, 40000 Equity Shares to Shree Salasar Balaji Apparels Pvt Ltd, 100000 Equity Shares to Gujarat Jhaveri Spinners Ltd, 50000 Equity Shares to Ranakpur Securities Limited and 40000 Equity Shares to Ahinsa Share & Stock Broking Pvt Ltd

[5] Preferential Allotment of 80000 Equity Shares to Mr. Vagharam Suthar, 80000 Equity Shares to Mr. Vijay B Sankhla, 160000 Equity Shares to Mr. Palak N Gajjar and 80000 Equity Shares to Mr. Mahen B Konar

[6] Pursuant to Bonus in the ration of 295 Equity Shares for every 100 Equity Shares held in the company, allotment of 1029550 Equity Shares to Mr. Satishkumar A Mehta, 1064950 Equity Shares to Mr. Asamal S Mehta, 1209500 Equity Shares to Mr. Jayeshkumar A Mehta, 177000 Equity Shares to Ms. Rekha J Mehta, 236000 Equity Shares to Ms. Sangita S Mehta, 59000 Equity Shares to Mr. Ramesh A Mehta, 59000 Equity Shares to Mr. Harish A Mehta, 59000 Equity Shares to Jayesh A Mehta HUF, 59000 Equity Shares to Satish A Mehta (HUF), 59000 Equity Shares to Ms. Ugamdevi A Mehta, 59000 Equity Shares to Mehta Aashmalji S HUF, 59000 Equity Shares to Ms. Rinika Mehta, 472000 Equity Shares to Sagardeep Infradevelopers Pvt Ltd (Now Bhakti Metals Pvt Ltd), 472000 Equity Shares to Sagardeep Engineers Pvt Ltd and 236000 Equity Shares to AAS Infradevelopers Pvt Ltd (now Shakti Stainless Pvt Ltd)

[7] Preferential Allotment of 41000 Equity Shares to Mr. Asamal S Mehta, 470000 Equity Shares to Mehta Aashmalji S HUF, 49000 Equity Shares to Mr. Harish A Mehta, 132000 Equity Shares to Mr. Jayeshkumar A Mehta, 128000 Equity Shares to Jayesh A Mehta HUF, 23000 Equity Shares to Mr. Ramesh A Mehta, 3000 Equity Shares to Ms. Rekha J Kanungo, 50000 Equity Shares to Ms. Rekha J Mehta, 1500 Equity Shares to Sagardeep Engineers Pvt Ltd, 10600 Equity Shares to Sagardeep Infradevelopers Pvt Ltd, 13500 Equity Shares to Ms. Sangita S Mehta, 200000 Equity Shares to Mr. Satishkumar A Mehta and 140000 Equity Shares to Satish A Mehta (HUF)

Details of Capitalization of the reserves/profit & loss account are as following:

Date of allotment of Bonus shares	Ratio of Bonus Issue	Number of Equity Shares issued as Bonus Shares	Face Value of the Share (Rs.)	Amount of Reserve /profit and loss account capitalised (Rs.)
March 22, 2012	295:100	53,10,000	10	5,31,00,000

The details of bonus issues made by the company and amount debited to P & L account & Reserve are explained in the below mentioned table:

(Rs. in lacs)

Bonus Issue made during the year	**531.00**

By capitalization of	
Profit & Loss Account	161.00
Share Premium Account (General Reserve)	370.00
Total Bonus Issue made during the year	**531.00**

2. Issue of Equity Shares in the last one year

The Company has not issued any share to any person during last one year.

3. Shareholding of the Promoters and Lock-in

(a) Details of the buildup of Promoters shareholding

Sr. No.	Name of Promoter	Date of Allotment/ Transfer/ Date when made fully paid up	No of Shares	Nature of Allotment (Rights, Bonus, Preferential etc.)	Consideration	Face Value	Issue / Purchase / Transfer Price	% Of Pre Issue Capital	% Of Post Issue Capital	Source of Funds Contributed
1	Mr. Asamal S Mehta	February 13, 2007	5000	Subscription to Memorandum	Cash	10	10	0.06	0.04	Owned Fund
		February 3, 2009	300000	Preferential Allotment	Cash	10	10	3.58	2.64	Owned Fund
		September 16, 2011	40000	Transfer[1]	Cash	10	50	0.48	0.35	NA
		March 15, 2012	16000	Transfer[2]	Cash	10	40	0.19	0.14	NA
		March 22, 2012	1064950	Bonus	NA	10	Nil	12.72	9.36	NA
		March 29, 2012	41000	Preferential Allotment	Cash	10	50	0.49	0.36	Conversion of loan
		Total (A)	**1466950**					17.52	12.90	
	[1]On September 16, 2011, Ahinsa Share & Stock Broking Pvt Ltd transferred 40000 Equity Shares to Mr. Asamal S Mehta									
	[2]On March 15, 2012, Mr. Palak N Gajjar transferred 16000 Equity Shares to Mr. Asamal S Mehta									
2	Mr. Satishkumar A Mehta	February 13, 2007	5000	Subscription to Memorandum	Cash	10	10	0.06	0.04	Owned Fund
		February 3, 2009	300000	Preferential Allotment	Cash	10	10	3.58	2.64	Owned Fund
		March 30, 2010	4000	Preferential Allotment	Cash	10	50	0.05	0.04	Owned Fund
		September 16, 2011	40000	Transfer[3]	Cash	10	50	0.48	0.35	NA
		March 22, 2012	1029550	Bonus	NA	10	Nil	12.30	9.05	NA
		March 29, 2012	200000	Preferential Allotment	Cash	10	50	2.39	1.76	Conversion of loan
		Total (B)	**1578550**					**18.86**	**13.88**	
	[3]On September 16, 2011, Shree Salasar Balaji Apparels Pvt Ltd transferred 40000 Equity Shares to Mr. Satishkumar A Mehta									

3	Mr. Jayeshkumar A Mehta	February 3, 2009	390000	Preferential Allotment	Cash	10	10	4.66	3.43	Owned Fund
		September 16, 2011	20000	Transfer[4]	Cash	10	50	0.24	0.18	NA
		March 22, 2012	1209500	Bonus	NA	10	Nil	14.45	10.64	NA
		March 29, 2012	132000	Preferential Allotment	Cash	10	50	1.58	1.16	Conversion of loan
		Total (C)	**1751500**					**20.92**	**15.40**	
	[4]On September 16, 2011, Yankee Management Services Pvt Ltd transferred 20000 Equity Shares to Mr. Jayeshkumar A Mehta									
4	Mr. Harish A Mehta	September 16, 2011	20000	Transfer[5]	Cash	10	50	0.24	0.18	NA
		March 22, 2012	59000	Bonus	NA	10	Nil	0.70	0.52	NA
		March 29, 2012	49000	Preferential Allotment	Cash	10	50	0.59	0.43	Conversion of loan
		Total (D)	**128000**					**1.53**	**1.13**	
	[5]On September 16, 2011, Yankee Management Services Pvt Ltd transferred 20000 Equity Shares to Mr. Harish A Mehta									
		Total (E)=(A+B+C+D)	**4925000**					**58.83**	**43.31**	

As on date of this Draft Prospectus, none of the Equity Shares held by the Promoters have been pledged to any person, including banks and financial institutions.

(b) Details of Promoters Contribution Locked in for 3 Years

Pursuant to the Regulation 36(a) of the SEBI Regulations, an aggregate of 20.18% of the Post-Issue Equity Share capital of the Company shall be locked in for a period of three years. The details of the Promoters' Equity Shares locked-in for a period of three years are as follows:

Sr. No.	Name of Promoter	Date of Allotment/ Transfer/ Date when made fully paid up	No of Shares	Nature of Allotment (Rights, Bonus, Preferential etc.)	Consideration	Face Value	Issue / Purchase / Transfer Price	% Of Pre Issue Capital	% Of Post Issue Capital
1	Mr. Asamal S Mehta	March 22, 2012	1064950	Bonus	NA	10	Nil	12.72	9.36
2	Mr. Satishkumar A Mehta	March 22, 2012	1029550	Bonus	NA	10	Nil	12.30	9.05
		March 29, 2012	200000	Preferential Allotment	Cash	10	50	2.39	1.76
		Grand Total	**2294500**					**27.41**	**20.18**

The lock-in shall start from the date of allotment in the proposed public issue & the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. The Equity Shares to be locked-in for a period of three years have been computed as 20.18% of the equity capital after the issue.

Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as promoters under the SEBI Regulations. Our Promoters have given their written consent for inclusion of the aforesaid Equity Shares as a part of Promoter's contribution which is subject to lock-in for a period of 3 years.

The Company hereby confirms that the minimum Promoters' contribution of 20.18% of the post-Issue Capital, which is subject to lock-in for three years are not ineligible in term of regulation 33 of SEBI (Issue of Capital and Disclosure requirements) Regulations, 2009 and does not consist of :

(a) Equity Shares acquired within three years before the filing of the Draft Prospectus with SEBI for consideration other than cash and revaluation of assets or capitalisation of intangible assets or resulting from a bonus issued by utilization of revaluation reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are ineligible for minimum Promoter's contribution.
(b) Securities acquired by the Promoters, during the preceding one year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue.
(c) Equity Shares issued to the Promoters on conversion of partnership firms into limited company.
(d) Pledged Equity Shares held by the Promoters.

(c) Details of Shares locked-in for one year:

In terms of regulation 36 (b) & 37 of the SEBI (ICDR) Regulations, 2009, in addition to 20.18% of post-issue shareholding of the Company held by the Promoters for three years, as specified above, the entire pre-issue issued equity share capital of the Company, including the shareholding of persons falling under promoters and promoter group, will be locked in for a period of one year.

The lock-in shall start from the date of allotment in the proposed public issue & the last date of lock-in shall be reckoned as one year from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. The Promoters/promoter group shareholder have given their written consent for lock-in for a period of 1 year.

The Promoters have given an undertaking and have agreed not to sell / transfer /pledge /or dispose of in any manner, Equity Shares forming part of the Promoters' contribution from the date of filing of the Draft Prospectus till the date of commencement of lock-in as per the SEBI Regulations.

(d) Other requirements in respect of lock-in

The share certificates which are subject to lock-in shall contain the inscription "non transferable" and the lock-in period and in case such specified securities are dematerialised, we will ensure that lock-in is recorded by the depository as per Regulation 35(2) of the SEBI Regulations.

In terms of regulation 39 of the SEBI ICDR Regulations, Equity Shares held by promoters and locked-in may be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution, subject to the following:

(a) if the Equity Shares are locked-in for a period of three years as mentioned above, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and pledge of Equity Shares is one of the terms of sanction of the loan;
(b) If the Equity Shares are locked-in for a period of one year as mentioned above, the pledge of Equity Shares is one of the terms of sanction of the loan.

In terms of regulation 40 of the SEBI ICDR Regulations, Subject to the provisions of Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011, the Equity Shares held by promoters and locked-in as per regulation 36 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer and the Equity Shares held by persons other than promoters and locked-in as per regulation 37 may be transferred to any other person holding the Equity Shares which are locked-in along with the Equity Shares proposed to be transferred.

However, the lock-in on such Equity Shares shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated in these regulations has expired.

4. The following Directors hold Equity Shares in their individual capacity, as on the date of this Draft Prospectus:

Sr. No.	Name of Director	No. of Equity Shares
1	Mr. Asamal S Mehta	1466950
2	Mr. Satishkumar A Mehta	1578550
3	Mr. Jayeshkumar A Mehta	1751500
4	Mr. Harish A Mehta	128000
	Total	**4925000**

5. Details of Shares held by Promoter and Promoter Group.

Sr. No.	Name of the Promoters/Promoter group	No. of shares
1.	Mr. Asamal S Mehta	1466950
2.	Mr. Satishkumar A Mehta	1578550
3.	Mr. Jayeshkumar A Mehta	1751500
4.	Mr. Harish A Mehta	128000
5.	Ms. Ugamdevi A Mehta	1040600
6.	Sagardeep Engineers Pvt Ltd	633500
7.	Mehta Aashmalji S HUF	549000
8.	Ms. Sangita S Mehta	329500
9.	Ms. Rekha J Mehta	287000
10.	Satish A Mehta (HUF)	219000
11.	Jayesh A Mehta HUF	207000
12.	Mr. Ramesh A Mehta	102000
13.	Ms. Rinika H Mehta	79000
	Total	**8371600**

6. Shareholding pattern of the Company.

The table below presents shareholding pattern of the Company as on the date of Draft Prospectus:

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class: Equity	Class : NA	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	13	8371600	0	0	8371600	100.0000	8371600	0	8371600	100.0000	0	100.0000	0	0.0000	0	0.0000	8371600
(B)	Public	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C)	Non Promoter - Non Public				0			0	0	0	0.0000	0	0.0000		0.0000	0	0.0000	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
	Total	13	8371600	0	0	8371600	100.0000	8371600	0	8371600	100.0000	0	100.0000	0	0.0000	0	0.0000	8371600

7. Equity Shares held by top ten shareholders

The list of top 10 shareholders of the Company and the number of Equity Shares held by them as on the date of filing and 10 days prior to the date of filing of Draft Prospectus is as under:

Sr. No.	Name of Shareholder	No. of Shares	% of paid up capital
1.	Mr. Jayeshkumar A Mehta	1751500	20.92
2.	Mr. Satishkumar A Mehta	1578550	18.86
3.	Mr. Asamal S Mehta	1466950	17.52
4.	Ms. Ugamdevi A Mehta	1040600	12.43
5.	Sagardeep Engineers Pvt Ltd	633500	7.57
6.	Mehta Aashmalji S HUF	549000	6.56
7.	Ms. Sangita S Mehta	329500	3.94
8.	Ms. Rekha J Mehta	287000	3.43
9.	Satish A Mehta (HUF)	219000	2.62
10.	Jayesh A Mehta HUF	207000	2.47
	Total	**8059600**	**96.31**

The list of top 10 shareholders of the Company and the number of Equity Shares held by them two years prior to the date of filing of Draft Prospectus is as under:

Sr. No.	Name of Shareholder	No. of Shares	% of paid up capital
1	Mr. Jayeshkumar A Mehta	1751500	**20.92**
2	Mr. Satishkumar A Mehta	1578550	**18.86**
3	Mr. Asamal S Mehta	1466950	**17.52**
4	Bhakti Metals Pvt Ltd	642600	**7.68**
5	Sagardeep Engineers Pvt Ltd	633500	**7.57**
6	Mehta Aashmalji S HUF	549000	**6.56**
7	Ms. Sangita S Mehta	329500	**3.94**
8	Shakti Stainless Pvt Ltd	316000	**3.77**
9	Ms. Rekha J Mehta	287000	**3.43**
10	Satish A Mehta (HUF)	219000	**2.62**
	Total	**7773600**	**92.86**

8. Details of transactions in Equity Shares by the Promoters and Promoter Group of the Company

Other than the transfer as mentioned below, there are no Equity Shares that have been purchased or acquired by the Promoter Group and/or the Directors and/or the immediate relatives of the Directors (as defined under Regulation 2(1)(zb)(ii) of the ICDR Regulations) within the last six months preceding the date of filing the Draft Prospectus with the Stock Exchange:

Name of transferor	Name of transferee	Date of transaction	No. of shares	Issue price
Ms. Rekha J Kanungo	Ms. Ugamdevi A Mehta	September 15, 2015	3000	20

9. No share has been allotted by the Company to any person in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.

10. The Company has not re-valued its assets since inception and has not issued any shares out of the revaluation reserves.

11. There has been no financing arrangements whereby the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing Draft Prospectus with the Stock Exchange.

12. Neither the Company, its Promoters, its Directors, nor the LM have entered into any buy-back and/or standby arrangements for purchase of Equity Shares of the Company offered through this Draft Prospectus.

13. An applicant cannot make an application for more than the number of Equity Shares offered through the issue, subject to the maximum limit of investment prescribed under relevant laws applicable to

each category of investor.

14. Under-subscription, if any, in any category would be met with spill over from other categories at the sole discretion of the Company in consultation with the LM.
15. In case of over-subscription, allotment will be on proportionate basis as detailed in Para on "Basis of Allotment". An over-subscription to the extent of 10% of the Issue Size can be retained for the purpose of rounding off to the nearer multiple of 5000 Equity Shares (which is minimum allotment lot), while finalizing the allotment.
16. The Company has not raised any bridge loan against the proceeds of the Issue.
17. The Company does not have any ESOS/ESPS scheme for its employees and it does not intend to allot any shares to its employees under ESOS/ESPS scheme from the proposed issue. As and when, options will be granted to its employees under the ESOP scheme, the Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
18. The company presently does not have any intention or proposal to alter its capital structure for a period of six months from the date of opening of the issue, by way of split/consolidation of the denomination of Equity Shares or further Issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise, except that the company may issue options to its employee pursuant to any employee stock option plan, or if the company goes for acquisitions, joint ventures or strategic alliances, subject to necessary approvals, it might consider raising additional capital to fund such activity or use share as currency for acquisition and/or participation in such joint venture or strategic alliance or for regulatory compliances.
19. All the existing Equity Shares of the Company are fully paid up. The Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment.
20. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the Draft Prospectus to Stock Exchange until the Equity Shares issued/ to be issued pursuant to the Issue have been listed.
21. The company has not issued any Equity shares out of revaluation reserves. Except as stated in the section "Capital Structure" on page no.43 of Draft Prospectus, the Company has not issued any Equity Shares for consideration otherwise than for cash.
22. At any given point of time, there shall be only one denomination for the Equity Shares of the Company. The Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.
23. The company has 13 members as on the date of filing of the Draft Prospectus with Stock Exchange.
24. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares.
25. LM or their associates does not hold any Equity Share in the Company.

OBJECTS OF THE ISSUE

The Company intends to utilize proceeds of the issue to meet the following objects:

- Long Term Working Capital requirements of the Company;
- Issue Expenses.

Additionally we are seeking to achieve the benefits of listing, which we believe, would enhance our brand equity and provide liquidity to our shareholders.

The main object clauses of our Memorandum of Association enables us to undertake the activities proposed pursuant to the objects of the Issue, for which the funds are being raised pursuant to this Issue. Our existing activities are within the ambit of the objects clause of the Memorandum of Association of our Company.

The fund requirements and the intended use of the Issue Proceeds as described herein are based on management estimates and our current business plans. The fund requirements and intended use of Issue Proceeds have not been appraised by any bank or financial institution. In view of the competitive and dynamic nature of the industry, we may have to revise our expenditure and fund requirements as a result of variations in the cost structure, changes in estimates and external factors, which may not be within the control of our management. This may entail rescheduling and revising the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our management subject to compliance of various applicable rules & regulations. In addition, the estimated dates of completion of various projects as described herein are based on management's current expectations and are subject to change due to various factors, some of which may not be in our control.

In case of any variation in the actual utilization of funds earmarked for the above activities, including on account of cost overruns in the object for which the investment is being made, increased fund deployment for a particular activity may be met with surplus funds, if any, available in the other activities, or from internal accruals, debt or equity.

Funds Requirement

The total fund requirement is as under:

(Rs in Lacs)

Activity	Total Fund requirement	Fund already deployed[#]	Estimated schedule of deployment of Balance fund	
			2015-16	2016-17
Long Term Working Capital requirements	600.00	Nil	0	600.00
Issue Expenses	32.00	6.45	25.55	Nil
Total	632.00	6.45	25.55	600.00

certified as per Auditor's Certificate dated January 25, 2016

Means of finance

We intend to finance the fund requirement for Objects of the Issue in the following manner:

(Rs. in Lacs)

Manner of Funding	Amount of Funding
Proceeds of the Issue	600.00
Internal Accruals	32.00
Total	**632.00**

The means of finance includes proceeds of the issue and internal accrual of the company and hence we are complying with the Regulation (VII)(C)(1) of Schedule VIII of SEBI (ICDR) Regulations, 2009.

(A) LONG TERM WORKING CAPITAL REQUIREMENTS OF THE COMPANY

Presently our company is availing the working capital facilities for the existing operations from Bank of Baroda as stated in the section "Financial information of the Company" on page no. 113 of this Draft Prospectus. These limits and our internal accruals are adequate to meet our existing working capital requirement. However, the Company will utilize a part of the Issue proceeds to meet part of the long term working capital requirement which has been estimated as under:

(Rs. In Lacs)

Particulars	Standalone		
	F.Y. 2014-15	F.Y. 2015-16	F.Y. 2016-17
	Audited	Estimated	Projected
CURRENT ASSETS			
Raw Material & Packing Material	182.10	232.68	289.64
Work in progress	42.79	54.68	68.06
Finished Goods	43.02	54.97	68.43
Total Inventories (A)	267.91	342.33	426.13
Receivable	2296.15	3125.00	3250.00
Advance & Deposits	534.67	374.00	498.38
Total Receivable (B)	2830.82	3499.00	3748.38
Other Current Assets (C)	13.23	171.58	473.24
Total Current Assets (D)	3111.96	4012.91	4647.75
CURRENT LIABILITIES			
Creditors	805.86	905.32	1280.86
Other Current Liabilities	86.76	58.87	85.82
Total Current Liabilities (E)	892.62	964.19	1366.68
Net Working Capital Requirement (D-E)	2219.34	3048.72	3281.07
Incremental Working Capital Requirement*		829.38	232.35
Funding Pattern			
Bank Borrowing	1482.36	1500.00	1500.00
Internal Cash Accrual	736.98	1548.72	1181.07
Proposed to be funded from Public Issue	-	-	600.00
Total Funding	2219.34	3048.72	3281.07

**Incremental Working Capital Requirement is calculated by subtracting Current year Net Working Capital requirement from Previous year Net Working Capital Requirement.*

We are currently having bank sanctions for our working capital limits to the extent of Rs.1500.00 lacs by our Bankers, Bank of Baroda. We are proposing to raise part of the working capital requirements to the extent of about Rs.600.00 Lacs from the public issue.

Reasons for raising additional working capital:

With the increase in scale of operations, we will require additional money for working capital. As seen from the table above, the total requirement of working capital for the FY 2016-17 is Rs.3281.07 lacs, of which the company intends to have bank finance to the extent of Rs.1500.00 lacs, Rs.1181.07 lacs through internal cash accruals and balance amount of Rs.600.00 lacs from the proposed public issue.

Basis of estimation of working capital requirement:

Based on estimation and current financial position, we have worked out the requirement of working capital. The said working capital shall be partly funded through banking sources by way of bank borrowings and partly by us as in the form of internal cash accrual as well as proceeds from the proposed public issue.

Assumptions for Holding Levels:

(In Months)

Particulars	Holding Level as of March-14	Holding Level as of March-15	Holding Level as of March-16	Holding Level as of March-17

Current Assets				
Inventories - Raw Material	6	6	6	5
Inventories - WIP	-	5	4	4
Inventories – FG	30	2	3	3
Trade Receivables	64	62	75	59
Current Liabilities				
Trade Payables	40	26	24	26

Our Company proposes to utilize Rs. 600.00 Lacs of Issue Proceeds towards working Capital requirements for meeting our business requirements. The Incremental Working capital requirements are based on historical company data and estimation of the future requirements in financial year 2016-17 considering growth in activities of our company and in line with norms accepted by our banker(s). Our company has assumed inventory level of 3 days for the financial year 2016-2017.

Our Debtor cycle was 62 days in the Financial Year 2014-2015. We have assumed our debtor cycle will be 75 and 59 days in 2015-16 and 2016-17 respectively. 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:

Assets – Current Assets	
Inventories	In FY 2016-17 the Raw Material Inventory holding period is expected to go down from 6 days in FY 2015-16 (Estimated) and 6 days in FY 2014-15 to 5 days. In FY 2016-17 the Work in Progress holding period is expected to go down from 5 days in FY 2015-16 (Estimated) and FY 2014-15 to 4 days. Further the Finished Goods holding days is expected to go up from 2 days in FY 2014-15 to 3 days in FY 2015-16 (Estimated) and FY 2016-17.
Trade Receivables	In FY 2015-16(Estimated) the trade receivables holding period is expected to go up to 75 days as compared to 62 days in FY 2014-15 as there is slowdown in metal industries at global level but expected to increase in Economy and the same will be reduced to 59 days in FY 2016-17.
Liabilities – Current Liabilities	
Trade Payables	We expect that suppliers for the raw material will be provide the on lower in FY 2015-16 (Estimated) and same credit period in FY 2016-17 as compared to FY 2014-15.

(B) ISSUE EXPENSES

The total expenses of the Issue are estimated to be approximately Rs. 32.00 lacs. The expenses of the Issue include, among others, payment to merchant banker, underwriting and selling commission, printing and distribution expenses, advertising & marketing expenses and others. All expenses with respect to the Issue will be allocated on the following basis:

Sr. No.	Activity	Total (Rs. in Lacs)
1.	Payment to Merchant Banker, underwriting and selling commission, Advertising and marketing expenses, Printing including distribution costs	26.50
2.	Others (Registrar's fee, Market Maker, Legal Advisor, Regulatory fee, etc.)	5.50
	Total estimated Issue expenses	**32.00**

Schedule of Implementation

Our company proposes to incur expenses on issue expenses in the year 2015-16 and for long term working capital in the year 2016-17.

Details of funds already deployed & Sources of funds deployed

The funds deployed as on January 25, 2016, towards the object of this issue as certified by the Statutory Auditors of our Company, viz. M/s Piyush J Shah & Co., Chartered Accountants vide their certificate dated January 25, 2016 is given below:

Sr. No.	Particulars of expenditure	Amount (Rs. In Lacs)
1	Issue Expenses	6.45
	TOTAL	6.45

Sources of the above expenditure are as follows:

Sr. No.	Particulars of Source	Amount (Rs. In Lacs)
1	Internal Accrual	6.45

Appraisal Report

None of the Objects of the issue for which Issue Proceeds will be utilized have been financially appraised and the estimates of the costs of Objects of the issue mentioned above are based on internal estimates of the management of the Company.

Bridge Loan

We have not entered into any bridge loan facility that will be repaid from the Issue Proceeds.

Interim use of Issue proceeds

Pending utilization for the purposes described above, we intend to deposit the Issue Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Issue Proceeds for any investment in the equity markets.

Monitoring of utilization of funds

As the size of the Issue does not exceed Rs. 50,000 lacs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Issue Proceeds.

Pursuant to Regulation 32 of the SEBI Listing Regulations, as applicable, our Company shall on a half yearly basis disclose to the Audit Committee the deviations and the category wise variations of the Issue Proceeds and after such review, the statements shall be submitted to the Stock Exchange. This information will also be advertised in newspapers simultaneously with the interim or annual financial results of our Company after placing the same before the Audit Committee. We will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet(s) until such time as the Issue Proceeds remain unutilized clearly specifying the purpose for which such Issue Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal. We will also, under a separate head in our balance sheet, provide details, if any, in relation to any amounts out of the Issue Proceeds that have not been utilized, also indicating interim investments, if any, of such unutilized Issue Proceeds.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Gujarati, being the local language of the jurisdiction where the Registered Office of our Company is situated. Our Promoters or controlling Shareholders will 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 confirmation

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, Directors, Promoter Group, or Company's key managerial personnel except in the normal course of business.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by the Company in consultation with the LM on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is Rs.10 and the Issue Price of Rs. 20 is 2 times the face value of the Equity Shares.

Investors should read the following summary with the Risk factors included in page no 9 and the details about the Company and its financial statements included on page 76 and 113 in this Draft Prospectus respectively.

QUALITATIVE FACTORS

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

- Experience of the Promoters in the industry
- Diversified clientele base

For further details, please refer to "Business Overview – Competitive Strengths" on page 80.

QUANTITATIVE FACTORS

Information presented in this section is derived from the Company's restated Standalone & Consolidated financial statements. Some of the quantitative factors, which form the basis for computing the issue price, are as follows:

1. Basic & Diluted Earnings Per Share (EPS)

Year ended	Standalone		Consolidated	
	(Rs.)	Weight	(Rs.)	Weight
March 31, 2013	0.76	1	NA	NA
March 31, 2014	0.78	2	NA	NA
March 31, 2015	0.81	3	0.88	1
Weighted Average	0.79		0.88	
Six months ended September 30, 2010 (Not Annualised)	0.11		0.13	

Note:

Earnings per share (Rs.) = Net Profit after tax, as restated for the year / period, attributable to equity shareholders

Weighted average number of equity shares outstanding during the year / period

2. Price Earning (P/E) ratio in relation to Issue Price of Rs. 20 per share of Rs.10 each

Sl. No.	Particulars	Standalone	Consolidated
1.	P/E ratio on the Basic/Diluted EPS for the year ended March 31, 2015	24.69	22.73
2.	P/E ratio on the weighted average Basic/Diluted EPS	25.32	22.73

Industry P/E

Particulars	Name of Company	P/E
i) Highest	Cubex Tubings Ltd	107.69
ii) Lowest	Bhagyanagar India Ltd	58.59
iii) Industry Composite		83.14

3. Return on Net Worth (RONW %)

Year ended	Standalone		Consolidated	
	(%)	Weight	(%)	Weight

March 31, 2013	3.98	1	NA	NA
March 31, 2014	3.95	2	NA	NA
March 31, 2015	3.92	3	4.1	1
Weighted Average	3.94		4.1	
Six months ended September 30, 2015 (Not Annualised)	0.51		0.61	

Return on Net Worth (%) = Net Profit after tax, as restated for the year / period, attributable to equity Shareholders / Net worth as restated, at the end of the year / period X 100

4. Minimum Return on Net Worth after Issue to maintain Pre- Issue EPS for FY 2014-15:

Based on Basic & Diluted EPS

3.95 and 4.19 based on Restated Standalone and Consolidated financial statements respectively.

5. Net Asset Value per Equity Share

Particulars	Standalone (Rs.)	Consolidated (Rs.)
Year Ended March 31, 2015	20.67	21.41
Six months ended September 30, 2015	20.78	21.54
NAV after the Issue	20.57	20.11
Issue Price	20	20

6. Comparison of Accounting Ratios

The comparable ratios of the companies which are to some extent similar in business are as given below:

Sl. No.	Name of the Company	Standalone / Consolidated	Face Value (Rs.)	EPS (Rs.)**	P/E***	RONW (%)**	Book Value per share (Rs.) **	Sales (Rs. Lacs) **	CMP****
1.	Sagardeep Alloys Ltd	Standalone*	10	0.81	24.69	3.92	20.67	13245	
2.	Sagardeep Alloys Ltd	Consolidated*	10	0.88	22.73	4.1	21.41	13245	
Peer Group**									
3.	Nissan Copper Ltd**	Standalone	10	(13.09)	n/m#	n/m#	n/m#	95.27	Suspended
4.	Baroda Extrusion Ltd	Standalone	1	(0.16)	n/m#	n/m#	n/m#	2394.16	0.51
5.	Bhagyanagar India Ltd	Standalone	2	0.32	52.81	0.98	32.62	25174.67	16.90
6.	Cubex Tubings Ltd	Standalone	10	0.13	67.31	0.34	39.28	5587.45	8.75

#P/E, RONW and NAV are denoted as n/m for Nissan Copper Ltd as it is negative
* Based on restated financial statements of the Company for year ended March 31, 2015
** Source: Based on regulatory filings made to BSE Ltd by the company
***P/E ratio has been derived based on CMP as mentioned divided by the EPS
**** Current Market Price (CMP) on BSE has been taken as on 22.02.16 except Baroda Extrusion Ltd for which the same has been taken as on 17.02.16

The Issue Price of Rs.20 per share is justified in view of the above qualitative and quantitative parameters. The investors should peruse the risk factors and the financials of the Company including accounting ratios, as set out in “Financial Information of the Company” on page no. 9 & 113 of the Draft Prospectus to have a more informed view of the investment.

STATEMENT OF TAX BENEFITS

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

To
The Board of Directors
Sagardeep Alloys Limited
205, Pittalaya Bumba,
Near Madhuram Cinema, Gheekanta,
Ahmedabad- 380001, Gujarat, India

We hereby confirm that the enclosed annexure, prepared by **Sagardeep Alloys 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'), and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfill.

The Direct Tax Code (which consolidates the prevalent direct tax laws) is proposed to come into effect from April 1, 2017. However, it may undergo a few more changes by the time it is actually introduced and hence, at the moment, it is unclear what effect the proposed Direct Tax Code would have on the Company and its investors. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

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

The content of this annexure are based on information, explanations and representation 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. No assurance is given that the revenue authorities / courts will concur with the views expressed herein.

We shall not be liable to Sagardeep Alloys Limited for any claims, liabilities or expenses relating to his 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, Piyush J. Shah & Co.
Chartered Accountants
Firm Reg no: 121172W

CA Piyush J. Shah
Designation: Partner
Membership No.: 108670

Place: Ahmedabad
Date: December 30th, 2015

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO SAGARDEEP ALLOYS 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 2015-16.

Benefits to the Company under 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.
- 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%.

- The tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds Rs10,000,000 and 12% where the taxable income of a domestic company exceeds 100,000,000. 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 taxpayers.
- 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 (RECL), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

D. Securities Transaction Tax

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

E. Dividends

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 12% 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, subject to grossing up. Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions.
- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be

taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess).

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

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

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 12% 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, subject to grossing up.

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% 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%.
- The tax rates mentioned above stands increased by surcharge, payable at the rate of 12% where the taxable income of a assessee (other than company) 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 taxpayers.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.

- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

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

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

C. Tax Treaty Benefits

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

D. Non-Resident Taxation

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

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable

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

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

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

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

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

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

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- 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) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

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

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income exceeds Rs 1,00,00,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

D. Securities Transaction Tax

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

E. Tax Treaty benefits

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

Benefits available to Mutual Funds under the Act

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

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

Gift Tax Act, 1958

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

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

SECTION IV – ABOUT THE ISSUER COMPANY

INDUSTRY OVERVIEW

Industry overview report along with the consent to incorporate in the same in offer document, from a market research agency of repute including past production figures of the industry, past trends and future prospects of exports, demand and supply forecast

The Company is operating in metal sector comprising mainly copper industry and steel industry.

COPPER SECTOR

What is Copper?

Copper is a malleable and ductile metallic element that is an excellent conductor of heat and electricity as well as being corrosion resistant and antimicrobial. Copper occurs naturally in the Earth's crust in a variety of forms. It can be found in sulfide deposits (as chalcopyrite, bornite, chalcocite, covellite), in carbonate deposits (as azurite and malachite), in silicate deposits (as chrysycolla and dioptase) and as pure "native" copper.

Copper and copper based alloys are used in a variety of applications that are necessary for a reasonable standard of living. Its continued production and use is essential for society's development.

Copper is one of the most recycled of all metals. It is our ability to recycle metals over and over again that makes them a material of choice. Recycled copper (also known as secondary copper) cannot be distinguished from primary copper (copper originating from ores), once reprocessed. Recycling copper extends the efficiency of use of the metal, results in energy savings and contributes to ensuring that we have a sustainable source of metal for future generations.

Copper is an important contributor to the national economies of mature, newly developed and developing countries. Mining, processing, recycling and the transformation of metal into a multitude of products creates jobs and generates wealth. These activities contribute to building and maintaining a country's infrastructure, and create trade and investment opportunities. Copper will continue to contribute to society's development well into the future

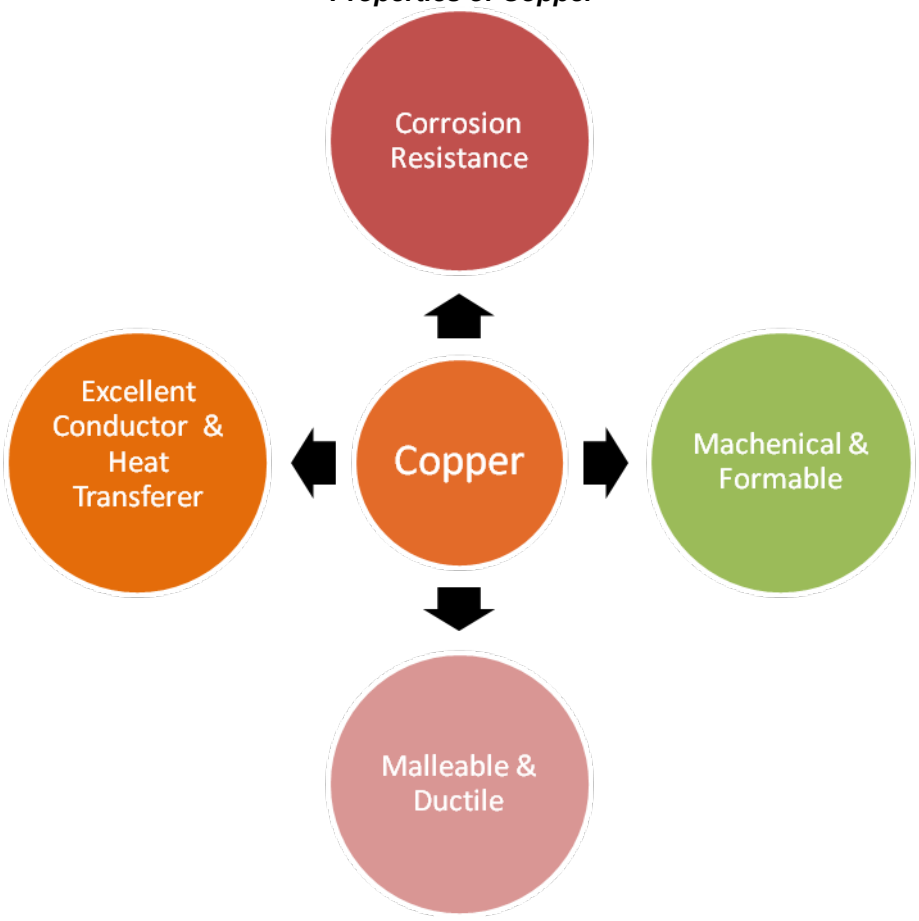
Alloyed with other metals, such as zinc (to form brass), aluminum or tin (to form bronzes), or nickel, for example, it can acquire new characteristics for use in highly specialized applications. In fact, society's infrastructure is based, in part, on copper.

COPPER PROPERTIES & BENEFITS

Chemical Symbol	Cu
Atomic Number	29
Atomic Weight	63.54
Density	8960 kg m^{-3}
Melting point	1356 K
Specific Heat cp (at 293 K)	0.383 kJ kg-1 K-1
Thermal conductivity	394 W m-1 K-1
Coefficient of linear expansion	16.5 x 10-6 K-1
Young's Modulus of Elasticity	110 x 109 N m-2
Electrical Conductivity (% IACS)	1.673 x 10^{-8} ohm-m

Crystal Structure Face-Centered Cubic

Properties of Copper



But copper's benefits extend beyond mechanical characteristics:

- Copper is **essential to the health** of plants, animal and humans. Deficiencies, as well as excesses, can be detrimental to health.
- **Antimicrobial Properties.**- Due to copper's antimicrobial properties, copper and copper alloy products can be used to eliminate pathogens and reduce the spread of diseases.
- **Recycling.** Copper is one of the most recycled of all metals. Virtually all products made from copper can be recycled and recycled copper loses none of its chemical or physical properties.
- **Energy Efficiency.** Copper can improve the efficiency of energy production and distribution systems.

COPPER RESERVES &RESOURCES

Typically, the future availability of minerals is based on the concept of reserves and resources. Reserves are deposits that have been discovered, evaluated and assessed to be economically profitable to mine. Resources are far bigger and include reserves, discovered deposits that are potentially profitable, and undiscovered deposits that are predicted based on preliminary geological surveys. According to the United States Geological Survey (USGS), copper reserves currently amount to 700 million tons (MT) and identified and undiscovered copper resources are estimated to be around 2,100 MT and 3,500 MT, respectively. The latter does not take into account the vast amounts of copper found in deep sea nodules and land based and submarine massive sulphides. Current and future exploration opportunities will lead to increases in both reserves and known resources.

In 2013 the U.S. Geological Survey (USGS) completed a geology based, cooperative international assessment of copper resources of the world. The USGS assessed undiscovered copper in two deposit types that account for about 80% of the world's copper supply. Porphyry copper deposits account for about 60% of the world's copper. In porphyry copper deposits, copper ore minerals are disseminated in igneous intrusions. Sediment hosted stratabound copper deposits, in which copper is concentrated in

layers in sedimentary rocks, account for about 20% of the world's identified copper. The mean undiscovered totals for porphyry and sediment hosted deposits are 3,100 and 400 MT respectively, resulting in a global total of 3,500 MT of copper. With identified copper resources currently estimated at 2,100 MT, total copper resources (undiscovered + identified) are estimated at 5,600 Mt.

In the period 2004-2014, 178 million tonnes of copper have been mined. In that same period however, reserves have grown by 230 million tonnes. This reflects additional exploration, technological advances and the evolving economics of mining.

In addition copper recycling plays an important role in copper availability since today's primary copper is tomorrow's recycled material. Unlike other commodities such as energy or food, copper is not "consumed". Copper is one of the few raw materials which can be recycled repeatedly without any loss of performance, and key stakeholders such as policymakers, scrap collectors, copper producers and recyclers must all focus on ensuring that yesterday's metal is recycled and re-used. While this will ensure a progressive move towards a more sustainable economy, the loop cannot be completely closed for two reasons. Firstly, demand will continue to increase due to population growth, product innovation and economic development. Secondly in most applications, copper stays in use for decades. Consequently, meeting future metals demand will continue to require a combination of primary raw materials, coming from mines, as well as recycled materials, while innovative policies and technology should continue to contribute to improvements in recycling performance and resource efficiency.

Based on the latest knowledge on geological availability and continuous industry innovation there are good reasons to believe that copper will continue to be a vital and positive contributor to society well into the future.

HOW COPPER IS PRODUCED?

Primary copper production starts with the extraction of copper-bearing ores. There are three basic ways of copper mining: surface, underground mining and leaching. Open-pit mining is the predominant mining method in the world.

After the ore has been mined, it is crushed and ground followed by a concentration by flotation. The obtained copper concentrates typically contain around 30% of copper, but grades can range from 20 to 40 per cent. In the following smelting process, sometimes preceded by a roasting step, copper is transformed into a "matte" containing 50-70% copper. The molten matte is processed in a converter resulting in a so-called blister copper of 98.5-99.5% copper content. In the next step, the blister copper is fire refined in the traditional process route, or, increasingly, re-melted and cast into anodes for electro-refining.

The output of electro-refining is refined copper cathodes, assaying over 99.99% of copper. Alternatively, in the hydrometallurgical route, copper is extracted from mainly low grade oxide ores and also some sulphide ores, through leaching (solvent extraction) and electrowinning (SX-EW process). The output is the same as through the electro-refining route-refined copper cathodes.

There is another important source of raw material which is scrap. Copper scrap derives from either metals discarded in semis fabrication or finished product manufacturing processes ("new scrap") or obsolete end-of life products ("old scrap"). Refined copper production attributable to recycled scrap feed is classified as "secondary copper production". Secondary producers use processes similar to those employed for primary production.

Copper is one of the most recycled of all metals. It is our ability to recycle metals over and over again that makes them a material of choice. Recycled copper (also known as secondary copper) cannot be distinguished from primary copper (copper originating from ores), once reprocessed. Recycling copper extends the efficiency of use of the metal, results in energy savings and contributes to ensuring that we have a sustainable source of metal for future generations

How is Copper Used ?

Copper is shipped to fabricators mainly as cathode, wire rod, billet, cake (slab) or ingot. Through extrusion, drawing, rolling, forging, melting, electrolysis or atomization, fabricators form wire, rod, tube, sheet, plate, strip, castings, powder and other shapes. The fabricators of these shapes are called the first users of copper. The total use of copper includes copper scrap that is directly melted by the first users of copper to produce copper semis.

Copper and copper alloy semis can be further transformed by downstream industries for use in end use products such as automobiles, appliances, electronics, and a whole range of other copper-dependent products in order to meet society's needs. This section provides a range of information about refined copper usage, total use, major uses of copper and end-use.

MAJOR USES

- Electrical
  Copper is the best non-precious metal conductor of electricity as it encounters much less resistance compared with other commonly used metals. Copper is also used in power cables either insulated or uninsulated, for high, medium and low voltage applications.

- Electronics and Communications
  Copper plays a key role in worldwide information and communications technologies. HDSL (High Digital Subscriber Line) and ADSL (Asymmetrical Digital Subscriber Line) technology allows for high-speed data transmission, including internet service, through the existing copper infrastructure of ordinary telephone wire. Copper and copper alloy products are used in domestic subscriber lines, wide and local area networks, mobile phones and personal computers.

- Construction
  Copper and brass are the materials of choice for plumbing, taps, valves and fittings. Thanks in part to its aesthetic appeal, copper and its alloys, such as architectural bronze, is used in a variety of settings to build facades, canopies, doors and window frames.

- Transportation
  Copper-Nickel alloys are used on the hulls of boats and ships to reduce marine biofouling, thereby reducing drag and improving fuel consumption. Automobiles and trucks rely on copper motors, wiring, radiators, connectors, brakes and bearings. Today, the average mid-size automobile contains about 22.5 kg (50 lbs) of copper, while luxury cars on average contain around 1,500 copper wires totaling about 1.6 km (1 mile) in length.

- Industrial Machinery and Equipment
  Wherever industrial machinery and equipment is found, it is a safe bet that copper and its alloys are present. Due to their durability, machinability and ability to be cast with high precision and tolerances, copper alloys are ideal for making products such as gears, bearings and turbine blades.
  (Source: World Copper Factbook 2015 and report of ICSG)

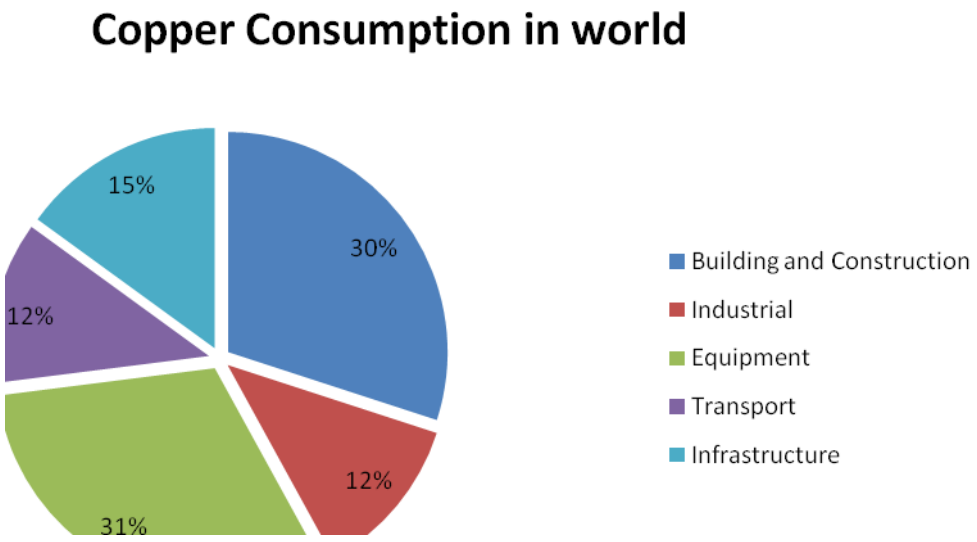
World Refined Copper Usage and Supply Trends, 2011-2015

Thousand metric tonnes, copper

	2011	2012	2013	2014	2014	2015	2015			
					Jan-Sep		Jun	Jul	Aug	Sep
World Mine Production	16,056	16,776	18,254	18,514	13,758	14,213	1,621	1,608	1,601	1,611
World Mine Capacity	19,438	19,914	20,715	21,654	16,153	16,960	1,869	1,946	1,953	1,898
Mine Capacity Utilization (%)	82.6	84.2	88.1	85.5	85.2	83.8	86.8	82.6	81.9	84.9
Primary Refined Production	16,132	16,604	17,255	18,557	13,728	13,826	1,560	1,555	1,552	1,547
Secondary Refined Production	3,468	3,596	3,803	3,916	2,884	3,019	333	352	354	355
World Refined Production (Secondary+Primary)	19,599	20,201	21,059	22,472	16,612	16,845	1,893	1,908	1,905	1,903

World Refinery Capacity	23,830	24,835	26,183	27,132	20,165	20,541	2,258	2,338	2,343	2,273
Refineries Capacity Utilization (%)	82.2	81.3	80.4	82.8	82.4	82.0	83.8	81.6	81.3	83.7
World Refined Usage 1/	19,704	20,461	21,387	22,884	17,064	16,810	1,912	1,911	1,828	1,929
World Refined Stocks End of Period	1,205	1,376	1,325	1,339	1,215	1,493	1,515	1,485	1,548	1,493
Period Stock Change	7	171	-52	14	-110	154	4	-30	64	-55
Refined Balance 2/	-105	-260	-328	-412	-452	35	-19	-3	77	-26
Seasonally Adjusted Refined Balance 3/					-375	122	20	9	14	30
Refined Balance Adjusted for Chinese bonded stock change 4/	-166	307	-584	-425	-482	-60	4	-26	-46	-47

Due to the nature of statistical reporting, the published data should be considered as preliminary as some figures are currently based on estimates and could change 1/ Based on EU apparent usage. 2/ Surplus/deficit is calculated using refined production minus refined usage.3/ Surplus/deficit is calculated using seasonally adjusted refined production minus seasonally adjusted refined usage.
(Source: ICSG press Release dated 21. December, 2015)



(Source: World Copper Factbook 2015 and report of ICSG)

INDIAN SCENERIO

The history of Indian copper industry goes back to 1967 with the incorporation of Hindustan Copper Ltd (HCL) and thereafter acquisition of mines from the public sector National Minerals Development Corporation (NMDC). But, the real twist in copper story took with the opening up this sector for private sector players in 1992 which saw the involvement of Indo Gulf Corporation (now a part of Hindalco Industries) and Sterlite Industries into copper smelting and refining through concentrate imports from various mining-rich countries. ***(Source: metalworld****.co.in/feature1-0208.pdf****)***

At present, the demand for copper minerals in the Country for primary copper production is met through two sources i.e. Copper ore mined from indigenous mines and imported concentrates. The indigenous

mining activity among the primary copper producers is limited to only Hindustan Copper Limited (HCL). The other primary copper producers in the private sector import the required mineral in the form of concentrate.

Currently, three major players dominate the Indian Copper Industry. Hindustan Copper Limited (HCL) in Public Sector, M/s Hindalco Industries and M/s Sterlite Industries in Private Sector. HCL is the only vertically integrated copper producer in the country, while M/s Hindalco Industries at Dahej in Gujarat and M/s Sterlite Industries in Tuticorn in Tamil Nadu have setup port based smelting and refining plants. Production of copper cathode by major players in copper industry for the year 2013-14 was 6,44,280 tonnes and during 2014-15 (up to December 2014) are given at Table below

PRODUCTION OF COPPER IN INDIA

(in tones)

Commodity	**Number of Factories**	**Installed Capacity**	**Production in 2013-14**	**Production in 2014-15 (upto Dec 2014)**
Cathode d) HCL	2	49,500	17,005	10,938
e) Sterlite Industries Ltd.	1	4,00,000	2,94,433	2,65,565
f) Hindalco India Ltd (Unit : Birla Copper)	1	5,00,000	3,32842	2,87,296
Total		**9,49,500**	**6,44,280**	**5,63,799**

RESERVES & RESOURCES

India has very limited known reserves of copper ore exploitable for copper production. The total resources of copper ore as on 1st April, 2010 as per UNFC system are estimated at 1.56 billion tonnes. Of these, 394.37million tonnes (25.30%) fall under 'reserves' (proved and probable) categories while the balance 1164 million tonnes (74.69%) are 'remaining resources' category.
(*Source: Annual Report of Ministry of Mines & Minerals)*

India is not self-sufficient in the production of copper ore. In addition to domestic production of ore and concentrates, India imports copper concentrates for its smelters. The domestic demand of copper and its alloys is met through domestic production, recycling of scrap and by imports.
(Source: Indian Minerals Year Book 2014 by Indian Bureau of Mines)

India's share of world reserve & resource is 1.9% only. Total known reserves and resource of copper (in metal terms) are estimated to be around 630 million metric tonnes. HCL hold more than two-thirds of the copper ore reserves in India, with an average of 1.05% copper content.
(*Source: Annual Report of Ministry of Mines & Minerals)*

Largest resources of copper ore to a tune of 777.17million tonnes (49.86%) are in the state of Rajasthan followed by Madhya Pradesh with 377.19 million tonnes (24.2%) and Jharkhand with 288.12 million tonnes (18.48%). Copper resources in Andhra Pradesh, Gujarat, Haryana, Karnataka, Maharashtra, Meghalaya, Nagaland, Odisha, Sikkim, Tamil Nadu, Uttarakhand and West Bengal accounted for remaining 7.46% of the total all India resources.
(Source: Indian Minerals Year Book 2014 by Indian Bureau of Mines)

PRICE OF COPPER

The domestic price of copper is linked to London Metal Exchange (LME) price. The LME Cash Settlement Price (CSP) is the basis on which prices of copper products are declared by domestic producers.

The year wise average LME price per tonne of copper is as indicated at Table below

The year- wise average LME price of Copper

Year	**Average LME Price of Copper (US $ per tonne)**
2006-07	6970
2007-08	7584
2008-09	5864

2009-10	6101
2010-11	8140
2011-12	8485
2012-13	7855
2013-14	7103
2014-15 (up to Dec 2014)	6800

(*Source: Annual Report of Ministry of Mines & Minerals)*

Uses

The per capita consumption of copper in India is currently at 0.5 kg which is very low in comparison to Russia 3.3 kg, China 5.4 kg, USA 5.5 kg, Italy 8.9 kg, and Germany 13.6 kg and to that of 10 kg of developed nations. India's per capita consumption is likely to be moderate and has many strides to cover so as to match that of China.

- Electrical/Electronic Industry is by far the largest consumer of copper, where it is used in the form of cables, winding wires as it is the best non-precious metal conductor of electricity as it encounters much less resistance and is safe for electrical distribution system from high voltage transmission cables to micro-circuits. Copper also has relatively high creep strength as compared to other commonly used materials. In Electronic Industry, semi-conductor manufacturers have launched a revolutionary 'copper chip'. By using copper for circuitry in silicon chips, microprocessors are able to operate at higher speeds, using less energy. Copper heat sinks help remove heat from transistors and enable computer processors operate at peak efficiency.
- Copper is used in construction industry as plumbing, taps, valves and fittings components.
- In transportation industry copper is used in various components. According to an estimate by ICSG most cars contain an average of 20 kg copper and luxury & hybrid vehicles contain about 45 kg copper.
- Copper is extensively used in industrial machinery and equipment. It is used in a number of consumer products, such as, coinage, utensils, fixtures, etc. Large quantities of copper are consumed in making copper-based alloys, such as, brass and bronze.

FOREIGN TRADE

- ***EXPORTS***

The export of copper from India is in various forms, such as, copper ore & concentrates, refined copper, copper & alloys, brass & bronzes, scrap, cement copper, mattes and powder & flakes. Export of copper ores and concentrates drastically increased to 38,912 tonnes in 2013-14 as against 30 tonnes in 2012-13. Exports were mainly to Oman (37%), Japan (36%) and Indonesia (28%). Export of refined copper slightly decreased to 2,56,230 tonnes in 2013-14 from 2,63,299 tonnes in 2012-13. Export of copper and alloys (including brass & bronze) was at 3,33,082 tonnes in 2013-14 as against 3,31,478 tonnes in 2012-13. Out of the total exports of copper & alloys in 2013-14, which were 291,593 tonnes, brass & bronze constituted 36,064 tonnes, copper (scrap) 4,274 tonnes. China was the single largest importer of refined copper from India with a share of 86%.

- ***IMPORTS***

The imports of copper in the country are in the form of copper ore and concentrates, refined copper, copper & alloys, brass & bronzes, scrap, cement, copper, mattes, blister, worked (bars, rods & plates), etc. During the year 2013-14, imports of copper ores and concentrates slightly decreased at 2.05 million tonnes as compared to 2.30 million tonnes in 2012-13. Chile with a share of 35.2% was the leading supplier followed by Australia (22%), Indonesia (10%) and Brazil (6%). Imports of refined copper increased considerably in 2013-14 at 37,505 tonnes as against 23,976 tonnes in 2012-13. Zambia with 50% share was the major supplier followed by Congo (20%), China & UAE (5% each) and Congo Dem Rep (4%). Out of total imports in 2013-14, copper & alloys comprised 2,45,712 tonnes, copper (Scrap) 56,205 tonnes, brass & bronze 22,203 tonnes and brass & bronze (scrap) 87,529 tonnes.

FUTURE OUTLOOK

With the liberalised policies of the Government, the Indian Copper Sector registered a quantum rise in production. The present installed capacity of refined copper has reached at around ten lakh tonnes per year. India's position has shifted from being a net importer of copper to a net exporter. The main demand for refined copper is in the electrical and electronic sectors, construction sector, consumer durables and

transport sector. The potential upcoming areas which are likely to boost the internal demand for copper are infrastructure development and railways, power sector, especially rural electrification and information technology sector. At the same time there are potential export markets for refined copper in the Middle-East and South East Asian countries which could be further explored. However, growth in the copper sector is heavily dependent on demand in China.

As per the market survey carried out by Indian Bureau of Mines, the demand of copper by 2016-17 is estimated at one million tonnes based on sectorial growth of copper consumption.
(Source: Indian Minerals Year Book 2014 by Indian Bureau of Mines)

Analysts have indicated that India's copper consumption is likely to overtake that of Japan by 2015 and that of Germany by 2018. India is likely to be the third largest copper market in 2020 with a market size of 1.75 million tonne and the second largest copper market in the year 2025 with a market size of 2.75 million tonne, as per these projections.
(*Source: Annual Report of Ministry of Mines & Minerals)*

STEEL SECTOR

INDUSTRY STRUCTURE

Steel is an iron based mixture containing two or more metallic and/or non metallic elements usually dissolving into each other when melted. Since it is an iron based alloy—as per its end user requirements—other than iron it may contain one or more other elements such as carbon, manganese, silicon, nickel, lead, copper, chromium, etc. For example, stainless steel (a type of steel) mainly contains chromium that is normally more than 10.5 percent with/without nickel or other alloying elements. Steel is produced using Steel Melting Shop that includes converter, open earth furnace, electric arc furnace and electric induction furnace.

Broadly there are two types of steel according to its composition: alloy steel and non-alloy steel. Alloying steel is produced using alloying elements like manganese, silicon, nickel, chromium, etc. Non-alloy steel has no alloying component in it except that are normally present such as carbon. Non-alloy steel is mainly of three types viz. mild steel (contains upto 0.3% carbon), medium steel (contains between 0.3-0.6% carbons) and high steel (contains more than 0.6% carbon). All types of steel other than mild steel are called special steel. It is mainly because a special care is taken in order to maintain particular level of chemical composition in such steel. This process gives different properties to the steel according to its composition. In India, non-alloying steel constitutes about 95 percent of total finished steel production, and mild steel has large share in it.

According to shape/size/form steel is categorized into different types such as liquid steel, ingots, semis (semi-finished steel) and finished steel. Liquid steel is a first product that comes out from Steel Melting Shop. Liquid steel further goes into ingots, and then ingots advance to semis. Semis are called semi-finished steel products because they are further subject to forging/rolling in order to produce finish steel products such as flat steel products and long steel products. Crude steel generally includes ingots and semis. According to end use, steel is categorized into structural steels, construction steel, deep drawing Steel, forging quality, rail steel, etc.

(Source: Indian Steel Industry, Final Report: January 2009 Indicus Analytics New Delhi by Public Enterprises, Government Policy and Impact on Competition)

GLOBAL SCENERIO

- In 2014, the world crude steel production reached 1665 million tonnes (mt) and showed a growth of 1% over 2013.
- China remained the world's largest crude steel producer in 2014 (823 mt) followed by Japan (110.7 mt), the USA (88.2 mt) and India (86.5 mt) at the 4th position.
- WSA has projected Indian steel demand to grow by 6.2% in 2015 and by 7.3% in 2016 as compared to global steel use growth of 0.5% and 1.4% respectively. Chinese steel use is projected to decline in both these years by 0.5%.
- Per capita finished steel consumption in 2014 is estimated at 217 kg for world and 510 kg for China by WSA.

DOMESTIC SCENARIO

- The Indian steel industry has entered into a new development stage from 2007-08, riding high on the resurgent economy and rising demand for steel.
- Rapid rise in production has resulted in India becoming the 3rd largest producer of crude steel in 2015 and the country continues to be the largest producer of sponge iron or DRI in the world.
- As per the report of the Working Group on Steel for the 12th Five Year Plan, there exist many factors which carry the potential of raising the per capita steel consumption in the country. These include among others, an estimated infrastructure investment of nearly a trillion dollars, a projected growth of manufacturing from current 8% to 11-12%, increase in urban population to 600 million by 2030 from the current level of 400 million, emergence of the rural market for steel currently consuming around 10 kg per annum buoyed by projects like Bharat Nirman, Pradhan Mantri Gram Sadak Yojana, Rajiv Gandhi Awaas Yojana among others.
- At the time of its release, the National Steel Policy 2005 had envisaged steel production to reach 110 million tonnes (mt) by 2019-20. However, based on the assessment of the current ongoing projects, both in greenfield and brownfield, the Working Group on Steel for the 12th Five Year Plan has projected that domestic crude steel capacity in the county is likely to be 140 mt by 2016-17 and has the potential to reach 149 mt if all requirements are adequately met.
- The National Steel Policy 2005 is currently being reviewed keeping in mind the rapid developments in the domestic steel industry (both on the supply and demand sides) as well as the stable growth of the Indian economy since the release of the Policy in 2005.

(Source: Website-Ministry of Steel, Government of India, Quality Management System Certification)

GLOBAL RANKING OF INDIAN STEEL

World crude steel production stood at 1661.5 million tonnes during 2014, an increase of 1.2 per cent over 2013 based on provisional data released by the World Steel Association (WSA). During 2014, Chinese crude steel production reached 823 million tonnes, a growth of 0.9 per cent over 2013. China remained the largest crude steel producer in the world, accounting for 73 per cent of Asian and 50 per cent of world crude steel production during 2014. India was the 4th largest producer during this period and recorded a growth of 2.3 per cent over 2013.

World Crude Steel Production:2014*			
Rank	**Country**	**Qty (mt)**	**% Change over 2013**
1	China	823	0.9
2	Japan	111	0.1
3	Unites States	88	1.7
4	India	83	2.3
5	South Korea	71	7.5
6	Russia	70.7	2.6
7	Germany	43	0.7
8	Turkey	34	-1.8
9	Brazil	33.9	-0.7
10	Ukraine	27.2	-17.1
	WORLD	**1661.5**	**1.2**

Sources : WSA; * Provisional

PRODUCTION, CONSUMPTION AND GROWTH OF STEEL

The table below shows the trend in production for sale, import, export and consumption of total finished steel (alloy + non-alloy) in the country for last five years and April – December 2014 - 15:

Year	**Total Finished Steel (alloy + non-alloy) (million tones or mt)**			
	Production for Sale	**Import**	**Export**	**Real Consumption**
2009-10	60.62	7.38	3.25	59.34
2010-11	68.62	6.66	3.64	66.42
2011-12	75.69	6.86	4.59	71.02
2012-13	81.68	7.93	5.37	73.48
2013-14	87.67	5.45	5.98	74.09
April-December 2014-15*	65.19	6.49	4.07	55.31

Source : JPC, * Provisional

Crude steel production has shown a sustained rise since 2003-04 along with capacity. Data on crude steel production, capacity and capacity utilization during the last five years and April-December 2014-15 is given in the table below:

Year	Crude Steel		
	Capacity (mt)	**Production (mt)**	**Capacity Utilization (mt)**
2009-10	75.00	65.84	88
2010-11	80.36	70.67	88
2011-12	90.87	74.29	82
2012-13	97.02	78.42	81
2013-14	101.02	81.69	81
April-December 2014-15*	75.76^	62.39	82

Source : JPC; *provisional; ^pro-rata, based on annual data

- Crude Steel production grew at a CAGR of 7 per cent during the last five years ending 2013-14. Such growth in production was driven by capacity expansion from 75 mt in 2009-10 to 101.02 mt in 2013-14, a growth of 9 per cent. (on a CAGR basis)
- Production for sale of total finished steel stood at 87.67 mt during 2013-14 as against 60.62 mt in 2009-10 growing at average annual growth rate of 8.9 per cent in CAGR terms during this five year period while real consumption at 74.09 mt during 2013-14 grew by 7.2 per cent on CAGR basis during this period.
- India, a net importer of total finished steel since 2007-08, turned into a net exporter in 2013-14, with total exports of 5.98 mt exceeding total imports of 5.45 mt. Exports grew by 6.2 per cent while imports fell by 1.4 per cent during the last five year period, both on a CAGR basis. However, India became a net importer of total finished steel in April-December 2014-15

TRENDS IN PRODUCTION: PRIVATE / PUBLIC SECTOR

The following table highlights the total as also the contribution of the private and public sector in crude steel production in the country during the last five years and April-December 2014-15:

Indian Crude Steel Production							
Sector	**Unit**	**2009-10**	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**April-December 2014-15***
Public Sector	Mt	16.71	16.99	16.48	16.48	16.77	12.60
Private Sector	Mt	49.13	53.68	57.81	61.94	64.92	49.79
Total Production	Mt	65.84	70.67	74.29	78.42	81.69	62.39
Share of Public Sector	%	25%	24%	22%	21%	21%	20%
Source : JPC; *provisional; mt=million tonnes							

(Source: Ministry of Steel: Annual Report 2014-15)

THE GROWTH PROFILE

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

Crude steel capacity was 109.85 mt in 2014-15 and India, which emerged as the 3rd largest producer of crude steel in the world in 2015 as per ranking released by the WSA, has to credit, the capability to produce a variety of grades and that too, of international quality standards.

The country is expected to become the 2nd largest producer of crude steel in the world soon, provided all requirements for creation of fresh capacity are adequately met

(Source: An overview of steel sector: Website; Ministry of Steel)

BUSINESS OVERVIEW

Sagardeep Alloys Limited was incorporated as "Sagardeep Alloyes Private Limited" on February 13, 2007 under the Companies Act 1956 with a Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Name of the Company was changed & modified to Sagardeep Alloys Private Limited and fresh certificate of incorporation was issued by Registrar of Companies on June 25, 2009. Thereafter once again a fresh certificate of incorporation consequent upon change of name on conversion of the company to public limited company in the name of the "Sagardeep Alloys Limited" was granted by ROC on April 17, 2012.

The company was incorporated with a view to carry out the manufacturing and trading of copper and brass products such as pipes & tubes and trading of stainless steel, copper, brass and other metal products. The Company started its business activity with trading of SS Scrap, Copper, Aluminum, S.S. Patta and Brass etc in financial year 2008-09. The company is supplying its products in domestic market.

During the year 2009-10, the Company started its manufacturing activities by acquiring the Industrial land located at Santej, Gandhinagar in Gujarat. At present, the Company is engaged in the business of manufacturing of Copper Pipes, Flats, Coils, Rods, Plates and Copper Alloys Consumables and trading of Ferrous and Non ferrous Metals and alloys. The Factory is located at Block No 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Taluka-Kalol, Ghandhinagar-382721, Gujarat (India).

The Company has got ISO 9001:2008 certification for "Manufacturing and Supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloys Consumables and Trading and Supply of Ferrous and Non Ferrous Metals and Alloys" from BSCIC.

The product range of the company includes:

Copper	**Brass**
Pipes / Tubes / Lugs PVC coated Tubes Rods / Coils / Earthing Bus Bars / Forgings / Section Flats / Strips / Plates Anodes / Nuggets/ Fittings	Talley Plates Commercial bronze Gliding Metal Red / Low Brass Cartridge Brass Yellow Brass Muntz Metals
Copper Nickel (Grades: 90/10 & 70/30)	**Stainless Steel**
Copper Nickel Tubes Copper Nickel Pipes Copper Nickel Flats Copper Nickel Plates Copper Nickel Pipe Fittings Copper Nickel Round Bars	Pipes / Tubes Sheets / Plates Bars Fittings Duplex & Super Duplex: Rod / Pipe / Plates in grade of 2205/2207 etc

Company's products are industrial in nature and are utilized in various industries such as Air Conditioning and Refrigeration, Engineering & Gas Application etc. Our Clientele list includes some reputed Govt. undertakings, Public Sector undertakings and Engineering Giants.

In addition, Company had started its plant at Lunej, Khambhat in July, 2014 in a premise which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise for a period of 11 months and to acquire the plant later on when the title is cleared in the name of the seller. The company invested approximately Rs. 3.00 Crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to leave the project and shut down plant. Company carried out its last transaction in June 2015 and since then Company has neither done any manufacturing nor carried out any sale transaction in business. During period from July 2014 to June 2015, company made total turnover of Rs. 78.00 Lacs (approx) and Company realized the amount of Rs. 74 Lacs (approximately). At present plant is in the possession of Land Owner and Company is planning to sell out its all assets related with plant as it is not viable for the company to do the business. In June 2015 plant possession was taken by the land owner and stocks of Rs. 9.00 Lacs (approximately) were lying in the factory.

The journey of the Company can be summarized as under:

Year	Event
2006-07	Incorporation of the Company as private limited company
2008-09	Started trading in metal alloys business
2009-10	Started Manufacturing activity by acquiring industrial land at Santej, Dist: Gandhinagar, Gujarat.
2010-11	Company was accredited ISO 9001:2008 Certificate by TUV SUD South Asia Private Limited
2012-13	Converted from private limited company into public limited Company
2013-14	Company got ISO 9001:2008 Certificate from BSCIC
2014-15	Started business of manufacturing chemical products. However same was discontinued in June, 2015.
2014-15	Acquired Wholly Owned Subsidiary (WOS) Company Sagardeep Engineers Pvt Ltd

LOCATION

Our Company has a manufacturing unit for copper alloys etc at Block No.2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Taluka-Kalol, Ghandhinagar-382721, Gujarat. In addition, registered office of the company is located at 205, Pittalaya Bumba, Nr. Madhuram Cinema, Gheekanta, Ahmedabad-380001.

PLANT & MACHINERY

The Company is not proposing to utilize the issue proceeds for acquiring plant and machineries.

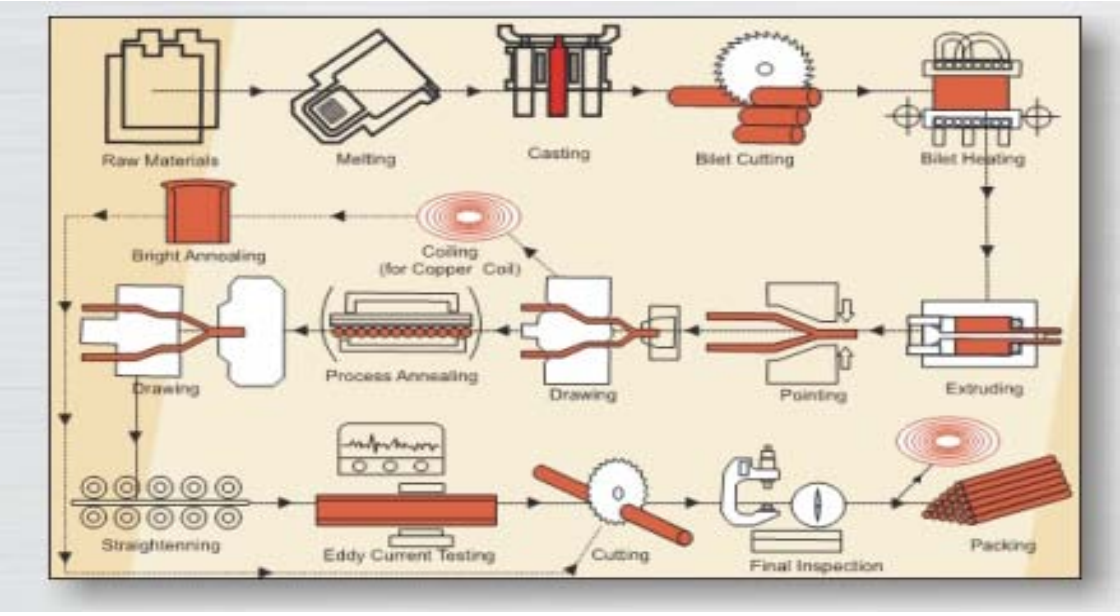
TECHNOLOGY

The Company is using indigenous technology available in the Industry. The choice of the technology was based on the merits and demerits of various technologies, the status of technology, flexibility of operation, availability of raw materials, capital investment and economics of operations.

MANUFACTURING PROCESS FLOW CHART

The existing detailed manufacturing process for the Copper plant is given below.

Production process starts from the scrap melting in the induction furnace. Detailed stage-wise process descriptions as follows,



Copper Melting Shop (Billets/Ingot Production)

1. **Raw Materials**
   The main raw material of our company is Copper wire bar / scrap cathode. Cathode or Copper scrap is used in the furnace but the melting loss is higher in the case of scrap. The melting loss is approximately 8% in case of copper scrap and 2% in case of cathode. The Copper scrap is available in India and also may be imported from China, Vietnam, Singapore, Dubai etc.

2. **Melting of Scrap (Induction Furnace)**
   The Copper scrap is sorted according to weight and properties at factory. Thereafter a sample for purity analysis in chemical laboratory in the factory premises is taken. The Chemical Laboratory is equipped with latest equipments for testing of purity of raw material. Once the sample is approved the scrap is transferred to bailing department which makes it easier to pour in melting furnace.
   The bailing process reduces process loss substantially. Each melting furnace has capacity of 700 Kgs per lot. The scrap is melted at a temperature of 1200 degree centigrade. It takes around one and half hour time to melt 700 kgs scrap.

3. **Casting**
   The melted copper is now poured into moulds. The water is circulated into the moulds in order to cool it and convert it into round rods. It takes around 10-15 minutes to form round rod. One sample is drawn from each lot for testing in Company's chemical laboratory, where various copper properties are tested including conductivity. This form of Copper rod is called Ingot.

4. **Cutting**
   These Ingots are now cut into different sizes as per the requirements for further process and called Billets. The pieces are drilled at the centre for extrusion purposes.

5. **Billets Heating & Extrusion**
   These billets are heated in pre heating furnace and heated billets are placed in the container of Extrusion press where heated billets are extruded into mother tubes of sizes as per the customer requirements.

6. **Drawing Process**
   The mother tubes are now re–drawn into smaller gage on draw benches. The thickness is maintained by putting floating plugs in tubes. The drawing process time and number of drawing cycles varies and depends on size of pipe because the tubes having bigger dimensions may require less drawing while smaller dimension tubes require more drawing cycles. After 4-5 draw cycles, intermediate annealing is required to make the tube soft and to make it free from internal residual stresses.

7. **Straightening**
   The tubes are now cut into pieces as per customer's required length and then transferred to Bright Annealing Vacuum Furnace for annealing tubes. The final size and shape to product is given by further drawing processes.

8. **Coiling and final Inspection and Testing**
   The pipes are transferred to straightening process thereafter for coiling and final inspection and testing.

9. **Packing and Dispatch**
   The final product is packed in polyethylene bags and wooden boxes before dispatch to customers.

COLLABORATIONS

No collaboration with any entity for technical and financial assistance has been entered into.

INFRASTRUCTURE FACILITIES FOR RAW MATERIALS AND UTILITIES

Raw Materials

The main raw material of our Company is copper scrap and cathode. The copper scrap and cathode is easily available in the local market. Our Company also has an alternative to import copper scrap.

(a) Scrap
Scrap act as a raw material for production of Copper products through the induction furnace route. This route is good for the moderate sized plants especially where scrap and electricity is easily available. Large scale plants generally opt for the blast furnace method because of economies of scale using in this route. Our company has multiple suppliers for the scrap both domestic as well as international that mitigates the dependency on one supplier.

(b) Ferro Alloys
Ferro Alloys, as the name indicates are the alloys of Nickel, Chromium, Manganese, Silicon etc. Ferro Alloys are used in Copper making as an additive for imparting strength and quality required in a particular grade of Copper. Ferro Manganese, Silicon Manganese & Ferro Silicon are used in the Copper making in different proportion depending upon the grade of the Copper. Ferro Alloys is used for the manufacturing of various grades of Copper. The same is procured from local sources within India and are easily available.

Utilities

Our Company's manufacturing unit is located at Santej, where the utilities like water, power and manpower are easily available.

Power

The Company has been sanctioned a load of 600KVA from Uttar Gujarat Vij Company Ltd which is sufficient for the existing operations of the manufacturing unit. Company is also having one DG set as a standby arrangement to handle the unavailability of power.

Water

Water is being used for our manufacturing facility as well as for general drinking and sanitary purposes. The water consumption at our manufacturing unit is 500 Litres for drinking and 1500 litres for manufacturing purposes. Water requirement at our unit is being met from underground sources through deep tube wells. Water purifier has been installed for obtaining the desired level of quality of water for the manufacturing process as well as for the purpose of drinking.

Fuel

PNG is used for reheating in furnace. PNG is being procured from Sabarmati Gas Limited through pipeline which is available without any quantitative restriction throughout the year.

Manpower

The manufacturing process in our Industry requires an appropriate mix of skilled, semi-skilled and Un-skilled labour which is readily available. Most of our requirement is that of semi-skilled and unskilled labours. Company is heavily dependent on contract labour and engages labors on contract basis as and when required. The Company has maintained good relationship with the employees. There is easy availability of labors around the town where our factory is located and we do not foresee any problem in hiring more manpower as and when required. Currently the people employed in the Company are as follows:

Sr. No.	Particulars	Permanent employees	
		Plant	Office
1.	Supervisory & Managerial	1	2
2	Executive	2	2
3	Company Secretary	Nil	1
4	Semi Skilled/Unskilled	Nil	Nil
	TOTAL	**3**	**5**

Plant is being operated mainly with the help of contract labours provided by the contractor. Number of contract labour depends on the production schedule which is decided by the management on the basis of orders on hand and proposed demand schedule.

Quality Assurance

The products are checked for other sorts of physical manufacturing defects. For the same intent laboratory with UTM (Universal Testing Machine), Hardness tester, Impact tester, chemical laboratory with Spactro analyzer with advanced technology have been installed within the factory premises.

COMPETITION

With the growing markets, competition is bound to increase. The Company faces competition with other similar players located in the markets to which we cater. The Company is focusing on maintaining the quality of our final product to sustain the competition. The Company believes that we enjoy certain key competitive strengths which will help us to grow in future and will enable us to perform still better in the time to come.

BUSINESS STRATEGY

The Company's strategy is to operate the business in an efficient & effective way so as to supply quality products that satisfy its customer's needs and add value to its stakeholders. The focus of the Company will be to increase the contribution on the products by reducing the cost of production, control over logistics, ensure uninterrupted raw material supply, and command high prices through gradual shifting to value added products and to ensure long term sustainability of the Company.

With a view to expand the business of the Company, company intends to focus on following strategy in the coming years:

- **Expand our range of products**
  Since inception the Company believes in improvisation and delivering the products as per the customer's requirements. The Company has been continuously increasing our range of products starting from Copper pipes, Tubes, Flats, Rods etc. to oxygen free copper.

- **Strengthen our position in Indian Markets**
  The Company considers the domestic Electronics & Electrical market as an attractive segment for the growth and opportunity.

- **Reduce Operational cost thereby increasing our cost competitiveness.**
  One way to increase the profitability of the company is by reducing the operational cost. We have been making various efforts to reduce the operational cost of our company thus increasing the profitability of our company.

- **Increase profitability by proper product mix**
  We plan to increase our profitability by concentrating on our product mix. We intend to maintain our existing products which had high demand but at optimal levels.

- **Expand into new geographies**
  We are selling our products in the domestic market at present. We intended to expand our market presence through communications and promotional, interaction with industry research organizations, participation in industry events, public relations and investor relations efforts.

Approach to marketing & proposed marketing set up

The Company is engaged in manufacturing and trading of copper and brass products such as pipes & tubes and trading of stainless steel, copper, brass and other metal products. The overall marketing function is looked after by Mr. Jayeshkumar A Mehta & Mr. Harish A Mehta, both Whole Time Directors along with team of other executives who takes care of the marketing activities. Our Company sells its substantial production directly to the Indian customers. Company's sales promotion methods include attending various trade fairs and promotion through its website as well as brochures to various potential buyers.

Competitive Strengths

Followings are Company's principal competitive strengths:-

- **Experience of the Promoters in the industry**

  Mr. Asamal S Mehta has more than Two decades of experience in the Copper & Alloys and other metals and stainless steel industry. Mr. Satishkumar A Mehta is having experience of more than 15 years in the Copper & Alloys and metal industry business. Mr. Jayeshkumar A Mehta having experience of more than 15 years in the Metal business. Mr. Harish A Mehta is having experience of more than 10 years in the Metal business.

- ***Diversified clientele base***

  The Company caters to various customers. Customers are based in different geographical locations in India and are from different industry groups. Company's strategy is to cater our products to a wider spectrum of customers, which insulates us from the risks associated with dependency on any particular class and or limited industrial customers.

Export Obligation and Export Possibilities

There is no export obligation on the Company. Company is not exporting its products at present.

Capacity & Capacity Utilisation

Existing Capacity Utilization

The year wise Capacity Utilization and production is as under:

Year	Production (MT per annum)	Installed Capacity (MT per annum)	% Utilization
2012-13	704.03	2400	29.33
2013-14	596.53	2400	24.86
2014-15	1758.21	2400	73.26

Proposed Capacity Utilization

The year wise proposed Capacity Utilization and production for next 3 years as estimated by the management will be as under:

Year	Production (MT per annum)	Installed Capacity (MT per annum)	% Utilization
2015-16	1200	2400	50.00
2016-17	1260	2400	52.50
2017-18	1320	2400	55.00

PROPERTY

The details of the properties occupied/owned by the Company are as under:

Sr. No.	Particulars of property including address	Area	Nature of ownership	Current usage by the Company
1.	205, Pittalaya Bumba, Near Madhuram Cinema, Gheekanta, Ahmedabad – 380 001	33.6 Sq. Mtr	Refer Note-1	Registered Office
2.	Plot No.2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Taluka-Kalol, Ghandhinagar-382721, Gujarat	4994 Sq. Mtr	Owned	Manufacturing Unit
3.	13, Bandhu Samaj Co Op Housing Society, Nr Panchsil Bus Stand, Naranpura Road, Usmanpura,	Plot Area of 370.09 Sq Mtr	Owned	Proposed Registered/ Corporate Office

	Ahmedabad-380013			
4.	537/B, Rameshwar Godown, Kanbha, Uttar Gujarat, Dist-Ahmedabad	Not available	Taken on Rent	Company Godown
5.	Shed No B-19/20, Jagannath Industrial Estate, Rakhial, Ahmedabad-380023	Plot area 245.81 Sq. Mtrs	Refer Note-2	Given on Rent
6.	Shed No. 2, Hari Om Estate, near Comet House, Rakhial, Ahmedabad-380023	Plot area 71.06 Sq. Mtrs	Owned	Given on Rent

Note 1: The property has been acquired on rent by erstwhile proprietorship concern M/s Sagar Metals, of which Mr. Asamal S Mehta was proprietor, on rent and he has permitted the issuer company to use the premises for its business purpose. However, there is no specific agreement for this purpose. Even the rent agreement between the owner of the property and proprietorship concern M/s Sagar Metals, of which Mr. Asamal S Mehta was proprietor, is not available.

Note 2: The asset has been acquired by company by way of a sale deed dated May 15, 2009, through which leasehold rights of the land along with the ownership rights of the building constructed thereon has been acquired by the Company. The term of lease is 98 year w.e.f. May 11, 1965.

Indebtedness of the Company

Name of the bank	**Type of the Loan facility**	**Amount Sanctioned**	**Date of Sanction**	**Amount outstanding as on 30.09.2015 (Rs. In lacs)**	**Interest / Commission**	**Re-payment**	**Security**
Bank of Baroda	Cash Credit (Hypo of stock and book debts)	Rs.15 Cr	02.02.2015	1391.62	3% above Base Rate, i.e. 13.25% p.a. at present at monthly rests, for CR4 rated trading account. The rate of interest is subject to change from time to time as per Bank's Guidelines, change in base rate and credit rating of account. The Concession is for next 12 months and subject to regular servicing of interest.(2.50%+above base rate i.e.12.75% p.a. subject to annual review and credit rating after applying concession in ROI of 0.50% over base rate pa subject to approval from sanctioning authority).	On demand	1) Modification cum confirmation Deed of Equitable Mortgage of Factory Land & Building situated at Block No. 2070, Nr. Shah Alloys Limited, Khatraj Road, Santej 382721, Taluka: Kalol, Dist: Gandhinagar standing in the name of company. 2) Modification cum confirmation deed of Composite Hypothecation Agreement of entire Raw Materials, Stock-in-Process, Stores & Spares, Packing Materials, Finished Goods, Book-debts, entire Machineries, Equipments, Electrical Installations, Furniture & Fixtures, Office Equipments and other Movables Fixed Assets of the Firm, Situated at the abovementioned factory/office, present & future
Bank of Baroda	Bills Discounting under Prime Bank LCs Outside MPBF	Rs.5 Cr.	02.02.2015	0.00	As per bank's extent guidelines from time to time	NA	

							(except vehicles financed by NBFCs). 3) General form of Guarantee signed by the following Directors Aashmalji S Mehta Satishkumar A Mehta Jayeshkumar A Mehta Harishkumar A Mehta

Credit Analysis & Research Limited ("CARE") has assigned "CARE BB" rating to the bank facilities of the Company vide its letter dated January 28, 2016. This rating refers that "*there is moderate risk of default regarding timely servicing of financial obligations*".

Restrictive Covenants in Loan Agreements

As per the terms of the loan agreements, the company cannot do the certain activities, during the Currency of the bank's credit facilities, without the bank's permission in writing of the Banks, which amongst other, includes:

a) Implement any scheme of Expansion/ Modernization/ Diversification, except which are approved by our Bank
b) Formulate any scheme of Merger/ Acquisition/ Amalgamation / Reconstitution
c) Any Change in the management set–up /capital structure of the Company;
d) Enter into borrowing either secured or unsecured with any other Bank/ Financial Institution/ corporate body;
e) Invest/ deposit/ lend funds to the group firms & companies / directors / family members / other corporate bodies / firms / persons;
f) Create any further charge, lien or encumbrance over the assets charged to the Bank in favor of any other Bank, Financial institution, NBFC, firm, company or person or otherwise dispose off any of the fixed assets;
g) Undertake guarantee obligations on behalf of any other borrower, Group firms /Companies;
h) Pay commission / brokerage / fees etc to Guarantor / or any other person for guaranteeing the facilities sanctioned to the Company;
i) Declare dividends for any year except out of profits related to that year after paying all dues and making provisions as required for that year, provided there is no default in repayment obligations by the Company;
j) Allow the level of net working capital to come down from the estimated/projected level.

In accordance with the loan agreements, the Company has applied for the following consent for coming out with an IPO on SME platform from the Bank:

Sr. No.	Name of the Lender	Ref. No and date of NOC
1	Bank of Baroda	Applied for

Insurance Policies

The Company has insured its assets through following insurance policy:

Sr. No	Policy No.	Name of Insurer	Policy Type	Insurance details including risk & properties covered	Sum Insured (Rs.in lacs)	Premium Paid (Rs.)	Date of Expiry of Policy
1	302100/11/15/3300000234	National Insurance Company Limited	Standard Fire and Special Perils Policy	Building, Plant & Machinery and Accessories	731.50	68,499	Midnight of 19/05/2016

Intellectual Property Rights

The company has applied for registration of trade mark for its logo “ ” on May 8, 2015 under Class 6 in respect of Common Metals and their alloys, pipe and tubes metal, copper pipes, tubes, flats, roads, nuggets, plates and copper alloys consumables included in class 6 submitted to the Office of the Trademark Registrar for registration of Company’s Trademark under Trade Marks Act, 1999.

REGULATIONS AND POLICIES

There are several legislations, which apply to companies engaged in the Metal Sector in India. The Company is subjected to all such laws and regulations.

Under the provisions of various Central Government and State Government Statutes / Legislations, the Company is required to obtain and regularly renew certain licenses / registrations and / or to seek statutory permissions to conduct the business and operations.

The list set out below is by way of an illustration and is not an exhaustive list of all statutes applicable to the Company's operations. In addition to this, the Company is required to comply with various laws including labour laws and the rules framed thereunder.

A summary of the regulations and policies currently applicable are as follows:

National Mineral Policy, 2008

The National Mineral Policy, 2008 (hereinafter referred to as the "Policy") is not a regulation but a policy document which lays down a broad policy framework for India's Mineral Sector and it recommends measures like assured right to the next stage mineral concession, transferability of mineral concessions and transparency in allotment of concessions, in order to reduce delays which are seen as impediments to investment and technology flows in the mining sector in India.

The Policy also seeks to develop a Sustainable Development Work for optimum utilization of the Country's natural mineral resources for the industrial growth in the Country and at the same time improving the life of the people living in the mining areas, which are generally located in the backward and tribal regions of the Country.

The Policy focuses on achieving global competitiveness not only in terms of cost, quality and product mix, but also in terms of global benchmarks of efficiency and productivity.

The Government proposes to create incremental demand for domestic consumption via promotional efforts, awareness drives and strengthening the delivery chain, particularly in rural areas. On the supply side the strategy would be to facilitate creation of additional capacity, remove procedural and policy bottlenecks in the availability of inputs such as iron ore and coal, make higher investments in R&D and HRD and encourage the creation of infrastructure such as roads, railways and ports.

Environment Regulation

The three major statutes in India that seek to regulate and protect the environment against pollution related activities in India are the

a) Water (Prevention and Control of Pollution) Act 1974,
b) Air (Prevention and Control of Pollution) Act, 1981 and
c) Environment Protection Act, 1986.

The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (PCBs), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. There authorities also have the power of search, seizure and investigation if the authorities are aware if or suspect pollution. All industries and factories are required to obtain consent orders form the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms laid down. These are required to be renewed annually.

Labour laws

India has stringent labour legislations more in favour of the employees. Some of the labour laws applicable to the Company are:

- Contract Labour (*Regulation and Abolition*) Act, 1970;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

- Payment of Gratuity Act, 1972;
- Payment of Bonus Act, 1965;
- Payment of Wages Act, 1936; and
- Industrial Disputes Act, 1947 and Industrial Disputes (*Central*) Rules, 1957.

Labour laws ensure and regulate the employment terms, minimum compensation, health, safety and welfare of all employees working in an industry or factory. Labour laws also provide for detailed procedures for the resolution of disputes between employers and employees and the termination or severance of the employee. The applicability of labour laws also depends on the number of workers employed in an industrial establishment (working with or without the aid of power) and their monthly remuneration.

Factories Act, 1948

The said Act is applicable to all factories employing 10 or more persons and working with the aid of power or employing 20 persons and working without the aid of power. The Act covers all workers employed in the factory premises or precincts directly or through an agency including a contractor, involved in any manufacture.

According to section 7(1) of the Factories Act, 1948, the occupier shall at least 15 days before he begins to occupy or use any premises as a factory, send to the Chief Inspector, a written notice containing particulars of the factory, its occupier, owner of premises, nature of manufacturing process, number of workers and such other information.

According to section 7A, every occupier is required to ensure, so far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory. Every occupier is required to prepare, and, as often may be appropriate, revise, a written statement of his general policy with respect to the health and safety of the workers at work and the organization and arrangements for the time being in force for carrying out that policy, and to bring the statement and any revision thereof to the notice of all the workers in such manner as may be prescribed.

Excise Regulations

The Central Excise Act, 1944 seeks to impose an excise duty on excisable goods which are produced or manufactured in India. The rate at which such a duty is imposed is contained in the Central Excise Tariff Act, 1985. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification. Copper products are classified under Chapter 74 of the Central Excise Tariff Act and presently attract an ad-valorem excise duty at the rate of 12.50%

Customs Regulations

All imports into India are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification. The customs duty on Copper and Copper items falls under Chapter 74 of the Custom Tariff Act, 1975. The basic custom duty on imported copper /copper scrap is as per the Government policies as modified from time to time.

Foreign Trade (Development and Regulation) Act, 1992

Under the Foreign Trade (Development and Regulation) Act, 1992, the Indian Government is empowered to periodically formulate the Export Import Policy (the “EXIM Policy”) and amend it thereafter whenever it deems fit. All exports and imports must be in compliance with the EXIM Policy. The iron and steel industry has been extended various schemes for the promotion of exports of finished goods and imports of inputs. The major schemes available are the Duty Exemption and Remission Scheme and the Export Promotion of Capital Goods (EPCG) Scheme.

The Duty Exemption Scheme enables duty free imports of inputs required for the production of exports by obtaining an advance license. The Duty Remission Scheme enables post export replenishment/remission of duty on inputs used in the export product. This scheme consists of a Duty Free Replenishment Certificate (“DFRC”), the Duty Drawback Scheme (“DBK”) and the Duty Entitlement Pass Book (the “DEPB”). While a DFRC enables duty free replenishment of inputs used for the manufacture of exports,

under the DEPB Scheme, exporters on the basis of notified entitled rates are granted duty credit, which would entitle them to import goods, except capital goods, without duty.

Trade Marks Act, 1999

The Indian law on trademarks is enshrined in the Trade Marks Act, 1999. Under the existing legislation, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style and so forth. The trademark once applied for, is advertised in the trademarks journal, oppositions, if any are invited and after satisfactory adjudications of the same, a certificate of registration is issued. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fee.

Income-tax Act, 1961

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

Value Added Tax ("VAT")

VAT is a system of multi-point levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of
services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952

The Act is applicable to factories employing more than 20 employees and may also apply to such establishments and industrial undertakings as notified by the Government from time to time. All the establishments under the Act are required to be registered with the Provident Fund Commissioners of the State. Also, in accordance with the provisions of the Act the employers are required to contribute to the Employees' Provident Fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. As per the provision of the Act, employers are to contribute 12% of the basic wages, dearness allowances and remaining allowances (if any) payable for the time being to the employees. A monthly return in Form 12 A is required to be submitted to the commissioner in addition to the maintenance of registers by the employers.

Employees State Insurance Act, 1948

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department

The Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act, 2009 replaces the Standard Weights and Measures Act, 1976. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The key features of the Legal

Metrology Act are (a) appointment of Government approved test centers for verification of weights and measures; (b) allowing the companies to nominate a person who will be held responsible for breach of provisions of the Legal Metrology Act; and (c) more stringent punishment for violation of provisions.

Registrations under the applicable Shops & Commercial Establishments Acts of the respective States in which Our Company has an established place of business/ office ("Shops Act")

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner.

OTHER LAWS

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations. Our Company is also amenable to various central and state labour laws and tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Sagardeep Alloys Limited was incorporated as "Sagardeep Alloyes Private Limited" on February 13, 2007 under the Companies Act 1956 with a Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Name of the Company was changed & modified to Sagardeep Alloys Private Limited and fresh certificate of incorporation was issued by Registrar of Companies on June 25, 2009. Thereafter once again a fresh certificate of incorporation consequent upon change of name on conversion of the company to public limited company in the name of the "Sagardeep Alloys Limited" was granted by ROC on April 17, 2012.

At present, the Company is engaged in the business of manufacturing of Copper Pipes, Flats, Coils, Rods, Plates and Copper Alloys Consumables and trading of Ferrous and Non ferrous Metals and alloys. The Factory is located at Block No 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Taluka-Kalol, Ghandhinagar-382721, Gujarat (India).

The Company has got ISO 9001:2008 certification for "Manufacturing and Supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloys Consumables and Trading and Supply of Ferrous and Non Ferrous Metals and Alloys" from BSCIC.

There are total 13 shareholders of the company as on the date of filing of the Draft Prospectus.

Change in Registered Office:

There has been no change in the address of the registered office of the Company. The registered office of the Company is situated at 205, Pittalaya Bumba, Nr. Madhuram Cinema, Gheekanta, Ahmedabad-380001.

Major Events

Following are the key events and milestones achieved by us:

Year	Event
2006-07	Incorporation of the Company as private limited company
2008-09	Started trading in metal alloys business
2009-10	Started Manufacturing activity by acquiring industrial land at Santej, Dist: Gandhinagar, Gujarat.
2010-11	Company was accredited ISO 9001:2008 Certificate by TUV SUD South Asia Private Limited
2012-13	Converted from private limited company into public limited Company
2013-14	Company got ISO 9001:2008 Certificate from BSCIC
2014-15	Started business of manufacturing chemical products. However same was discontinued in June, 2015.
2014-15	Acquired Wholly Owned Subsidiary (WOS) Company Sagardeep Engineers Pvt Ltd

For details regarding Capacity/facility creation, location of plant, products, marketing, competition etc. please refer "**Business Overview"** on page no 76 of Draft Prospectus. For details regarding raising of Capital in the form of Equity please refer "**Capital Structure"** on page no 43 of Draft Prospectus. For details regarding raising of Capital in the form of Debt please refer "**Business Overview"** on page no 76 of Draft Prospectus. For details regarding Corporate profile of the issuer regarding its history, the description of the activities, services, products, market of each segment, the growth of the issuer, exports, Competition, management, the technology, market, managerial competence and capacity built-up etc., please refer to "**Business Overview"** and "**Our Management"** on page no 76 & 92 respectively of Draft Prospectus.

MAIN OBJECTS OF OUR COMPANY:

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

1. To carry on the business as manufacturers, processors, rollers, fabricators, refiners, smelters, convertors, producers, exporters, importers, traders, dealers, distributors, stockist, buyers, retailers,

agents, brokers, consultants, drawers, developers, analysts, innovators, investigators, inventors, technologist, engineers, installators, repairers, founders, melters, annealers, makers, shapers, galvanizers, electro-platers, japaners in any ferrous and nonferrous metals, Cuprous chloride, Cupric chloride and other metal base chemical products, metal workers, belts, plates, ingots, flats ingots, billets, bars, angles, rounds, T-iron, Squares, Sheets, Plates, Coils, hexagons, octagons, channels, bars, shafting, joint, rods, structural, tubes, poles, forged components, accessories, nuts, bolts, metal foils, circle, parts, steel round mails, tools, hardware, items, pipes, steel, wires, rails, rolling, materials, rollers, made wholly or partly of iron, steel, aluminum, alloys and metals, required in or used for industrial, agricultural, transport, commercial, domestic, building, power-transmission, oil-fields, communication.

2. To carry on the business to manufacture, produce, assemble, alter, acquire, build, construct, convert, commercialize, dismantle, design, develop, display, demonstrate, erect, equip, establish, fabricate, finish, hold, handle, install, hire, let on hire, lease, repair, maintain, modify, market, machine, own, operate, protect, pulldown, reconstruct, renovate, recondition, remodel, import, export, buy, sell, resale, exchange, service, turn to account and to act as agent, broker, stockist, turn key supplier, contractor, promoter, consultant, engineer, collaborator or otherwise to deal in all types and kinds and classes of machineries, components, parts, replacement parts, spare parts, accessories, tools, implements, fittings inclusive of all types of automatic or semi-automatic plants, machineries, instruments, equipments, implements, devices, systems, apparatus, components, parts, fittings, tools, tackles and accessories used in all types of industries, hotels, railways, ships, aviators, defense, mining, oil drilling, water works, power plants, public utilities, offices, laboratories, hospitals and for other commercial, domestic or other purposes.

The object clauses of the Memorandum of Association of our Company enable Company to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum.

CHANGES IN MEMORANDUM OF ASSOCIATION

Since the date of Incorporation the following changes have been made to the Memorandum of Association:

Date of Shareholders' Approval	Amendment
22.01.2009	Increase in Authorised Share Capital from Rs. 1.00 Lacs to Rs. 100 Lacs.
12.06.2009	Change in the name of the Company from Sagardeep Alloyes Private Limited to Sagardeep Alloys Private Limited, due to correction in the spelling mistake in the word "Alloyes".
21.01.2010	Increase in Authorised Share Capital from Rs. 100 Lacs to Rs. 150 Lacs.
17.02.2010	Alteration of Main Object Clause of memorandum of Association.
25.04.2011	Increase in Authorized Share Capital from Rs. 150 Lacs to Rs. 200 Lacs.
06.02.2012	Alteration of Main Object Clause of memorandum of Association.
06.02.2012	Increase in Authorized Share Capital from Rs. 200 Lacs to Rs. 2000 Lacs.
06.04.2012	Change in the name of the Company from Sagardeep Alloys Private Limited to Sagardeep Alloys Limited due to conversion of the Company from private limited to public limited.

Subsidiary

The company has following subsidiary company:

Sagardeep Engineers Private Limited

Sagardeep Engineers Private Limited ("SEPL") is a private limited company incorporated under Companies Act, 1956 on January 3, 2011 with CIN U29100GJ2011PTC063479. The Company was originally incorporated with 51% its shareholding held by Issuer Company Sagardeep Alloys Ltd and balance with 2 core promoters Mr. Satishkumar A Mehta and Mr. Harish A Mehta (14% and 35% respectively). Thereafter Sagardeep Alloys Ltd sold its entire 51% shareholding in SEPL to Sagardeep Infradevelopers Private Limited on March 27, 2012. It again acquired 100% shareholding of the SEPL on December 20, 2014 making SEPL again a wholly owned subsidiary of the Sagardeep Alloys Limited. The

registered office of the company is situated at 205, Pittalaya Bamba, Nr. Madhuram Cinema, Gheekanta, Ahmedabad – 380 001. It is in the business of trading of metal and metal alloys.

Shareholding Pattern

The paid up Share Capital of this Company is Rs.143.00 lacs comprising of 14,30,000 Equity Shares of Rs.10 each. The shareholding pattern is as under:

Sr. No.	Name of the Equity Shareholders	No. of Equity Shares Held	Percentage of Shareholding (%)
1	Sagardeep Alloys Limited	14,29,999	99.99
2	Satishkumar A Mehta (Nominee of Sagardeep Alloys Limited)	1	0.00
TOTAL		**14,30,000**	**100**

Board of Directors

Sr. No.	Names
1.	Mr. Satishkumar A Mehta
2.	Mrs. Sangita S Mehta

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2015	**March 31, 2014**	**March 31, 2013**
Equity capital	1.00	1.00	1.00
Reserves & surplus (excluding Rev. reserves)	2.59	2.61	1.65
Total revenue	0.00	1.53	7.34
Profit/ (Loss) after tax	(0.03)	0.97	1.61
EPS (Basic) (Rs.)	(0.27)	9.68	16.14
EPS (Diluted) (Rs.)	(0.27)	9.68	16.14
NAV per share (Rs.)	35.87	36.14	26.46

Note: Face value of each equity share is Rs.10.
(Source: Audited Financial Statements)

Joint Venture Agreements

As on date of this Draft Prospectus, the Company has not entered into any joint venture agreements with any other company or entity.

Shareholders Agreements

There is no Shareholder agreement.

Other Agreements / Arrangements

Except the Agreements/Contracts entered in the ordinary course of business carried on and intended to be carried on by the Company, the Company has not entered into any other agreement/contract.

Strategic Partners

As on date of filing this Draft Prospectus with SEBI there are no strategic partner agreements entered into by our Company.

Financial Partners

As on date of this Draft Prospectus, there are no financial partnership agreements entered into by our Company.

OUR MANAGEMENT

Board of Directors

The following table sets forth the details regarding the Board of Directors.

Sr. No	Name, Father/Husband's Name, Age, Address, Occupation, Designation & DIN No.	Qualification	Date of Appointment and Term	Other Directorships
1.	Mr. Asamal S Mehta S/o Mr. Siremal Mehta Aged 66 Years Address: 3, Saras Society, Nr. Sindhi High School, Opp Navrup Colony, Shantinagar, Usmanpura, Ahmedabad-380013 Occupation: Business Designation: Whole Time Director DIN: 01900671	SSC*	13/02/2007 Appointed as a WTD on 31/12/2011 for a period of 5 Years	Nil
2.	Mr. Satishkumar A Mehta S/o Mr. Asamal Mehta Aged 38 Years Address: 3, Saras Society, Nr. Sindhi High School, Opp Navrup Colony, Shantinagar, Usmanpura, Ahmedabad-380013 Occupation: Business Designation: Chairman And Managing Director DIN:01958984	B.Com (Part-1)	13/02/2007 Appointed as a MD on 31/12/2011 for a period of 5 Years	1. Sagardeep Engineers Private Ltd 2. Firefly Batteries Private Limited
3.	Mr. Jayeshkumar A Mehta S/o Mr. Asamal Mehta Aged 36 Years, Address: 3, Saras Society, Nr. Sindhi High School, Opp Navrup Colony, Shantinagar, Usmanpura, Ahmedabad-380013 Occupation: Business Designation : Whole Time Director DIN:02156140	HSC	05/05/2008 Appointed as a WTD on 31/12/2011 for a period of 5 Years	Nil
4.	Mr. Harish A Mehta S/o Asamal Mehta Aged 32 Years Address: 3, Saras Society, Nr. Sindhi High School, Opp Navrup Colony, Shantinagar, Usmanpura, Ahmedabad-380013 Occupation: Business Designation: Whole Time Director DIN:02156161	B.Com	05/05/2008 Appointed as a WTD on 31/12/2011 for a period of 5 Years	Nil

5.	Mr. Hemang M Panchal S/o Mr. Mahendrakumar Panchal Aged 33 Years, Address: C-201, ICB City, Chandlodia-Gota Bridge, Gota Ahmedabad-382481 Occupation: Service Designation : Non Executive Independent Director DIN: 05223780	Bachelor of Engineering	28/08/2015 Appointed as an Independent Director on 28/08/2015 for a period of 5 Years	Nil
6.	Mr. Hemendra B Patel S/o Mr. Bhailal Patel Aged: 45 years Address : 38, Kulin Tenament, Vasna Barrage Road, Shahvadi, Ahmedabad-380007 Occupation: Business Designation: Non Executive Independent Director DIN:01827562	Diploma in Mechanical Engineering	28/08/2015 Appointed as an Independent Director on 28/08/2015 for a period of 5 Years	Sigma Lasertech Private Limited
7.	Ms. Vinita P Maheshwari W/o Mr. Pankaj Maheshwari Aged : 32 years Address: 44, Paras Society, Opp Baliya Dev Party Plot, Nr. Chandra Nagar, Odhav, Ahmedabad - 382415 Occupation: Business Designation: Non Executive Independent Director DIN: 07187365	M.A.	28/08/2015 Appointed as an Independent Director on 28/08/2015 for a period of 5 Years	Real Fasteners Private Limited
8.	Mr. Nileshkumar D Patel S/o Mr. Dahyabhai H Patel Aged 32 Years Address:04, Bal Krishna Nagar, Arbuda Nagar Road, Odhav, Ahmedabad - 382415 Occupation : Professional Designation: Non Executive Independent Director DIN: 07256467	ACA	28/08/2015 Appointed as an Independent Director on 28/08/2015 for a period of 5 Years	Nil

* Director could not provide any supporting for his qualification and same has been mentioned only on the basis of affidavit provided by him.

Mr. Satishkumar A Mehta, Mr. Jayeshkumar A Mehta and Mr. Harish A Mehta are brothers and Mr. Asamal S Mehta is their father. Other than this, there is no relationship, in terms of the Companies Act, 2013, between any of the directors of the company.

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

As on the date of this Draft Prospectus, none of our Directors currently are or have been in the past, directors in listed companies which have been / were delisted or whose share were suspended from being traded from the stock exchanges.

Further, none of our Directors is or was director of any listed company whose shares were (a) suspended from trading by stock exchange(s) during the five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.

Details of the compensation & benefits in kind granted during the last financial year to the executive directors:

Name of executive director	Compensation during FY 2014-15	Benefits granted during FY 2014-15
Mr. Asamal S Mehta	Rs. 9,00,000	Nil
Mr. Satishkumar A Mehta	Rs. 9,00,000	Nil
Mr. Jayeshkumar A Mehta	Rs. 9,00,000	Nil
Mr. Harish A Mehta	Rs. 9,00,000	Nil

No service contracts have been entered into by the directors with the company except for providing provident fund and gratuity benefits to whole time directors, for benefits upon the termination of their employment.

Remuneration paid or payable from subsidiaries and associate companies

In Financial Year 2014-15, no remuneration has been paid to any of our Directors by our Subsidiary and associate companies.

Brief profile of the Directors

Brief profile of directors is given hereunder:

Mr. Asamal S Mehta

Mr. Asamal S Mehta aged 66 years, has more than Two decades of experience in the Copper & Alloys and other metals and stainless steel industry. Prior to incorporation of Sagardeep Alloys Limited, he was engaged in trading business of stainless steel and other alloy products under the name of 'M/s Sagar Metals'. Presently he is the Whole Time Director of the Company and looks after the production function of the Company

Mr. Satishkumar A Mehta

Mr. Satishkumar A Mehta aged 38 years, is having experience of more than 15 years in the Copper & Alloys and metal industry business. Mr. Satishkumar A Mehta, Managing Director of the Company is associated with Company since incorporation and looks after Company's Administration and Accounts & Finance related matters in the Company.

Mr. Jayeshkumar A Mehta

Mr. Jayeshkumar A Mehta aged 36 years, having experience of more than 15 years in the Metal business. He is Whole Time Director of the Company and looks after Sales department and Marketing and Business Development functions of the company.

Mr. Harish A Mehta

Mr. Harish A Mehta, aged 32 years, is a Commerce Graduate and is having experience of more than 10 years in the Metal business. He is Whole Time Director of the Company and is looking after Sales department and Marketing functions, including imports export, of the company.

Mr. Hemang M Panchal

Mr. Hemang M Panchal, aged 32 years, is non-executive Independent Director of the Company. He has completed his Bachelor of Engineering from North Gujarat University, Patan.

Mr. Hemendra B Patel

Mr. Hemendra B Patel, aged 45 years, is non-executive Independent Director of the Company. He has completed his diploma in Mechanical Engineering from Sir Bhavsinhaji Polytechnic Institute, Bhavnagar. He is also Director of Sigma Lasertech Private Limited and has business experience of almost 8 years.

Ms. Vinita P Maheshwari

Ms. Vinita P Maheshwari, aged 32 years, is non-executive Independent Women Director of the Company. She has completed her Master of Arts.

Mr. Nileshkumar D Patel

Mr. Nileshkumar D Patel, aged 32 years, is non-executive Independent Director of the Company. He is an Associate member of The Institute of Chartered Accountants of India (ACA). Mr. Nileshkumar D Patel is having experience of more than 3 years in the field of Accounts, Audit, Finance, Taxation etc.

Details of borrowing powers

The Company at its Extra Ordinary General Meeting held on December 20, 2014, passed a resolution authorizing the Board of Directors pursuant to the provisions of section 180(1)(c) for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the moneys already borrowed by the Company, if any, (apart from the temporary loans to be obtained from the Company's bankers in the ordinary course of business), may 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, provided that the total amount of money / moneys so borrowed by the Board shall not at any time exceed the limit of Rs.200 Crores (Rupees Two Hundred Crores only).

Terms of Appointment and Compensation of Managing Director / Whole Time Directors

Mr. Satishkumar A Mehta

The Board of Directors of the Company have vide resolution passed in their meeting held on December 31, 2011, approved the appointment and remuneration of Mr. Satishkumar A Mehta as Managing Director of the Company for a period of 5 years with effect from December 31, 2011. As per the agreement dated December 31, 2011, Managing Director is appointed on the following terms and conditions:

1. Subject to the provisions of the Act, Managing Director shall not while he continues to hold office of the Managing Director be subject to retirement by rotation of Directors and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire, but he shall ipso facto and immediately cease to be the Managing Director if he ceases to hold office of Director for any cause.
2. The Managing Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Managing Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.
3. The Managing Director shall hold the said office subject as hereinafter provided for a period of five years commencing on and from 31st December, 2011. This Agreement may be renewed for a further period of five years at a time, upon mutually agreed terms.
4. The Managing Director shall, unless prevented by ill health or disability throughout the said term devote adequate time, attention and abilities to the business of the company, and in all respects confirm to and comply with the directions given and regulations made by the Board and he shall well and faithfully serve the company and use his best endeavors to promote the interests of the company.
5. The Managing Director will draw remuneration In the range of minimum Rs.40000/- and maximum Rs.1,00,000/- per month.
6. Perquisites and Allowances: In addition to Salary, the Chairman & Managing Director shall be entitled to following perquisites and allowances:
    - Accommodation: Furnished or otherwise, shall be provided by the company or HRA in lieu thereof subject to a limit of sixty percent of annual salary.
    - Medial Reimbursement: For self and family in accordance with the rules of the Company.
    - Leave Travel Assistance: For self and family in accordance with the rules of the Company.
    - Leave: Leave on full pay as per rules of the Company subject to maximum of one month's leave for every eleven months of service
    - Encashment of Leave: Encashment of leave at the end of tenure will not be included in the Computation of the ceiling on perquisites.
    - Provident Fund: Benefits under the Provident Fund Scheme of the Company in accordance with the Company's rules and regulations in force from time to time.

- Pension and Superannuation Fund: Benefits under the Company's Pension & Superannuation Fund Scheme in accordance with the Company's rules and regulations and Schemes in force from time to time, to the extent these two are not taxable under the Income Tax Act,1961.
- Gratuity: Gratuity payable in accordance with the rules and approved scheme of the Company which does not exceed half month's salary (15 days) for each completed year of service, subject to a ceiling laid down thereunder from time to time.
- Car: Free use of Company's Car including maintenance and operation together with driver, the monetary value of which may be evaluated as per Income Tax Rules, 1962.
- Telephone: Free cell phone facility.
- Provision for use of car for official duties and cell phone facility shall not be included in computation of perquisites for the purpose of calculation of the said ceiling.

7. Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule XIII to the Companies Act, 1956, as may be amended from time to time.

Mr. Asamal S Mehta

The Board of Directors of the Company have vide resolution passed in their meeting held on December 31, 2011, approved the appointment and remuneration of Mr. Asamal S Mehta as Whole Time Director of the Company for a period of 5 years with effect from December 31, 2011. As per the agreement dated December 31, 2011, Whole Time Director is appointed on the following terms and conditions:

1. Subject to the provisions of the Act, Whole-time Director shall while he continues to hold office of the Whole-time Director be subject to retirement by rotation of Directors and he shall be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire.
2. The Whole-time Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Whole-time Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.
3. The Whole-time Director shall hold the said office subject as hereinafter provided for a period of five years commencing on and from 31st December, 2011. This Agreement may be renewed for a further period of five years at a time, upon mutually agreed terms.
4. The Whole-time Director shall, unless prevented by ill health or disability throughout the said term devote adequate time, attention and abilities to the business of the company, and in all respects confirm to and comply with the directions given and regulations made by the Board and he shall well and faithfully serve the company and use his best endeavors to promote the interests of the company.
5. The Whole-time Director will draw remuneration In the range of minimum Rs.40000/- and maximum Rs.1,00,000/- per month
6. Perquisites and Allowances: In addition to Salary, the Whole Time Director shall be entitled to following perquisites and allowances:
   - Accommodation: Furnished or otherwise, shall be provided by the company or HRA in lieu thereof subject to a limit of sixty percent of annual salary.
   - Medial Reimbursement: For self and family in accordance with the rules of the Company.
   - Leave Travel Assistance: For self and family in accordance with the rules of the Company.
   - Leave: Leave on full pay as per rules of the Company subject to maximum of one month's leave for every eleven months of service
   - Encashment of Leave: Encashment of leave at the end of tenure will not be included in the Computation of the ceiling on perquisites.
   - Provident Fund: Benefits under the Provident Fund Scheme of the Company in accordance with the Company's rules and regulations in force from time to time.
   - Pension and Superannuation Fund: Benefits under the Company's Pension & Superannuation Fund Scheme in accordance with the Company's rules and regulations and Schemes in force from time to time, to the extent these two are not taxable under the Income Tax Act,1961.
   - Gratuity: Gratuity payable in accordance with the rules and approved scheme of the Company which does not exceed half month's salary (15 days) for each completed year of service, subject to a ceiling laid down thereunder from time to time.

- Car: Free use of Company's Car including maintenance and operation together with driver, the monetary value of which may be evaluated as per Income Tax Rules, 1962.
- Telephone: Free cell phone facility.
- Provision for use of car for official duties and cell phone facility shall not be included in computation of perquisites for the purpose of calculation of the said ceiling.

7. Minimum Remuneration
   Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule XIII to the Companies Act, 1956, as may be amended from time to time

Mr. Jayeshkumar A Mehta

The Board of Directors of the Company have vide resolution passed in their meeting held on December 31, 2011, approved the appointment and remuneration of Mr. Jayeshkumar A Mehta as Whole Time Director of the Company for a period of 5 years with effect from December 31, 2011. As per the agreement dated December 31, 2011, Whole Time Director is appointed on the following terms and conditions:

1. Subject to the provisions of the Act, Whole-time Director shall while he continues to hold office of the Whole-time Director be subject to retirement by rotation of Directors and he shall be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire.
2. The Whole-time Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Whole-time Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.
3. The Whole-time Director shall hold the said office subject as hereinafter provided for a period of five years commencing on and from 31st December, 2011. This Agreement may be renewed for a further period of five years at a time, upon mutually agreed terms.
4. The Whole-time Director shall, unless prevented by ill health or disability throughout the said term devote adequate time, attention and abilities to the business of the company, and in all respects confirm to and comply with the directions given and regulations made by the Board and he shall well and faithfully serve the company and use his best endeavors to promote the interests of the company.
5. The Whole-time Director will draw remuneration In the range of minimum Rs.45000/- and maximum Rs.1,00,000/- per month.
6. Perquisites and Allowances: In addition to Salary, the Whole Time Director shall be entitled to following perquisites and allowances:
   - Accommodation: Furnished or otherwise, shall be provided by the company or HRA in lieu thereof subject to a limit of sixty percent of annual salary.
   - Medial Reimbursement: For self and family in accordance with the rules of the Company.
   - Leave Travel Assistance: For self and family in accordance with the rules of the Company.
   - Leave: Leave on full pay as per rules of the Company subject to maximum of one month's leave for every eleven months of service
   - Encashment of Leave: Encashment of leave at the end of tenure will not be included in the Computation of the ceiling on perquisites.
   - Provident Fund: Benefits under the Provident Fund Scheme of the Company in accordance with the Company's rules and regulations in force from time to time.
   - Pension and Superannuation Fund: Benefits under the Company's Pension & Superannuation Fund Scheme in accordance with the Company's rules and regulations and Schemes in force from time to time, to the extent these two are not taxable under the Income Tax Act,1961.
   - Gratuity: Gratuity payable in accordance with the rules and approved scheme of the Company which does not exceed half month's salary (15 days) for each completed year of service, subject to a ceiling laid down thereunder from time to time.
   - Car: Free use of Company's Car including maintenance and operation together with driver, the monetary value of which may be evaluated as per Income Tax Rules, 1962.
   - Telephone: Free cell phone facility.

- Provision for use of car for official duties and cell phone facility shall not be included in computation of perquisites for the purpose of calculation of the said ceiling.

7. Minimum Remuneration
   Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule XIII to the Companies Act, 1956, as may be amended from time to time

Mr. Harish A Mehta

The Board of Directors of the Company have vide resolution passed in their meeting held on December 31, 2011, approved the appointment and remuneration of Mr. Harish A Mehta as Whole Time Director of the Company for a period of 5 years with effect from December 31, 2011. As per the agreement dated December 31, 2011, Whole Time Director is appointed on the following terms and conditions:

1. Subject to the provisions of the Act, Whole-time Director shall while he continues to hold office of the Whole-time Director be subject to retirement by rotation of Directors and he shall be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire.
2. The Whole-time Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Whole-time Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.
3. The Whole-time Director shall hold the said office subject as hereinafter provided for a period of five years commencing on and from 31st December, 2011. This Agreement may be renewed for a further period of five years at a time, upon mutually agreed terms.
4. The Whole-time Director shall, unless prevented by ill health or disability throughout the said term devote adequate time, attention and abilities to the business of the company, and in all respects confirm to and comply with the directions given and regulations made by the Board and he shall well and faithfully serve the company and use his best endeavors to promote the interests of the company.
5. The Whole-time Director will draw remuneration In the range of minimum Rs.25000/- and maximum Rs.90,000/- per month.
6. Perquisites and Allowances: In addition to Salary, the Whole Time Director shall be entitled to following perquisites and allowances:
   - Accommodation: Furnished or otherwise, shall be provided by the company or HRA in lieu thereof subject to a limit of sixty percent of annual salary.
   - Medial Reimbursement: For self and family in accordance with the rules of the Company.
   - Leave Travel Assistance: For self and family in accordance with the rules of the Company.
   - Leave: Leave on full pay as per rules of the Company subject to maximum of one month's leave for every eleven months of service
   - Encashment of Leave: Encashment of leave at the end of tenure will not be included in the Computation of the ceiling on perquisites.
   - Provident Fund: Benefits under the Provident Fund Scheme of the Company in accordance with the Company's rules and regulations in force from time to time.
   - Pension and Superannuation Fund: Benefits under the Company's Pension & Superannuation Fund Scheme in accordance with the Company's rules and regulations and Schemes in force from time to time, to the extent these two are not taxable under the Income Tax Act,1961.
   - Gratuity: Gratuity payable in accordance with the rules and approved scheme of the Company which does not exceed half month's salary (15 days) for each completed year of service, subject to a ceiling laid down thereunder from time to time.
   - Car: Free use of Company's Car including maintenance and operation together with driver, the monetary value of which may be evaluated as per Income Tax Rules, 1962.
   - Telephone: Free cell phone facility.
   - Provision for use of car for official duties and cell phone facility shall not be included in computation of perquisites for the purpose of calculation of the said ceiling.
7. Minimum Remuneration
   Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are

inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule XIII to the Companies Act, 1956, as may be amended from time to time

Payment or benefit to officers of the Company

Except as stated in the Draft Prospectus, no amount or benefit has been paid or is intended to be paid or given to any of the officers of the Company except the normal remuneration for services rendered as Directors, officers or employees.

Appointment of relatives to a place of profit

Except as mentioned above, none of the relatives of the Directors have been appointed to an office or place of profit with our Company.

CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations, as applicable to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We believe we are in compliance with the requirements of the applicable regulations, including the Companies Act, the Equity Listing Agreements with the Stock Exchange, SEBI Listing Regulations and the SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of the committees of our Board, as required under law.

Our Board is constituted in compliance with the provisions of the Companies Act and the SEBI Listing Regulations, as applicable. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Currently our Board has Eight (8) directors of which four (4) are Executive Directors and four (4) are Independent Non-Executive Directors.

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

A. Audit Committee
B. Stakeholder Relationship Committee
C. Nomination and Remuneration Committee

Audit Committee

Our Company has constituted an audit committee as per the applicable provisions of the Companies Act, 2013 and SME Listing Agreement to be entered with Stock Exchange, vide resolution passed at the meeting of the Board of Directors held on September 15, 2015.

The committee presently comprises the following three (3) directors:

Sr. No.	Name	Position in Committee	Designation in the company
1.	Mr. Nileshkumar D Patel	Chairman	Non-Executive Independent Director
2.	Mr. Hemendra B Patel	Member	Non-Executive Independent Director
3.	Mr. Harish A Mehta	Member	Whole Time Director

Terms of Reference of the Audit Committee shall include the followings:

1. Oversight of the Issuer'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. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

5. Examination of the financial statement and the auditors' report thereon.
6. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Qualifications in the draft audit report.
7. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
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, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
14. 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.
15. Discussion with internal auditors any significant findings and follow up there on.
16. 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.
17. 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.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
19. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
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. 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
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and as required to be carried out as per applicable law including listing agreement.

Stakeholders Relationship Committee

The Company has constituted a "Stakeholders Relationship Committee" to redress the complaints of the shareholders in respect of matters pertaining to transfer of shares, non-receipt of annual report, dematerialization of shares, non-receipt of dividend etc. The Stakeholder Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on September 15, 2015. The Committee currently comprises following persons:

Sr. No.	Name	Position in Committee	Designation in the company
1.	Ms. Vinita P Maheshwari	Chairman	Non-Executive Independent Director
2.	Mr. Hemang M Panchal	Member	Non-Executive Independent Director
3.	Mr. Satishkumar A Mehta	Member	Managing Director

Terms of Reference of the Stakeholders Relationship Committee shall include the followings:

1. To specifically look into the timely redressal of shareholder and investors including complaints in respect of transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc
2. To review and approve transfer or transmission of shares & other securities
3. To review and approve issue of duplicate share certificate on split/consolidation/renewal etc
4. To carry out any other function as required to be carried out as per applicable law including listing agreement.

Nomination and Remuneration Committee

The Company has constituted a "Nomination and Remuneration Committee" in accordance with the Section 178 of the Companies Act, 2013 and Listing Agreement with SME Stock Exchange proposed to be entered into by the Company. The Committee was constituted vide resolution passed at the meeting of the Board of Directors held on September 15, 2015. The Committee currently comprises following persons:

The Remuneration Committee of the Board comprises the following three directors:

Sr. No.	Name	Position in Committee	Designation in the company
1.	Mr. Nileshkumar D Patel	Chairman	Non-Executive Independent Director
2.	Ms. Vinita P Maheshwari	Member	Non-Executive Independent Director
3.	Mr. Hemendra B Patel	Member	Non-Executive Independent Director

Terms of Reference of the Nomination and Remuneration Committee shall include the followings:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of independent directors and the Board.
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
4. Devising a policy on Board diversity.
5. 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 their appointment and removal.
6. To carry out any other function as required to be carried out as per applicable law including listing agreement.

Shareholding of the Directors

The shareholding of the directors on the date of Draft Prospectus is as follows:

Sr. No.	Name of Director	No. of Equity Shares
1.	Mr. Asamal S Mehta	14,66,950
2.	Mr. Satishkumar A Mehta	15,78,550
3.	Mr. Jayeshkumar A Mehta	17,51,500
4.	Mr. Harish A Mehta	1,28,000
5.	Mr. Hemang M Panchal	Nil
6.	Mr. Hemendra B Patel	Nil
7.	Ms. Vinita P Maheshwari	Nil
8.	Mr. Nileshkumar D Patel	Nil

Interest of Directors

Promoters & Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them and their relatives in the Company, or that may be subscribed for and allotted to them, out of the present Issue in terms of this Draft Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Directors of the Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them.

Further, the Promoters are also directors on the boards of certain Promoter Group entities and they may be deemed to be interested to the extent of the payments made by the Company, if any, to these Promoter Group entities. For further details, see "Our Promoters and Promoter Group" beginning on page 104. For the payments that are made by the Company to certain Promoter Group entities, please refer to the section titled "Financial Information of the Company", beginning on page 113.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the Company with any other Company in which they hold Directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

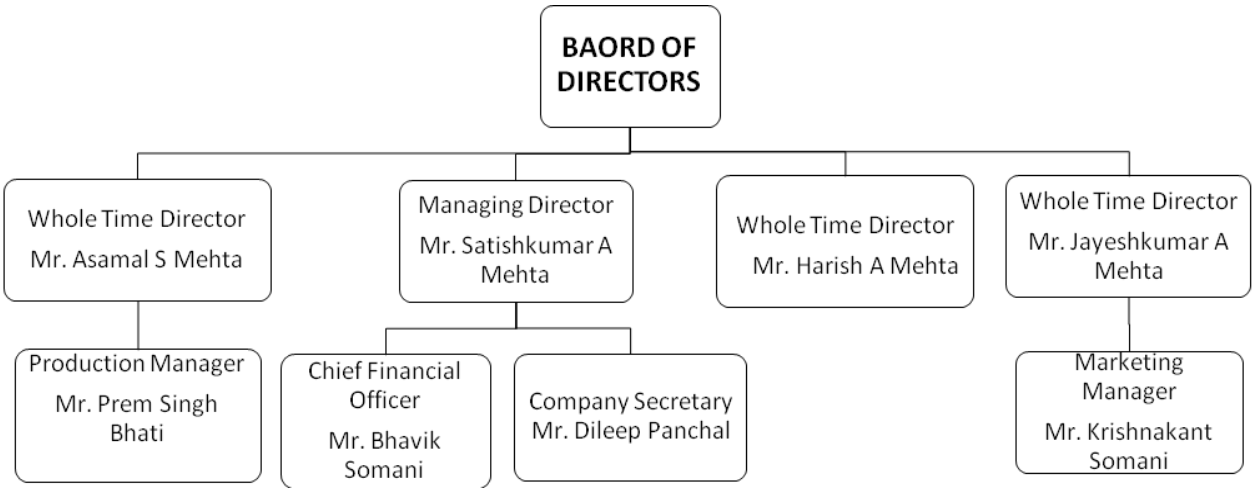
Except as stated otherwise in this Draft Prospectus including section "Related Party Transactions" on page 110 of the Draft Prospectus, the Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters/Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by the Company other than in the normal course of business.

Changes in Directors during Last Three Years

Change in the composition of the Board of Director during the last 3 years from the date of filing of the Draft Prospectus is as follows:

Name	Date of appointment	Date of resignation	Reason
Mr. Hemang M Panchal	--	July 23, 2013	Resigned as Director on personal grounds
Mr. Hemendra B Patel	--	July 23, 2013	Resigned as Director on personal grounds
Mr. Hemang M Panchal	August 28, 2015	--	Appointed as Independent Director
Mr. Hemendra B Patel	August 28, 2015	--	Appointed as Independent Director
Ms. Vinita P Maheshwari	August 28, 2015	--	Appointed as Independent Director
Mr. Nileshkumar D Patel	August 28, 2015	--	Appointed as Independent Director

Organisation Chart



Key-Managerial Personnel

The following key personnel assist the Management:

Name	Qualificati	Designation	Date of	Experien	Last	Sharehol	Amt. of

	on		Appointment	ce in yrs	employment	ding in the company	compensation paid (in cash or kind) during the financial year 2014-15
Mr. Bhavik R Somani	ACA	Chief Financial Officer	01/12/2014	3 years	DBS Affordable Home Strategy Ltd	Nil	1.60
Mr. Dileep R Panchal	ACS	Company Secretary & Compliance Officer	01/04/2015	1 year	Gyscoal Alloys Limited	Nil	Not Applicable
Mr. Krishnakant P Somani	BBA	Marketing Manager	01/02/2011	5 Years	--	Nil	2.16

All the above Key Managerial Personnel are the permanent employees of the Company.

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

Bonus or Profit Sharing Plan for the Key Managerial Personnel

There is no Profit Sharing Plan for the Key Managerial Personnel.

Changes in the Key Managerial Personnel during the last three years:

Name	Designation	Joining Date	Resignation Date
Mr. Bhavik R Somani	Head of Finance & Accounts	01/12/2014*	N.A.
Mr. Dileep R Panchal	Company Secretary & Compliance Officer	01/04/2015	N.A.

He was appointed as CFO of the company on 01.04.15

Disclosures Regarding Employees Stock Option Scheme / Employees Stock Purchase Scheme

Till date, the Company has not introduced any Employees Stock Option Scheme / Employees Stock Purchase Scheme.

Payment or Benefit to Officers of the Company

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

OUR PROMOTERS AND PROMOTER GROUP

PROMOTERS AND THEIR BACKGROUND

Mr. Asamal S Mehta

Mr. Asamal S Mehta aged 66 years, has more than Two decades of experience in the Copper & Alloys and other metals and stainless steel industry. Prior to incorporation of Sagardeep Alloys Limited, he was engaged in trading business of stainless steel and other alloy products under the name of 'M/s Sagar Metals'. Presently he is the **Whole Time Director** of the Company and looks after the production function of the Company

Mr. Satishkumar A Mehta

Mr. Satishkumar A Mehta aged 38 years, is having experience of more than 15 years in the Copper & Alloys and metal industry business. Mr. Satishkumar A Mehta, Managing Director of the Company is associated with Company since incorporation and looks after Company's Administration and Accounts & Finance related matters in the Company.

Mr. Jayeshkumar A Mehta

Mr. Jayeshkumar A Mehta aged 36 years, having experience of more than 15 years in the Metal business. He is Whole Time Director of the Company and looks after Sales department and Marketing and Business Development functions of the company.

Mr. Harish A Mehta

Mr. Harish A Mehta, aged 32 years, is a Commerce Graduate and is having experience of more than 10 years in the Metal business. He is Whole Time Director of the Company and is looking after Sales department and Marketing functions, including imports export, of the company.

Name of the Promoter	Mr. Asamal S Mehta	Mr. Satishkumar A Mehta	Mr. Jayeshkumar A Mehta	Mr. Harish A Mehta
Address	3, Saras Society, Nr. Sindhi High School, Opp Navrup Colony, Shantinagar, Usmanpura, Ahmedabad-380013	3, Saras Society, Nr. Sindhi High School, Opp Navrup Colony, Shantinagar, Usmanpura, Ahmedabad-380013	3, Saras Society, Nr. Sindhi High School, Opp Navrup Colony, Shantinagar, Usmanpura, Ahmedabad-380013	3, Saras Society, Nr. Sindhi High School, Opp Navrup Colony, Shantinagar, Usmanpura, Ahmedabad-380013
Photograph of the promoter				
Passport No.	M7484193	M3126532	L3290771	L9626060
Driving License	Not available	GJ01 20110077567	Not Available	GJ01-023429-02
Permanent Account No.	ABOPM4101F	ABIPM7789B	AGOPM6792M	AJJPM9461F
Voter's Identity No.	Not available	CLJ3924313	CLJ3923463	CLJ3923703
Name of Bank &	Bank of Baroda	Bank of Baroda	Bank of Baroda	Bank of Baroda

Branch	Usmanpura Branch	Usmanpura Branch	Usmanpura Branch	Usmanpura Branch
Bank Account No.	09330100016754	09330100017474	09330100017469	09330100017281

For further details relating to the promoters including terms of appointment as MD/WTDs and other directorships, please refer to the chapter titled "*Our Management*" beginning on page 92 of this Draft Prospectus.

Common Pursuits

Promoters of the Company have promoted M/s Sagar Prakash Alloys, a sole proprietorship concern of which Mr. Harish A Mehta, one of the promoter is proprietor, which is engaged in similar line of business that of the Company and may give rise to the conflict of interest situation for Mr. Harish A Mehta. Currently, company does not have any non-compete agreements/arrangements with any of our group entities. Such a conflict of interest may have adverse effect on company's business and growth. Company shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when it may arise.

The wholly owned subsidiary of the Company is also engaged in the similar line of business as that of the company. However, as it is wholly owned by the Company, conflict of interest situation will not arise at all.

Interest of Promoters & Directors

Promoters & Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them and their relatives in the Company, or that may be subscribed for and allotted to them, out of the present Issue in terms of this Draft Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Directors of the Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them.

Further, the Promoters are also directors on the boards of certain Promoter Group entities and they may be deemed to be interested to the extent of the payments made by the Company, if any, to these Promoter Group entities. For further details, see "Our Promoters and Promoter Group" beginning on page 104. For the payments that are made by the Company to certain Promoter Group entities, please refer to the section titled "Financial Information of the Company", beginning on page 113.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the Company with any other Company in which they hold Directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Except as stated otherwise in this Draft Prospectus including section "Related Party Transactions" on page 110 of the Draft Prospectus, the Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters/Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by the Company other than in the normal course of business.

Payment or Benefit to Promoters of the Company

Except as stated in "Related Party Transactions" on page 110, no amount or benefit has been paid or given to any Promoter within the two preceding years from the date of filing of this Draft Prospectus or is intended to be paid.

PROMOTER GROUP

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

The natural persons who are part of the Promoter Group (Being immediate relative of our Promoters) are as follows:

Sr. No.	Name of the Promoter/Relations	Mr. Asamal S Mehta	Mr. Satishkumar A Mehta	Mr. Jayeshkumar A Mehta	Mr. Harish A Mehta
1	Spouse	Mrs. Ugamben A Mehta	Mrs. Sangita S Mehta	Mrs. Rekha J Mehta	Mrs. Rinika H Mehta
2	Mother	Mrs. Kausambiben S Mehta	Mrs. Ugamben A Mehta	Mrs. Ugamben A Mehta	Mrs. Ugamben A Mehta
3	Father	Mr. Siremal Mehta	Mr. Asamal S Mehta	Mr. Asamal S Mehta	Mr. Asamal S Mehta
4	Brothers	1. Mr. Tarachandbhai S Mehta 2. Mr. Mafatlal S Mehta	1. Mr. Ramesh A Mehta 2. Mr. Jayeshkumar A Mehta 3. Mr. Harish A Mehta	1. Mr. Ramesh A Mehta 2. Mr. Satishkumar A Mehta 3. Mr. Harish A Mehta	1. Mr. Ramesh A Mehta 2. Mr. Jayeshkumar A Mehta 3. Mr. Satishkumar A Mehta
5	Sisters	1. Ms. Suvaben Chandan 2. Ms. Shobhagben Mehta 3. Ms. Mathriben Jain 4. Ms. Gashuben Jain	1. Susilaben P Bokadiya 2. Rekha J Kanungo 3. Kavita N Jain	1. Susilaben P Bokadiya 2. Rekha J Kanungo 3. Kavita N Jain	1. Susilaben P Bokadiya 2. Rekha J Kanungo 3. Kavita N Jain
6	Son	1. Mr. Ramesh A Mehta 2. Mr. Jayeshkumar A Mehta 3. Mr. Harish A Mehta 4. Mr. Satishkumar A Mehta	Krish Mehta	Harsh Mehta	
7	Daughter	1. Susilaben P Bokadiya 2. Rekha J Kanungo 3. Kavita N Jain	Jainy Mehta	Freya Mehta	Pranati Mehta
8	Mother of Spouse	Kausambiben R Bhansali	Kolidevi M Kanungo	Kamlaben Shantilal Jain	Havidevi C Jain
9	Father of Spouse	Raghunathmalji Bhansali	Motilal Kanungo	Shantilalji Shivlal Jain	Champalalji K Jain
10	Brothers of Spouse	1. Hasthimalji Bhansali 2. Prashantmalji Bhansali 3. Hukamchandji Bhansali	1. Piyush Kanungo	1. Kiranbhai Jain 2. Anil Jain	Alpesh C Jain
11	Sisters of Spouse	-----	1. Bhavna Kanungo 2. Sarika Kanungo	1. Dimple Shah	1. Seema V Sanghvi 2. Pinky V Sanghvi 3. Payal S Shah

Other Entities forming part of the Promoter Group are as under:

1. Sagar Prakash Alloys
2. Bhuvan Buildcon LLP
3. Kanan Buildcon LLP
4. Shri Hari Industries
5. Aashmalji Siremalji Mehta HUF
6. Satish A Mehta HUF
7. Jayesh A Mehta HUF
8. Harish A Mehta HUF

FINANCIAL INFORMATION OF GROUP COMPANIES/ENTITIES

The following entities are promoted by our Promoters (including companies under the same management pursuant to Section 370 (1B) of the Companies Act, 1956) and thus, are our Promoter Group Entities as defined under Schedule VIII of the SEBI Regulations:

1. M/s Sagar Prakash Alloys

M/s Sagar Prakash Alloys, is a sole proprietorship concern of which Mr. Harish A Mehta, one of the promoter, is the proprietor and having its principle office located at 5A, 66, Kesarwala Mansion, Durgadevi Street, 2nd Kumbharwada, Sant Seva Maharaj Marg, Girgaon, Mumbai-400004. It is engaged in the business of trading of Ferrous & Non Ferrous Metals.

Financial highlights for the last 3 years are given below:

(Rs.in Lacs)

Year Ended March 31	2015	2014	2013
	Unaudited	Unaudited	Unaudited
Total Income	21.94	-	-
Net Profit / (Loss)	1.76	-	-
Capital A/c.	N.A	N.A	N.A

2. M/s Bhuvan Buildcon LLP

M/s Bhuvan Buildcon LLP is a Limited Liability Partnership (LLP) firm formed on July 23, 2015 under the LLP Act, 2008 and LLPIN is AAE-4351. The registered office of the LLP is situated at 3, Saras Society, B/h Shantinagar, Wadaj, Ahmedabad, Gujarat-380013.

Presently there is no business activity in this LLP. The Main object of the Bhuvan Buildcon LLP is to Purchase, sale any land, plot(s) of land or immovable property or any right or interest therein either singly or jointly or in Partnerships with any person(s) or body corporate or partnership firm and to develop and construct thereon residential, commercial complex or complex(es) either singly or jointly or in partnership as aforesaid, comprising offices for sale or for self use or for earning rental income thereon by letting out individual units comprised in such building(s).

Partners and profit sharing ratio

Sr. No.	Name of the Partner	Profit Sharing Ratio (%)
1	Satishkumar A Mehta	51
2	Sangita S Mehta	49

The existing capital of the LLP is Rs.1,00,000.

Interest of promoters

Our Promoters are interested in this LLP Firm to the extent of profit sharing ratio which they are holding in this LLP Firm and remuneration paid to the designated partner, if any.

3. Kanan Buildcon LLP

M/s Kanan Buildcon LLP is a Limited Liability Partnership (LLP) firm formed on August 4, 2015 under the LLP Act, 2008 and LLPIN is AAE-5035. The registered office of the LLP is situated at 3, Saras Society, B/h Shantinagar, Wadaj, Ahmedabad, Gujarat-380013.

Presently there is no business activity in this LLP. The Main object of the Kanan Buildcon LLP is to Purchase, sale any land, plot(s) of land or immovable property or any right or interest therein either singly or jointly or in Partnerships with any person(s) or body corporate or partnership firm and to develop and construct thereon residential, commercial complex or complex(es) either singly or jointly or in partnership as aforesaid, comprising offices for sale or for self use or for earning rental income thereon by letting out individual units comprised in such building(s).

Partners and profit sharing ratio

Sr. No.	Name of the Partner	Profit Sharing Ratio (%)

1	Satishkumar A Mehta	51
2	Sangita S Mehta	49

The existing capital of the LLP is Rs.1,00,000.

Interest of promoters

Our Promoters are interested in this LLP Firm to the extent of profit sharing ratio which they are holding in this LLP Firm and remuneration paid to the designated partner, if any.

4. Shri Hari Industries

Mr. Satishkumar A Mehta is proprietor of proprietorship concern M/s Shri Hari Industries having its office is situated at 205, Pittalaya Bamba, Nr. Madhuram Cinema, Gheekanta, Ahmedabad-380013, Gujarat. However, no business has been carried on in the said proprietorship concern for last 3 years and therefore no financials are prepared.

5. Mehta Aashmalji Siremalji (HUF)

Mehta Aashmalji Siremalji (HUF) is a Hindu Undivided Family represented by Mr. Asamal S Mehta as the Karta and Mrs. Ugamdevi A Mehta (wife), Mr. Satishkumar A Mehta (Son), Mr. Jayeshkumar A Mehta (Son), Mr. Harish A Mehta (Son), Mr. Ramesh A Mehta (Son), Mrs. Sangita S Mehta (Daughter -in- law), Mrs. Rekha J Mehta (Daughter -in- law), Mrs. Rinika H Mehta (Daughter -in- law), Master Krish S Mehta (Grandson), Master Harsh J Mehta (Grandson), Ms. Jainy S Mehta (Grand Daughter), Ms. Freya H Mehta (Grand Daughter) and Ms. Pranati H Mehta (Grand Daughter) as its member. The Permanent Account Number (PAN) of Aashmalji Siremalji Mehta (HUF) is AAGHM4965G.

6. Satish A Mehta (HUF)

Satish A. Mehta (HUF) is a Hindu Undivided Family represented by Mr. Satishkumar A Mehta as the Karta and Mrs. Sangita S Mehta, Master Krish Mehta and Ms. Jainy Mehta as its members. The Permanent Account Number (PAN) of Satish A. Mehta (HUF) is AAUHS4605M.

7. Jayesh A Mehta (HUF)

Jayesh A Mehta (HUF) is a Hindu Undivided Family represented by Mr. Jayeshkumar A Mehta as the Karta and Mrs. Rekha J Mehta, Master Harsh Mehta and Ms. Freya Mehta as its members. The Permanent Account Number (PAN) of Jayesh A Mehta (HUF) is AAFHJ5644G.

8. Harish A Mehta (HUF)

Harish A Mehta (HUF) is a Hindu Undivided Family represented by Mr. Harish A Mehta as the Karta and Mrs. Rinika H Mehta and Ms. Pranati Mehta as its members. The Permanent Account Number (PAN) of Harish A Mehta (HUF) is AAFHH0270J.

None of our Promoter Group companies is a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 or are under winding up or have any BIFR proceedings initiated against it.

None of the Promoter Group companies has been struck off as a defunct company by any Registrar of Companies in India and no application was made to the Registrar of Companies for striking off the name of any of the group company during the five years preceding the date of filing Draft prospectus with the Stock Exchange.

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

No Group Company has business interest in Sagardeep Alloys Ltd except as disclosed in the section “Related Party Transactions”. However, Sagardeep Engineers Private Limited, subsidiary company is holding 6,33,500 Equity Shares representing 7.57% of the pre issue paid up equity share capital of the issuer company.

There are no companies/firms with which the promoters of the company have disassociated themselves during preceding three years except the following:

Name Promoter	Disassociation Entity	Mode	Reason for Disassociation
Asamal S Mehta	Shakti Stainless Pvt. Ltd	Director & Shareholder	Pre Occupation
Jayeshkumar A Mehta	Swiss Impex Pvt. Ltd.	Director & Shareholder	Pre Occupation
Harish A Mehta	Sagardeep Engineers Pvt. Ltd	Director & Shareholder	Pre Occupation
Harish A Mehta	Swiss Impex Pvt. Ltd.	Director & Shareholder	Pre Occupation
Satishkumar A Mehta	TPS Metal & Tube Pvt. Ltd.	Director & Shareholder	Pre Occupation

For details on litigations and disputes pending against our group companies/concerns and defaults made, please refer to section titled “Outstanding Litigations” on page no.177 of this Draft Prospectus.

RELATED PARTY TRANSACTIONS

For details on related party transactions of our Company during the last five financial years and the six months ended September 30, 2015, as per the requirements under Accounting Standard 18 - *'Related Party Disclosures'*, see Annexure XXX of our restated standalone financial statements and Annexure XXVIII of our restated consolidated financial statements in the section titled "*Financial Information*" on pages 140 and 167, respectively.

CURRENCY OF PRESENTATION

In this Draft Prospectus, all references to “Rupees” and “Rs.” And “₹” and “Indian Rupees” are to the legal currency of the Republic of India.

DIVIDEND POLICY

The declaration and payment of dividends on our equity shares will be recommended by our board of directors and approved by our shareholders, at their discretion, and will depend on a number of factors, our results of operations and financial condition, capital requirements, contractual restrictions (including the terms of some of our financing arrangements that restrict our ability to pay dividends) and other factors considered relevant by our Board of Directors and shareholders. However the Company has not paid any dividend till date.

SECTION V – FINANCIAL INFORMATION
FINANCIAL INFORMATION OF THE COMPANY
STANDALONE FINANCIAL STATEMENT AS RESTATED
Independent Auditor's Report for the Standalone Restated Financial Statements of Sagardeep Alloys Limited

Report of Auditors on the Restated Unconsolidated Financial Information of Sagardeep Alloys Limited for each of the years / periods ended on September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011.

To,
The Board of Directors
Sagardeep Alloys Limited
205, Pitaliya Bumba, Gheekanta,
Ahmedabad-380001, Gujarat, India.

Dear Sirs,

1. We Piyush J. Shah & Co. has examined the attached Standalone Restated Statement of Asset and Liabilities of Sagardeep Alloys Limited (The Company) as at September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and the related Standalone Profit & Loss and the related Standalone Restated Statement of Cash Flow for the financial year / period ended on September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, and March 31, 2011 (collectively the "Standalone Restated Summary Statements" or "Standalone Restated Financial Statements"). These Standalone 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 Offer (IPO) in SME Platform of National Stock Exchange Limited (NSE).
2. Such Financial information , which has been approved by the Board of Directors of the Company , has been prepared in accordance with the requirements of:
   a. Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act,2013, AS amended (hereinafter referred to as the "Act");
   b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009 ("SEBI Regulations") ("SEBI ICDR Regulations") issued by the SEBI in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications made thereto from time to time;
   c. The terms of reference to our engagements with the Company, requesting us to examine the financial information referred to above and proposed to be included in this Draft offer Document / offer Document of the Company in connection with its proposed initial public offer of equity shares in SME Platform of NSE.
3. The Standalone Restated Summary Statements of the Company have been extracted by the Management from the Audited Financial Statements of the Company for the financial years ended on September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011 which have been approved by the Board of Directors.
4. Financial Statement for the period ended on September 30, 2015 has been audited by us as required under SEBI ICDR Regulations. This report in so far as it relates to the amounts included for the Financial Year March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011 is based on the audited financial statements of the Company.
5. In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations , Guidance Note and Engagement Letter , We report that;
   a. The "Standalone Restated statement of Assets and Liabilities" as set out in Annexure I to this report of the company as at years / periods ended on September 30, 2015, March 31, 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 Standalone Statement of Assets and Liabilities as restated have been arrived at after making such adjustment 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 Standalone Restated Summary Statements as set out in Annexure IV to this Report.
   b. The "Standalone Restated statement of Profit & Loss" as set out in Annexure II to this report of the company for the financial years / periods ended on September 30, 2015, March 31, 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 Standalone Statement of Profit & Loss

as restated have been arrived at after making such adjustment 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 Standalone Restated Summary Statements as set out in Annexure IV to this Report.

c. The " Standalone Restated statement of Cash Flow" as set out in Annexure III to this report of the company for the financial year / periods ended on September 30, 2015, March 31, 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 Standalone Statement of Cash Flow as restated have been arrived at after making such adjustment 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 Standalone Restated Summary Statements as set out in Annexure IV to this Report.

6. Based on the above, we are of the opinion that the Standalone Restated Financial Statements Have been made after incorporating :
   a. Adjustments if any, for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods.
   b. Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are not qualifications which require adjustments.
   c. There are no exceptional and extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
   d. These Profits / (Losses) have been arrived at after charging all expenses including depreciation and after making such adjustments/restatement and regroupings as in our opinion are appropriate and are to be read in accordance with Significant Accounting Policies and Notes to the Standalone Restated Summary Statements as set out in Annexure IV to this Report.
7. We have examined the following regrouped/ rearranged financial information relating to the Company Proposed to be included in this Draft offer Document / offer Document ("Offer Document") as approved by the Board of Directors of the Company and attached to this report for the financial years / periods ended on September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011.
8. We, M/s. Piyush J. Shah & Co., 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.
9. The report should not in any way be constructed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor this report be constructed as a new opinion on any of the financial statements referred to therein.
10. In our opinion, the above financial information contained in Annexure I to Annexure XXIX read with respective Significant Accounting Policies and Notes to Standalone Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
11. This report is intended solely for the use of Management and for the inclusion in the offer Document in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.
12. Opinion

    In our opinion and to the best of our information and according to the explanations given to us, the Standalone restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;

    a. In the case of "Standalone Restated statement of Assets and Liabilities" of the company as at September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011.
    b. In the case of the "Standalone Restated statement of Profit & Loss" of the profit of the company for the years / periods ended on that date; and
    c. In the case of "Standalone Restated statement of Cash Flow" of the cash flows of the Company for the years / periods ended on that date.

For, Piyush J. Shah & Co.
Chartered Accountants
FRN: 121172W

Name: Mr. Piyush J. Shah
Designation: Partner **Date: February 5th, 2016**
Membership No.: 108670 **Place: Ahmedabad**

Annexure to Standalone Restated Financial Statements of the Company: -

1. Restated Consolidated Financial Statements of Assets & Liabilities as restated in Annexure I
2. Restated Consolidated Statement of Profit and Losses as restated in Annexure II
3. Restated Consolidated Statement of Cash Flow as restated in Annexure III
4. Significant Accounting Policies and Notes to accounts as restated in Annexure IV;
5. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE V to this report;
6. Details of Share Capital as Restated as appearing in ANNEXURE VI to this report;
7. Details of Reserves and Surplus as Restated as appearing in ANNEXURE VII to this report;
8. Details of Long Term Borrowings as Restated as appearing in ANNEXURE VIII to this report;
9. Details of Deferred Tax Liabilities (Net) as Restated as appearing in ANNEXURE IX to this report;
10. Details of Short Term Borrowings as Restated as appearing in ANNEXURE X to this report;
11. Details of Trade Payables as Restated as appearing in ANNEXURE XI to this report;
12. Details of Other Current Liabilities as Restated as appearing in ANNEXURE - XII to this report;
13. Details of Short Term Provisions as Restated as appearing in ANNEXURE - XIII to this report;
14. Details of Fixed Assets as Restated as appearing in ANNEXURE XIV to this report;
15. Details of Non-Current Investments as Restated as appearing in ANNEXURE XV to this report;
16. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE XVI to this report;
17. Details of Inventories as Restated as appearing in ANNEXURE XVII to this report;
18. Details of Trade Receivables as Restated enclosed as ANNEXURE XVIII to this report;
19. Details of Cash and Bank Balances as Restated enclosed as ANNEXURE XIX to this report;
20. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XX to this report;
21. Details of Revenue from Operations as Restated as appearing in ANNEXURE XXI to this report;
22. Details of Other Income as Restated as appearing in ANNEXURE XXII to this report;
23. Details of Staff Costs as Restated as appearing in ANNEXURE XXIII to this report;
24. Details of Other Manufacturing Expenses as appearing in ANNEXURE XXIV to this report;
25. Details of Administration Expenses as appearing in ANNEXURE XXV to this report;
26. Details of Selling & Distribution Expenses as appearing in ANNEXURE XXVI to this report
27. Details of Interest Cost as Restated as appearing in ANNEXURE XXVII to this report;
28. Capitalization Statement as Restated as at September 30, 2015 as appearing in ANNEXURE XXVIII to this report;
29. Statement of Tax Shelters as Restated as appearing in ANNEXURE XXIX to this report;
30. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XXX to this report;
31. Reconciliation of Restated Profit as appearing in ANNEXURE XXXI to this report;

ANNEXURE – I

Restated Standalone Financial Statements of Assets & Liabilities

(₹ In Lacs)

Particulars	As at					
	September 30, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
I. EQUITY AND LIABILITIES						
1. Shareholders' funds						
(a) Share capital	837.16	837.16	837.16	837.16	837.16	140.00
(b) Reserves and surplus	902.45	893.49	826.67	761.01	697.44	326.23
Sub-Total	**1739.61**	**1730.65**	**1663.83**	**1598.17**	**1534.60**	**466.23**
2. Share application money pending allotment	-	-	-	-	-	60.00
Sub-Total	**-**	**-**	**-**	**-**	**-**	**60.00**
3. Non-current liabilities						
(a) Long-term borrowings	508.52	180.95	-	12.90	23.83	27.91
(b) Deferred tax liabilities (Net)	46.46	28.15	33.42	27.82	20.94	14.21
(c) Long-term provisions	-	-	-	-	-	-
Sub-Total	**554.98**	**209.10**	**33.42**	**40.72**	**44.77**	**42.12**
4. Current liabilities						
(a) Short-term borrowings	1391.62	1482.36	1479.88	1981.98	1835.64	1647.10
(b) Trade payables	733.84	805.86	1714.24	772.35	2157.13	2410.25
(c) Other current liabilities	724.76	83.19	10.71	147.03	29.59	24.75
(d) Short-term provisions	23.36	3.57	13.33	1.00	21.84	44.89
Sub-Total	**2873.58**	**2374.98**	**3218.16**	**2902.36**	**4044.20**	**4126.99**
TOTAL	**5168.17**	**4314.73**	**4915.41**	**4541.25**	**5623.57**	**4695.34**
II. ASSETS						
1. Non-current assets						
(a) Fixed assets	656.41	672.31	374.39	355.62	328.91	337.42
(b) Non-current investments	516.20	5.00	-	-	-	16.80
(c) Long-term loans and advances	44.73	525.46	13.78	12.51	11.28	0.05
(d) Other Non-Current Assets	**-**	**-**	**-**	**-**	**-**	**-**
Sub-Total	**1217.34**	**1202.77**	**388.17**	**368.13**	**340.19**	**354.27**
2. Current assets						
(a) Current investments	-	-	-	-	-	-
(b) Inventories	916.60	267.91	1604.30	1061.21	1970.26	1052.07
(c) Trade receivables	2392.48	2296.15	2767.62	2664.81	3231.96	2505.55
(d) Cash and cash equivalents	30.43	13.23	41.80	33.18	16.62	6.80
(e) Short-term loans and advances	611.32	534.67	113.52	413.92	64.54	776.65
(f) Other current assets	-	-	-	-	-	-
Sub-Total	**3950.83**	**3111.96**	**4527.24**	**4173.12**	**5283.38**	**4341.07**
TOTAL	**5168.17**	**4314.73**	**4915.41**	**4541.25**	**5623.57**	**4695.34**

ANNEXURE – II
Restated Standalone Statement of Profit and Losses

(₹ In Lacs)

Particulars	As at					
	September 30, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
I. Revenue from operations						
a) of products manufactured by the issuer	2742.33	5425.77	2609.75	3527.24	4458.20	2999.91
b) of products traded in by the issuer	3370.40	7819.53	12937.45	16519.00	13387.82	10405.57
Total Revenue from Operations	6112.73	13245.30	15547.20	20046.24	17846.02	13405.48
II. Other income	8.36	19.93	14.54	10.06	25.41	34.74
III. Total Revenue (I + II)	6121.09	13265.23	15561.74	20056.30	17871.43	13440.22
Increase / (Decrease) in Inventories	641.90	(1257.79)	378.38	(808.40)	815.17	480.14
IV. Total	6762.99	12007.44	15940.12	19247.90	18686.60	13920.36
V. Expenses:						
Cost of materials consumed	2407.96	5116.83	2383.39	3002.03	3916.41	2672.31
Purchases of Stock-in-Trade/Labour	3706.64	5611.52	12755.95	15589.71	13929.20	10658.50
Staff Costs	29.94	93.14	68.28	62.66	71.22	50.71
Other Manufacturing Expenses	463.44	778.61	366.56	203.35	222.83	157.35
Administration Expenses	21.20	67.67	32.71	38.01	66.89	38.37
Selling & Distribution Expenses	-	-	0.13	3.84	1.51	0.31
Interest Expenses	100.04	260.40	235.29	251.57	200.74	134.12
Total expenses	6729.22	11928.17	15842.31	19151.17	18408.80	13711.67
VI. Profit before extraordinary items and tax (IV - V)	33.77	79.27	97.81	96.73	277.80	208.69
VII. Extraordinary Items-	-	-	-	-	-	0.29
VIII. Profit before tax (VI-VII)	33.77	79.27	97.81	96.73	277.80	208.98
IX. Tax expense:						
(1) Current tax	6.50	16.65	26.55	26.28	83.50	62.37
(2) Deferred tax	18.31	(5.27)	5.60	6.88	6.73	11.25
X. Profit (Loss) for the period (VIII- IX)	8.96	67.89	65.66	63.57	187.57	135.36
XVI. Earning per equity share:						
(1) Basic	0.11	0.81	0.78	0.76	2.66	2.02
(2) Diluted	0.11	0.81	0.78	0.76	2.66	2.02

ANNEXURE – III
Restated Standalone Statement of Cash Flow

(₹ In Lacs)

Particulars	As at					
	September 30, 2015	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**	**March 31, 2012**	**March 31, 2011**
CASH FLOW FROM OPERATING ACTIVITIES						
Restated Net profit Before Tax	33.77	79.27	97.81	96.73	277.80	208.98
Adjustments For:						
Depreciation	14.23	36.16	12.57	11.98	11.21	9.36
Preliminary Expenses	-	5.00	-	0.07	0.07	0.07
Interest Received	(1.05)	(0.89)	-	-	(12.23)	(28.70)
Dividend Received	-	-	-	-	(0.30)	(0.11)
Net (gain) / loss on Foreign Exchanges	-	-	-	-	2.00	(0.64)
Net gain / loss on Sale of Investments	-	-	-	-	4.08	(1.68)
Rental income	-	-	-	(0.48)	(0.64)	(0.16)
Interest and Finance Charges	100.04	260.40	235.29	251.57	200.74	134.12
Operating Profit before working capital changes	**146.99**	**379.94**	**345.67**	**359.87**	**482.73**	**321.24**
Adjustment For:						
Decrease/(Increase) in Inventories	(648.69)	1336.39	(543.09)	909.05	(918.19)	(573.76)
Decrease/(Increase) in Trade receivables	(96.33)	471.47	(102.81)	567.15	(726.41)	(1354.65)
Decrease/(Increase) in Short-term loans and advances	(76.65)	(421.15)	300.40	(349.38)	712.11	(738.16)
Decrease/(Increase) in Long Term Loans and Advances	480.73	(511.68)	(1.27)	(1.23)	(11.23)	-
Decrease/(Increase) in Trade Payables	(72.02)	(908.38)	941.89	(1384.78)	(253.12)	1855.78
Decrease/(Increase) in Other Current Liabilities	641.57	72.48	(136.32)	117.44	4.84	4.86
Decrease/(Increase) in Short Term Provisions	19.79	(9.76)	12.33	(20.84)	(23.05)	26.11
Cash Generated from Operations	**395.39**	**409.31**	**816.80**	**197.28**	**(732.32)**	**(458.58)**
Taxes Paid	6.50	16.65	26.55	26.28	83.50	62.37
Net Cash From /(Used In) Operating Activities (A)	**388.89**	**392.66**	**790.25**	**171.00**	**(815.82)**	**(520.95)**
Cash Flow From Investing Activities						
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	1.67	(335.15)	(31.34)	(38.76)	(2.77)	(81.25)
Decrease/(Increase) in Non Current investments	(511.20)	(5.00)	-	-	12.72	(6.30)
Preliminary Expenses Incurred	-	(5.00)	-	-	-	-
Interest Received	1.05	0.89	-	-	12.23	28.70
Dividend Received	-	-	-	-	0.30	0.11
Rental income	-	-	-	0.48	0.64	0.16

Net Cash From /(Used In) Investing Activities (B)	**(508.48)**	**(344.26)**	**(31.34)**	**(38.28)**	**23.12**	**(58.58)**
Cash Flow From Financing Activities						
Proceeds from Issue of Shares	-	-	-	-	536.16	-
Security Premium	-	-	-	-	344.64	-
Interest and Finance Charges	(100.04)	(260.40)	(235.29)	(251.57)	(200.74)	(134.12)
Proceeds / (Repayments) of Share Application Money	-	-	-	-	(60.00)	60.00
(Decrease)/Increase in Short Term Borrowing	(90.74)	2.48	(502.10)	146.34	188.54	632.35
(Decrease)/Increase in Long Term Borrowing	327.57	180.95	(12.90)	(10.93)	(4.08)	24.87
Net gain / loss on Foreign Exchanges	-	-	-	-	(2.00)	0.64
Net Cash From Financing Activities (c)	**136.79**	**(76.97)**	**(750.29)**	**(116.16)**	**802.52**	**583.74**
Net Increase / (Decrease) in Cash (A)+(B)+(C)	**17.20**	**(28.57)**	**8.62**	**16.56**	**9.82**	**4.21**
Cash and Cash equivalents at the beginning of the year	13.23	41.80	33.18	16.62	6.80	2.59
Cash and Cash equivalents at the end of the year	**30.43**	**13.23**	**41.80**	**33.18**	**16.62**	**6.80**

i) The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"

ii) Figures in Brackets represent outflows

iii) The above statement should be read with the restated statement of profit and loss, cash flow statements, significant accounting policies and notes to restated summary statements as appearing in Annexure I, II, respectively.

ANNEXURE – IV
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A) Corporate Information :

Sagardeep Alloys Limited is engaged in the business of Manufacturing & Supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloys Consumables and Trading and supply of Ferrous and Non ferrous Metals and alloys on its own and also on job work basis. The Factory is located at Plot No 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Taluka-Kalol, Ghandhinagar-382721, Gujarat (India).

The Company's products adhere to high quality standards and it has got ISO 9001:2008 certification for "Manufacturing & Supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloys Consumables and Trading and supply of Ferrous and Non ferrous Metals and alloys" from BSCIC Management Systems. Company's products are utilized in various industries such as Air Conditioning and Refrigeration, Engineering & Gas Application etc.

B) Basis of Preparation :

The Restated Summary Statements of Assets and Liabilities of the Company as at September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement as at September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 (herein collectively referred to as "Restated Unconsolidated Summary Statements) have been complied by management from the Standalone financial statements of the company for the period ended on September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011.

The Restated Standalone financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable, and the relevant provisions of the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. The Unconsolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used for the purpose of preparation of financial statements for the period ended on September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011.

Restated Unconsolidated Summary Statements have been prepared specifically for inclusion in the offer document to be filled by the company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed Initial Public Offering.

Restated Unconsolidated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared to comply in all material respect with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-Section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

C) Significant Accounting Policies :

a) Use of Estimates :

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

b) Fixed Assets :

Fixed Assets are stated at their acquisition cost less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use where applicable together with any incidental expenses of acquisition/installation. Cost of acquisition includes borrowing costs that are directly attributable to the acquisition/construction of qualifying assets.

c) Depreciation:

Up to March 31st, 2014 depreciation on fixed assets is provided on straight line method (SLM) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life. w.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

d) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the

customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

D) Foreign Currency Transactions :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

E) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

F) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

G) Taxation :

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

H) Borrowing Cost :

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

I) Segment Reporting :

The company is mainly engaged in the business of Manufacturing of Copper Product and Trading of Metals. Considering the nature of Business and financial reporting of the company the company has only one segment.

J) Provisions and Contingent Liabilities :

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

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

K) Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

L) Events occurring after Balance Sheet Date :

The Company has remitted Rs.2,719,748 on December 28, 2015 for subscribing share capital in Sagardeep General Trading FZE in Dubai which on allotment of shares would have made it a wholly owned subsidiary of the Company. However, the funds of Rs 2,727,500 (Rs 7752 Excess due to "Foreign exchange rate fluctuation") have been remitted back to the Company on February 3,2016 without shares being allotted to the company and therefore as on date, Sagardeep General Trading FZE is not a subsidiary of the Company. Sagardeep General Trading FZE has not started any operational activity.

ANNEXURE – V
RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS

(₹ In Lacs)

A) Basic Earnings per Share

Ratio	As at September 31, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Basic Earnings per Share						
Restated PAT as per statement of profit and loss**(B)**	8.96	67.89	65.66	63.57	187.57	135.36
Weighted average number of equity shares at the end of the year/ period**(C)**	30.62	30.62	30.62	30.62	17.47	14.00
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves Prior to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	53.10	53.10	53.10	53.10	53.10	53.10
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves subsequent to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-	-	-	-
Weighted average number of equity shares considered for calculating basic EPS(C)	83.72	83.72	83.72	83.72	70.57	67.10
Share capital as at the end of the year	837.20	837.20	837.20	837.20	837.20	140.00
Earnings Per Share						
Basic & Diluted (Rs)*	**0.11**	**0.81**	**0.78**	**0.76**	**2.66**	**2.02**

B) Net Asset Value per Equity Share

Net Asset value per Equity Share						
Net Worth , as Restated	1739.61	1730.65	1663.83	1598.17	1534.60	466.23
No. of Equity Share Outstanding	30.62	30.62	30.62	30.62	17.47	14.00
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves Prior to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	53.10	53.10	53.10	53.10	53.10	53.10
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves subsequent to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-	-	-	-
No. of Equity Share Outstanding, Considered	83.72	83.72	83.72	83.72	70.57	67.10
Net Asset value per Equity Share	**20.78**	**20.67**	**19.87**	**19.09**	**21.75**	**6.95**

C) Return on net worth

Return on net worth						
Net Profit after Tax As Restated	8.96	67.89	65.66	63.57	187.57	135.36
Net Worth , as Restated	1739.61	1730.65	1663.83	1598.17	1534.60	466.23
Return on net worth (%)	**0.51%**	**3.92%**	**3.95%**	**3.98%**	**12.22%**	**29.03%**
Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

Notes:

1. **The ratios have been Computed as per the following formulas:**
   - **i) Basic Earning per Share**

     $$\frac{\text{Net Profit after tax, as restated for the year / period, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year / period}}$$

   - **ii) Net Asset Value (NAV)**

     $$\frac{\text{Net Asset Value, as restated, at the end of the year / period}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

   - **iii) Return on Net Worth (%)**

     $$\frac{\text{Net Profit after tax, as restated for the year / period, attributable to equity shareholders}}{\text{Net worth as restated, at the end of the year / period}}$$

2. **Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.**

3. **Earning per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.**

4. **Prior to September 30, 2015, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios:**

   - **i) On May 30, 2011 the Company has issued and allotted 400,000 shares under private placement to various persons at a price of ₹ 62.50 per equity share (₹ 52.50 towards securities premium).**

ii) On March 22, 2012 The Company has issued bonus shares to its existing equity shareholders in the ratio of 295 (Two Hundred ninety five) shares for every 100 (Hundred) shares held by them by capitalizing its securities premium account and profit & loss account.

iii) On March 29, 2012 the Company has issued and allotted 1,261,600 shares under private placement to various persons at a price of ₹ 50 per equity share (₹ 40 towards securities premium).

Note:

1. The figures disclosed below are based on the restated Standalone summary statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated Standalone summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

ANNEXURE – VI
Restated Standalone statement of Share Capital

(₹ In Lacs)

1. Statement of Share Capital

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Authorized						
Equity shares of RS. 10/- each	2000.00	2000.00	2000.00	2000.00	2000.00	150.00
Issued , Subscribed and Fully paid up Capital	**837.16**	**837.16**	**837.16**	**837.16**	**837.16**	**140.00**

Note: During the Financial Year 2011-12, the company has issued and allotted 1,261,600 shares under private placement to various persons at ₹ 50 per equity share (including ₹ 40 towards securities premium).

Terms/rights attached to equity shares:

i) The company has only one class of Equity Shares having par value of Rs. 10/-per share. Each holder of Equity shares is entitled to one Vote per share.

ii) In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. Reconciliation of Shares outstanding at the beginning and at the end of the Period

(In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
At the beginning of the period	83.72	83.72	83.72	83.72	14.00	14.00
Issued during the year	-	-	-	-	69.72	-
Redeemed or bought back during the period	-	-	-	-	-	-
Outstanding at the end of the Period	83.72	83.72	83.72	83.72	83.72	14.00

3. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	-	-	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-	-	53.10	-
Aggregate number and class of shares bought back.	-	-	-	-	-	-

4. Details of Shareholders holding more than 5% shares in the company

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Name of Shareholders	**% holding**	**% holding**	**% holding**	**% holding**	**% holding**	**% holding**
Satish A Mehta	18.86	18.86	18.86	18.86	18.86	22.06
Asamalji Mehta	17.52	17.52	17.52	17.52	17.52	21.79
Jayesh A Mehta	20.92	20.92	20.92	20.92	20.92	27.86
Mahesh Kanungo (Medas)	-	-	-	-	-	-
Gujarat Jhaveri Spinners Ltd	-	-	-	-	-	7.14
Asamalji Mehta (HUF)	6.56	6.56	6.56	6.56	6.56	-
Sagardeep Engineering Pvt Ltd	7.57	7.57	7.57	7.57	7.57	-
Ugamdevi A Mehta	12.43	12.39	-	-	-	-
Sagardeep Infradevelopers Pvt Ltd (New Name Bhakti Metal Pvt Ltd)	-	-	7.68	7.68	7.68	-
	83.86	83.82	79.11	79.11	79.11	78.85

ANNEXURE – VII

Restated Standalone Statement of Reserves and Surplus

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
A. Security premium account						
Opening Balance	504.64	504.64	504.64	504.64	160.00	160.00
Add: Securities premium accounts credited on account of share issue	-	-	-	-	714.64	-
Less : Deletion for issue of Bonus Shares	-	-	-	-	370.00	-
Closing Balance	**504.64**	**504.64**	**504.64**	**504.64**	**504.64**	**160.00**
B. Profit loss account						
Opening Balance	388.85	322.03	256.37	192.80	166.23	30.87
Add: Net Profit/(Loss) for the year	8.96	67.89	65.66	63.57	187.57	135.36
Less: Issuing Bonus Shares	-	-	-	-	161.00	-
Less: Other Adjustment	-	1.07	-	-	-	-

Closing Balance	**397.81**	**388.85**	**322.03**	**256.37**	**192.80**	**166.23**
Total (A+B)	**902.45**	**893.49**	**826.67**	**761.01**	**697.44**	**326.23**

Note:

1. During the Financial Year 2011-12, the company has issued and allotted 1,261,600 equity shares under private placement at ₹ 50 per equity shares (including ₹ 40 towards securities premium).
2. During the Financial Year 2011-12, the company has issued and allotted 295 Bonus Shares against each 100 equity shares held by its existing Equity shareholders.
3. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of Profit and Loss Account amounting to ₹ 1.07 Lacs during the Financial Year 2014-15.

ANNEXURE – VIII
Restated Standalone Statement of Long Term Borrowings

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Loan Repayable on Demand						
A. From Banks (Secured)						
Bank of Baroda Term Loan A/c	-	-	-	12.90	23.83	27.89
HDFC Motor Car Loan - GJ-1 H 300	-	-	-	-	-	0.02
HDFC Motor Car Loan - Fortuner	13.11	15.05	-	-	-	-
HDFC Motor Car Loan - Innova	7.91	9.12	-	-	-	-
Total	**21.02**	**24.17**	**-**	**12.90**	**23.83**	**27.91**
B. From Other Parties						
Sheth Sanwaliya Metals Pvt Ltd	487.50	156.78	-	-	-	-
Total	**487.50**	**156.78**	**-**	**-**	**-**	**-**
Total (A+B)	**508.52**	**180.95**	**-**	**12.90**	**23.83**	**27.91**

1. Details of Security and repayment terms are as under:
   i) Bank of Baroda Term Loan Secured by EMG over factory Land & Building situated at block no. 207, Village -Santej, Taluka Kalol, District - Gandhinagar.
   ii) HDFC Motor Car Loan is secured against the Motor Car Fortuner and ₹ 44,750 of installment will be paid starting from 5th June2014 to 5th July 2019.
   iii) HDFC Motor Car Loan is secured against the car Innova and ₹ 27,720 of installment will be paid starting from 5th July 2014 to 5th June 2019.
   iv) The company had accepted Interest free Inter Corporate borrowing amounting to ₹ 487.50 Lacs from Sheth Sanwaliya Metals Private Limited.

ANNEXURE – IX
Restated Standalone Statement of Deffered Tax Liabilities

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Deferred tax liability	46.46	28.15	33.42	27.82	20.94	14.21
Net deferred tax liability	**46.46**	**28.15**	**33.42**	**27.82**	**20.94**	**14.21**

ANNEXURE – X
Restated Standalone Statement of Short Term Borrowings

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Loan Repayable on Demand						
A. From Banks (Secured)						
Bank of Baroda C.C A/c	1391.62	1482.36	1479.88	1980.07	1833.26	1242.27
Deposits from other secured	-	-	-	1.91	2.38	1.78
Total (A)	**1391.62**	**1482.36**	**1479.88**	**1981.98**	**1835.64**	**1244.05**
B. Loans and advances from related parties						
Mukeshkumar Inani	-	-	-	-	-	10.89
Ambica Sales Corporation A/c	-	-	-	-	-	50.00
Balaji Trading Co.	-	-	-	-	-	50.00
Hetal J Patel	-	-	-	-	-	1.50
Harsh Metal	-	-	-	-	-	50.00
Jagdish N Patel	-	-	-	-	-	3.20
Mangilal Somani	-	-	-	-	-	1.90
Meadas Steel Corporation	-	-	-	-	-	50.00
Minaxi Somani	-	-	-	-	-	2.39
Mukesh Somani	-	-	-	-	-	4.31
Pinakin J Patel	-	-	-	-	-	1.45
Porwal Metal Co.	-	-	-	-	-	36.84
Rakesh Somani	-	-	-	-	-	0.93
Rythme Alloys	-	-	-	-	-	50.00
Sagardevi Somani	-	-	-	-	-	2.81
Suman Rakesh Somani	-	-	-	-	-	2.10
Swiss Impex	-	-	-	-	-	0.92
TPS Metal & Tube	-	-	-	-	-	6.02
Uma J Patel	-	-	-	-	-	1.00
Asamalji Mehta	-	-	-	-	-	0.42
Asamalji Mehta (HUF)	-	-	-	-	-	9.85
Harish A Mehta	-	-	-	-	-	0.28
Jayesh A Mehta (HUF)	-	-	-	-	-	0.11
Jayesh A Mehta	-	-	-	-	-	3.55
Rameshbhai A Mehta	-	-	-	-	-	10.62
Rekha J Kanungo	-	-	-	-	-	1.77
Rekha J Mehta	-	-	-	-	-	8.01
Sangita S Mehta	-	-	-	-	-	6.88
Satish A Mehta	-	-	-	-	-	8.48
Seiko Metal & Tube	-	-	-	-	-	0.08
Simandhar Impex	-	-	-	-	-	2.11

Snehalata R. Mehta	-	-	-	-	-	24.35
Ugamben A Mehta	-	-	-	-	-	0.28
Total (B)	**-**	**-**	**-**	**-**	**-**	**403.05**
Total (A+B)	**1391.62**	**1482.36**	**1479.88**	**1981.98**	**1835.64**	**1647.10**

Note:

1. Details of Security and repayment terms are as under:
   i) BOB C.C. loan outstanding as on September 30, 2015 is given at the rate of 12.15% and secured against following:
      a) Factory Land & Building in the name of the company situated at Block No 2070, Near Shah Alloys Limited, Khatraj Road, Santej – 382721, Taluka: Kalol, District: Gandhinagar
      b) Raw Materials, Stock in Process, Stores & Spares, Packing Materials, Finished Goods, Book-Debt, entire Machineries, Equipments, Electrical Installations, Furniture & Fixtures, Office Equipments and other Movable Fixed Assets of the company, situated at the above mentioned premises, present & future (Except the vehicles financed by NBFCs)
      c) General form of guarantee signed by the following directors
         - Asamal Siremal Mehta
         - Satish Asamal Mehta
         - Jayesh Asamal Mehta
         - Harish Asamal Mehta

ANNEXURE – XI
Restated Standalone Statement of Trade Payable

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Sundry Creditors for Goods	682.75	735.14	1684.50	749.10	2121.63	2405.87
Sundry Creditors for Capital Goods	0.05	37.97	-	0.20	-	-
Sundry Creditors for Expenses	51.04	32.75	29.74	23.05	35.50	4.38
Total	**733.84**	**805.36**	**1714.24**	**772.35**	**2157.13**	**2410.25**

Note:

1. Sundry Creditors for Capital goods includes amount outstanding against purchase of Capital Goods.
2. Trade Payable outstanding as on September 30, 2015 is taken as certified by the management of the company.

ANNEXURE – XII
Restated Standalone Statement of Other Current Liabilities

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Advance received from customers	718.63	21.40	6.39	135.01	18.47	-
Other current liabilities, others	-	-	-	2.44	-	-
HDFC Motor Car Loan - Fortuner	3.77	3.58	-	-	-	-
HDFC Motor Car Loan - Innova	2.36	2.24	-	-	-	-
HDFC Motor Car Loan - GJ-2 C 3281	-	-	-	-	-	0.97
HDFC Motor Car Loan - GJ-1 H 300	-	-	-	-	0.17	2.05
Bank of Baroda Term Loan A/c - Current Maturity	-	-	-	9.58	9.59	15.37
Security deposits refundable, current	-	-	3.58	-	-	-

Taxes payable other tax	-	55.97	0.74	-	1.36	6.36
Total	**724.76**	**83.19**	**10.71**	**147.03**	**29.59**	**24.75**

Note:

1. Advanced received from customer as on 30th September 2015 is taken as certified by the management. No security has been given on the same.
2. HDFC Motor Car Loan is secured against the Motor Car Fortuner and ₹ 44,750 of installment will be paid starting from 5th June2014 to 5th July 2019.
3. HDFC Motor Car Loan is secured against the car Innova and ₹ 27,720 of installment will be paid starting from 5th July 2014 to 5th June 2019.
4. Bank of Baroda Term Loan Secured by EMG over factory Land & Building situated at block no. 207, Village -Santej, Taluka Kalol, District - Gandhinagar.
5. Security Deposit given was refundable and given for security against gas supplied by suppliers.
6. Taxes payable – other tax includes amount payable towards VAT, TDS etc.

ANNEXURE – XIII
Restated Standalone Statement of Short Term Provisions

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Provision for tax	6.43	1.57	11.33	-	18.38	37.14
Provision - others (give details)	-	-	-	-	-	-
- Provision for Expenses	15.98	-	-	-	0.10	1.16
- Provision for Audit Fees	0.95	2.00	2.00	1.00	1.00	0.77
- Provision for Electric Expenses	-	-	-	-	1.75	5.36
- Provision for Salary Expenses	-	-	-	-	0.61	0.46
Total	**23.36**	**3.57**	**13.33**	**1.00**	**21.84**	**44.89**

Note:

1. Provision for Tax was made after deducting the advance tax and TDS amount, if any.
2. Provision for Expenses includes CST Payable, VAT Payable, TDS Payable, TDS Payable etc.
3. Provision for Audit Fees as on September 30, 2015 is made on half year basis.

ANNEXURE – XIV
Restated Standalone Statement of Fixed Assets

(₹ In Lacs)

Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Total
Gross Block :								
As at April 1, 2010	129.45	76.22	-	50.96	0.07	12.15	1.28	270.12
Additions / (Deletion)	76.77	(76.22)	-	79.01	0.09	0.52	1.09	81.25
As at March 31, 2011	206.22	-	-	129.97	0.16	12.67	2.37	351.37
As at April 1, 2011	206.22	-	-	129.97	0.16	12.67	2.37	351.37
Additions / (Deletion)	-	-	0.91	0.24	-	0.63	0.99	2.77
As at March 31, 2012	206.22	-	0.91	130.21	0.16	13.30	3.36	354.14
As at April 1, 2012	206.22	-	0.91	130.21	0.16	13.30	3.36	354.14
Additions /	1.74	-	20.92	14.76	-	-	1.35	38.76

(Deletion)								
As at March 31, 2013	207.96	-	21.83	144.97	0.16	13.30	4.71	392.90
As at April 1, 2013	207.96	-	21.83	144.97	0.16	13.30	4.71	392.90
Additions / (Deletion)	-	-	23.70	7.65	-	-	-	31.34
As at March 31, 2014	207.96	-	45.53	152.62	0.16	13.30	4.71	424.24
As at April 1, 2014	207.96	-	45.53	152.62	0.16	13.30	4.71	424.24
Additions / (Deletion)	(55.56)	55.56	4.03	289.05	-	42.07	-	335.15
As at March 31, 2015	152.40	55.56	49.56	441.67	0.16	55.37	4.71	759.39
As at April 1, 2015	152.40	55.56	49.56	441.67	0.16	55.37	4.71	759.39
Additions / (Deletion)	-	-	6.00	0.18	-	(7.85)	-	(1.67)
As at September 30, 2015	152.40	55.56	55.56	441.85	0.16	47.52	4.71	757.72
Accumulated Depreciation :								
As at April 1, 2010	1.18	-	-	0.94	0.01	2.31	0.08	4.52
Charge for the year	2.87	-	-	5.01	0.01	1.20	0.34	9.43
As at March 31, 2011	4.05	-	-	5.95	0.02	3.51	0.42	13.95
As at April 1, 2011	4.05	-	-	5.95	0.02	3.51	0.42	13.95
Charge for the year	3.36	-	-	6.18	0.01	1.24	0.48	11.28
As at March 31, 2012	7.41	-	-	12.13	0.03	4.75	0.90	25.23
As at April 1, 2012	7.41	-	-	12.13	0.03	4.75	0.90	25.23
Charge for the year	3.38	-	-	6.71	0.01	1.26	0.69	12.05
As at March 31, 2013	10.79	-	-	18.84	0.04	6.01	1.59	37.28
As at April 1, 2013	10.79	-	-	18.84	0.04	6.01	1.59	37.28
Charge for the year	3.39	-	-	7.14	0.01	1.26	0.76	12.57
As at March 31, 2014	14.18	-	-	25.98	0.05	7.27	2.35	49.85
As at April 1, 2014	14.18	-	-	25.98	0.05	7.27	2.35	49.85
Charge for the year	5.04	-	-	24.56	0.02	5.70	1.91	36.16
Adjustments in Depreciation (Companies Act ' 2013)	-	-	-	-	-	-	-	1.07
As at March 31, 2015	19.22	-	-	50.54	0.07	12.97	4.26	87.08
As at April 1, 2015	19.22	-	-	50.54	0.07	12.97	4.26	87.08

Charge for the period	2.55	-	-	14.54	0.01	3.70	0.14	20.94
Additions / (Deletion)	-	-	-	-	-	(6.71)	-	(6.71)
As at September 30, 2015	21.77	-	-	65.08	0.08	9.96	4.40	101.31
Net Block :								
As at March 31, 2011	202.17	-	-	124.02	0.14	9.16	1.95	337.42
As at March 31, 2012	198.81	-	0.91	118.08	0.13	8.55	2.46	328.91
As at March 31, 2013	197.17	-	21.83	126.13	0.12	7.29	3.12	355.62
As at March 31, 2014	193.78	-	45.53	126.64	0.11	6.03	2.36	374.39
As at March 31, 2015	133.18	55.56	49.56	391.13	0.09	42.40	0.45	672.31
As at September 30, 2015	130.63	55.56	55.56	376.77	0.08	37.56	0.31	656.41

Note:

1. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of Profit and Loss Account amounting to ₹ 1.07 Lacs during the Financial Year 2014-15.
2. Deletion in the Buildings in the Financial Year 2014-15 was made as per the order received from Income Tax department and the same was shown as addition to the Land.
3. Company had started its plant at Lunej, Khambhat in July, 2014 in a premise which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise for a period of 11 months and to acquire the plant later on when the title is cleared in the name of the seller. The company invested approximately Rs. 3.00 Crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to leave the project and shut down plant. Company carried out its last transaction in June 2015 and since then Company has neither done any manufacturing nor carried out any sale transaction in business. During period from July 2014 to June 2015, company made total turnover of Rs. 78.00 Lacs (approx) and Company realized the amount of Rs. 74 Lacs (approximately). At present plant is in the possession of Land Owner and Company is planning to sold out its all assets related with plant as it is not viable for the company to do the business. In June 2015 plant possession was taken by the land owner and stocks of Rs. 9.00 Lacs (approximately) were lying in the factory. At present plant is not working but company is regularly filing its Excise Return regularly.
4. **Installed Capacity :**
   The Installed capacity of the Plant is 2400 MT per annum for Copper & Brass products.

ANNEXURE – XV

Restated Standalone Statement of Non-current investments

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
(a) Investment in Equity instruments	516.20	5.00	-	-	-	16.80
Total	**516.20**	**5.00**	**-**	**-**	**-**	**16.80**

Note:

1. During the Financial Year 2014-15, the company had acquired a wholly owned subsidiary company at a cost of ₹ 5.00 Lacs.

2. During the Financial Year 2015-16, the company had invested ₹ 511.20 Lacs in its wholly owned subsidiary.

ANNEXURE – XVI
Restated Standalone Statement of Long Term Loans and Advances

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Security Deposits Unsecured, considered good	24.08	15.26	13.78	12.51	11.28	0.05
Loans and advances to related parties Secured, considered good	20.65	510.20	-	-	-	-
Total	**44.73**	**525.46**	**13.78**	**12.51**	**11.28**	**0.05**

Note:

1. Security deposit given includes deposit with Uttar Gujarat Vij Company Limited and deposits given to suppliers for gas cylinders supplied by them.
2. Loans & Advances given to related parties includes Loans & Advances made to subsidiary company i.e. Sagardeep Engineers Private Limited.

ANNEXURE – XVII
Restated Standalone Statement of Inventories

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated)	188.90	182.10	260.71	95.99	196.64	93.62
Goods-in transit	-	-	-	-	-	-
	188.90	182.10	260.71	95.99	196.64	93.62
b. Work-in-progress (Valued at Cost or NRV unless otherwise stated)	53.32	42.79	-	-	-	-
Goods-in transit	-	-	-	-	-	-
	53.32	42.79	-	-	-	-
c. Finished goods (Valued at Cost or NRV unless otherwise stated)	179.01	41.97	69.30	59.65	26.86	41.99
Goods-in transit	-	-	-	-	-	-
	179.01	41.97	69.30	59.65	26.86	41.99
d. Stock-in-trade (Valued at Cost or NRV unless otherwise stated)	495.37	1.05	1274.29	905.57	1746.76	916.46
Goods-in transit	-	-	-	-	-	-
	495.37	1.05	1274.29	905.57	1746.76	916.46
Total (A+B+C+D)	**916.60**	**267.91**	**1604.30**	**1061.21**	**1970.26**	**1052.27**

Note:

1. Value of Inventories as on September 30, 2015 was taken as certified by the management.

ANNEXURE – XVIII
Restated Standalone Statement of Trade Receivables

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Trade receivables outstanding for a period less than six months from the date they are due for payment.						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	1465.37	2269.08	2658.50	2541.64	3201.18	2406.57
Unsecured, considered doubtful	-	-	-	-	-	-
	1465.37	**2269.08**	**2658.50**	**2541.64**	**3201.18**	**2406.57**
Less: Provision for doubtful debts	-	-	-	-	-	-
	1465.37	**2269.08**	**2658.50**	**2541.64**	**3201.18**	**2406.57**
Trade receivables outstanding for a period exceeding six months from the date they are due for payment						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	927.11	27.07	109.12	123.17	30.78	98.98
Unsecured, considered doubtful	-	-	-	-	-	-
	927.11	**27.07**	**109.12**	**123.17**	**30.78**	**98.98**
Less: Provision for doubtful debts	-	-	-	-	-	-
	927.11	**27.07**	**109.12**	**123.17**	**30.78**	**98.98**
Total	**2392.48**	**2296.15**	**2767.62**	**2664.81**	**3231.96**	**2505.55**

Note:

1. Trade Receivables as on September 30, 2015 was taken as certified by Management. As per their view, there was no doubtful debt so no provision had been made in respect to doubtful debt.

ANNEXURE – XIX
Restated Standalone Statement of Cash and cash equivalents

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Balances with banks	19.17	0.93	38.40	24.31	9.17	0.49
Cash on hand	11.26	12.30	3.40	8.87	7.45	6.31
Total	**30.43**	**13.23**	**41.80**	**33.18**	**16.62**	**6.80**

ANNEXURE – XX
Restated Standalone Statement of Short-term loans and advances

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
A. Security Deposits						
Secured, considered good	-	-	-	-	12.68	-
	-	-	-	-	12.68	-
B. Balances with government authority						

(i) CENVAT credit receivable	89.18	46.35	47.30	-	24.15	9.76
(ii) TCS Receivables	0.23	-	-	-	-	-
(iii) VAT credit receivable	-	10.00	31.76	7.25	8.72	0.63
(iv) Service Tax credit receivable	-	-	-	-	1.82	-
(v) Advance Tax / TDS Receivables	-	-	-	11.77	-	-
(vi)Other advances	15.83	1.60	5.39	10.37	-	-
	105.24	57.95	84.45	29.39	34.69	10.39
C. Others (specify nature)						
- Prepaid Insurance	0.34	-	-	-	-	0.30
- Advance to Suppliers	482.13	476.72	29.07	384.53	17.17	-
- Secured & Considered Good	23.61	-	-	-	-	765.96
	506.08	476.72	29.07	384.53	17.17	766.26
Total (A+B+C)	**611.32**	**534.67**	**113.52**	**413.92**	**64.54**	**776.65**

Note:

1. Balance with government authorities - Other Advances given includes advances towards VAT appeal made under Gujarat VAT Act and advances given for expenses are considered good.
2. Other Receivables includes advances given or amount to be realized towards Purchase License, SAD Receivables etc.
3. Advanced given to customer as on 30th September 2015 is taken as certified by the management. No securities have been taken on the same.

ANNEXURE – XXI

Restated Standalone Statement of Revenue from operations

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Sale of products						
Revenue from sale of products:- Trading	3665.23	8501.22	13382.74	16931.23	13757.21	10405.57
Revenue from sale of products:- Mfg.	2742.33	5425.77	2609.75	3527.24	4458.20	3311.12
Revenue from sale of products	**6407.56**	**13926.99**	**15992.49**	**20458.47**	**18215.41**	**13716.69**
Branch Sales	-	2.44	9.42	-	-	-
	6407.56	**13929.43**	**16001.91**	**20458.47**	**18215.41**	**13716.69**
Sale of services						
Revenue job work	1.49	0.27	5.41	9.66	40.94	29.29
	1.49	**0.27**	**5.41**	**9.66**	**40.94**	**29.29**
Other operating revenues						
Commission Income On Consignment Sales	-	-	-	-	-	0.04
Cutting Charges	-	-	-	-	0.23	-
Discount Received	-	-	-	-	2.68	0.51
Quality Claim received	13.10	-	-	-	-	-
Packing and Forwarding	3.79	3.57	4.48	10.27	20.46	-
	16.89	**3.57**	**4.48**	**10.27**	**23.37**	**0.55**
Gross revenue from	**6425.94**	**13933.27**	**16011.80**	**20478.40**	**18279.72**	**13746.53**

operations						
Less: Adjustments						
Returns on revenue from sale of products	7.61	18.64	147.24	-	-	-
Excise Duty on Sales	305.60	669.33	317.36	432.16	433.70	341.05
	313.21	**687.97**	**464.60**	**432.16**	**433.70**	**341.05**
Net revenue from operations	**6112.73**	**13245.30**	**15547.20**	**20046.24**	**17846.02**	**13405.48**

ANNEXURE – XXII
Restated Standalone Statement of Other Income

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	Nature of Income
Interest Income (in case of company other than a finance company)	1.05	0.89	-	-	12.23	28.70	Non-Recurring
Dividend Income	-	-	-	-	0.30	0.11	Non-Recurring
Net gain / loss on Foreign Exchanges	-	-	-	-	(2.00)	0.64	Business Activities
Net gain / loss on Sale of Investments	-	-	-	-	(4.08)	-	Non-Recurring
Other non-operating income							
Profit on sale of Shares	-	-	-	-	-	1.68	Non-Recurring
Profit on licence purchase	6.59	-	4.04	-	-	-	Business Activities
Refund of Processing Charges	0.72	-	-	-	-	-	Non-Recurring
Rental income	-	-	-	0.48	0.64	0.16	Other than Business Activities
Rate Difference	-	8.41	1.66	-	15.97	3.45	Business Activities
Kasar & Vatav	-	1.23	8.84	-	2.32	-	Business Activities
Other receipts	-	9.40	-	9.58	-	-	Business Activities
Total	**8.36**	**19.93**	**14.54**	**10.06**	**25.41**	**34.74**	

ANNEXURE – XXIII
Restated Standalone Statement of Staff Costs

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Salaries and Wages						
Salary and wages	29.01	91.66	66.10	61.20	66.86	49.60
Bonus	-	-	0.83	-	2.96	0.52
	29.01	**91.66**	**66.93**	**61.20**	**69.82**	**50.12**
Contribution to provident and other fund						

Contribution to provident and other funds for others	0.43	-	0.60	0.58	0.87	0.34
	0.43	**-**	**0.60**	**0.58**	**0.87**	**0.34**
Staff welfare Expenses						
Staff Welfare Expenses	0.50	1.48	0.75	0.88	0.53	0.25
	0.50	**1.48**	**0.75**	**0.88**	**0.53**	**0.25**
Total	**29.94**	**93.14**	**68.28**	**62.66**	**71.22**	**50.71**

ANNEXURE – XXIV

Restated Standalone Statement of Other Manufacturing Expenses

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Calibration Expenses	0.14	-	-	-	-	-
Consumption of stores and spare parts	11.92	30.36	22.95	0.54	20.08	23.17
Custom duty	323.17	415.13	126.54	-	-	-
Depreciation and amortization expenses – Relating to Manufacturing	17.09	29.60	10.53	10.09	9.54	7.88
Factory Expenses	1.85	7.23	-	-	-	-
Freight	21.98	74.34	52.77	98.95	89.77	47.87
Labour Expenses	17.79	46.10	16.70	-	-	-
Power and fuel	67.80	165.52	133.53	85.89	101.62	73.05
Repairs and maintenance of plant, machinery, building	1.70	10.33	3.54	7.88	1.82	5.38
Total	**463.44**	**778.61**	**366.56**	**203.35**	**222.83**	**157.35**

ANNEXURE – XXV

Restated Standalone Statement of Administration Expenses

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Audit Fees	0.95	2.00	2.00	1.00	1.00	0.80
Conveyance expenses	1.33	3.54	2.99	3.28	-	-
Depreciation and amortization expenses – Others	3.85	11.56	2.04	1.89	1.67	1.48
Income Tax Expenses	2.84	-	-	-	-	-
Insurance expenses	1.26	0.65	0.73	2.40	3.17	1.15
Labour Licence Renewal Fees	-	-	-	0.16	-	-
Legal and professional expenses	2.29	4.23	1.53	1.16	28.87	8.00
Loss on Sale of Fixed Assets	0.01	-	-	-	-	-
Miscellaneous expenses	1.06	5.23	7.41	19.59	24.05	18.80
Penalty and Interest (Excise and VAT)	0.19	1.09	0.05	2.37	-	-
Printing and stationery	0.16	0.38	0.27	0.69	0.44	0.99

Rates and taxes	-	0.25	0.32	1.62	0.35	0.40
Rent Expenses	0.30	23.57	0.65	1.87	1.95	2.09
Service Tax	-	1.99	5.07	-	-	-
Telephone expenses	1.37	2.55	2.19	1.98	2.62	2.63
Travelling Expenses	3.91	1.14	0.45	-	2.77	2.03
VAT/ Sales tax	1.68	9.49	7.01	-	-	-
Total	**21.20**	**67.67**	**32.71**	**38.01**	**66.89**	**38.37**

ANNEXURE – XXVI
Restated Standalone Statement of Selling & Distribution Expenses

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Advertising expenses	-	-	0.13	2.02	-	-
Business Promotion	-	-	-	-	1.51	0.31
Commission paid to other selling agents	-	-	-	1.82	-	-
Total	**-**	**-**	**0.13**	**3.84**	**1.51**	**0.31**

ANNEXURE – XXVII
Restated Standalone Statement of Interest Cost

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Interest						
Interest on short-term loans from banks	90.39	187.41	208.91	241.58	198.76	118.24
Interest on long-term loans from banks	1.52	2.06	0.68	3.71	-	-
Interest on short-term loans from others	-	0.65	0.10	0.07	0.06	10.23
	91.91	**190.12**	**209.69**	**245.36**	**198.82**	**128.47**
Other Borrowing costs						
Other Borrowing costs	8.13	70.28	25.60	6.21	1.92	5.65
	8.13	**70.28**	**25.60**	**6.21**	**1.92**	**5.65**
Total	**100.04**	**260.40**	**235.29**	**251.57**	**200.74**	**134.12**

ANNEXURE – XXVIII
Capitalization Statement as at 30th September, 2015

(₹ In Lacs)

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term	1391.62	1391.62
Long-term (A)	508.52	508.52
Total debts (B)	**1900.14**	**1900.14**
Shareholders' funds		
Share capital	837.16	1137.16
Reserve and surplus	902.45	1202.45
Total shareholders' funds (C)	**1739.61**	**2339.61**

Long term debt / shareholders' funds (A/C)	**29.23%**	**21.74%**
Total debt / shareholders' funds (B/C)	**109.23%**	**81.22%**

1. Short term debts represent debts which are due within 12 months from September 30, 2015.
2. Long term debts represent debts other than short term debts, as defined above.
3. Prior to September 30, 2015, the company has made the following changes in its capital structure the effect of which has been considered.
   i) On May 30, 2011 the Company has issued and allotted 400,000 shares under private placement to various persons at a price of ₹ 62.50 per equity share (₹ 52.50 towards securities premium).
   ii) On March 22, 2012 The Company has issued bonus shares to its existing equity shareholders in the ratio of 295 (Two hundred ninety five) shares for every 100 (Hundred) shares held by them by capitalizing its securities premium account and profit & loss account.
   iii) On March 29, 2012 the Company has issued and allotted 1,261,600 shares under private placement to various persons at a price of ₹ 50 per equity share (₹ 40 towards securities premium).

ANNEXURE – XXIX
Statement of Tax Shelters

(₹ In Lacs)

Particulars	**As at September 30, 2015**	**As at March 31, 2015**	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**
Profit before tax, as restated (A)	33.77	79.27	97.81	96.73	277.80	208.98
Tax Rate (%)	30.90	30.90	30.90	30.90	30.90	30.90
Adjustments :						
Permanent differences						
Expenses disallowed under Income Tax Act, 1961						
ROC Expenses	-	-	-	-	13.00	-
Other Expenses - 43B	-	1.75	-	-	-	-
Preliminary Expenses	(1.00)	4.00	-	-	-	-
Total permanent differences(B)	-	5.75	-	-	13.00	-
Income considered separately (C)	-	-	-	-	(4.08)	-
Timing differences						
Depreciation as per Books	20.94	36.16	12.57	12.05	11.28	9.43
Depreciation as per IT Act	(30.29)	(70.16)	(30.69)	(34.34)	(36.24)	(40.85)
Total timing differences (D)	(9.35)	(34.00)	(18.12)	(22.29)	(24.96)	(31.42)
Net adjustments E = (B+C+D)	(10.35)	(28.25)	(18.12)	(22.29)	(16.04)	(31.42)
Tax expense / (saving) thereon	(3.20)	(8.73)	(5.60)	(6.89)	(4.96)	(9.71)
Income from other sources (F)	-	-	-	-	-	-
Exempt Income (G)	-	-	-	-	0.30	1.79
Taxable income/(loss) (A+E+F-G+H)	23.42	51.02	79.69	74.44	261.46	175.77
Tax as per Normal Provision	7.24	15.77	24.62	23.00	80.79	58.38
Taxable income/(loss) as per MAT	33.68	79.27	97.81	96.66	277.73	208.91
Income tax as per MAT	6.42	15.10	18.64	18.42	55.57	37.60
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision

ANNEXURE – XXX
Details of Related Party Transactions as Restated

(₹ In Lacs)

Name of the Party	Nature of Transaction	Amount of Transaction till September 30, 2015	Amount Outstanding as on 30.09.2015	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable)/ Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable)/ Receivable
Asamalji Mehta	Interest	-	-	-	-	-	-	-	-	0.02	-	0.45	0.42
Asamalji Mehta	Remuneration	4.50	3.45	9.00	-	7.20	-	5.40	0.82	5.40	5.17	5.10	0.04
Asamalji Mehta (HUF)	Interest	-	-	-	-	-	-	-	-	0.89	-	0.99	9.85
Harish Mehta	Interest	-	-	-	-	-	-	-	-	1.00	-	0.17	0.28
Harish Mehta	Remuneration	4.50	1.50	9.00	-	6.30	-	3.00	0.53	3.00	0.93	2.70	0.20
Jayeshkumar Mehta	Interest	-	-	-	-	-	-	-	-	1.76	-	1.01	3.55
Jayeshkumar Mehta	Remuneration	4.50	3.75	9.00	-	7.20	0.05	5.40	-	5.40	3.34	5.10	0.81
Jayeshkumar Mehta (HUF)	Interest	-	-	-	-	-	-	-	-	2.35	-	-	-
Ramesh Mehta	Interest	-	-	-	-	-	-	-	-	0.96	-	1.35	10.62
Rekha Mehta	Interest	-	-	-	-	-	-	-	-	1.81	-	0.62	8.01
Sagardeep Engineers Pvt Ltd	Interest & Loan	-	20.65	510.20	510.20	-	-	-	-	0.04	-	-	-
Sangita Mehta	Interest	-	-	-	-	-	-	-	-	0.62	-	0.56	6.88
Sangita Mehta	Share Transfer	-	-	1.75	-	-	-	-	-	-	-	-	-
Satish A Mehta (HUF)	Interest	-	-	-	-	-	-	-	-	2.55	-	-	-

Satish Mehta	Interest	-	-	-	-	-	-	-	-	3.40	-	0.71	8.48
Satish Mehta	Rent	-	-	-	-	-	-	1.87	0.61	1.87	1.97	2.09	0.28
Satish Mehta	Remuneration	4.50	4.50	9.00	-	7.20	-	5.40	0.35	5.40	1.89	5.10	0.78
Satish Mehta	Share Transfer	-	-	3.25	-	-	-	-	-	-	-	-	-
Seiko Metal & Tubes	Interest	-	-	-	-	-	-	-	-	0.01	-	-	-
Simandhar Impex	Interest	-	-	-	-	-	-	-	-	0.19	-	0.10	2.11
Swiss Impex	Interest	-	-	-	-	-	-	-	-	-	-	0.11	0.92
Swiss Impex	Purchase	-	-	-	-	-	-	-	-	-	-	100.19	-
Ugamben Mehta	Interest	-	-	-	-	-	-	-	-	0.04	-	0.30	0.28

ANNEXURE – XXXI
Reconciliation of Restated Profit

(₹ In Lacs)

Adjustments for	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Net profit/(loss) after tax as per audited statement of profit & loss	7.32	72.99	66.71	63.99	187.50	139.28
Adjustments for:						
Preliminary Expenses (Refer Note 1)	-	(5.00)	-	0.07	0.07	0.07
Excess / Short Provision for Tax (Refer Note 2)	1.64	(0.10)	(1.05)	(0.49)	-	(3.99)
Net profit/ (loss) after tax as restated	**8.96**	**67.89**	**65.66**	**63.57**	**187.57**	**135.36**

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

Adjustments having impact on Profit

1. The Company has amortized preliminary and pre operative expenses in 5 consecutive year in the audited balance sheet while in the restated financial statements, the company has amortized total amount of preliminary and pre operative expenses in the financial year in which it has been incurred.
2. The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

To give explanatory notes regarding adjustments

Adjustments having no impact on Profit Material Regrouping

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES IN LAST FIVE YEARS:

Not Applicable

CONSOLIDATED FINANCIAL STATEMENT AS RESTATED

Independent Auditor's Report for the Consolidated Restated Financial Statements of Sagardeep Alloys Limited

Report of Auditors on the Restated Consolidated Financial Information of Sagardeep Alloys Limited for each of the years / periods ended on September 30, 2015, March 31, 2015 & March 31, 2011.

To,
The Board of Directors
Sagardeep Alloys Limited
205, Pitaliya Bumba, Gheekanta,
Ahmedabad-380001, Gujarat, India.

Dear Sirs,

1. We Piyush J. Shah & Co. has examined the attached Consolidated Restated Statement of Asset and Liabilities of Sagardeep Alloys Limited (The Company) as at September 30, 2015, March 31, 2015 & March 31, 2011 and the related Consolidated Profit & Loss and the related Consolidated Restated Statement of Cash Flow for the financial year / period ended on September 30, 2015, March 31, 2015 & March 31, 2011 (collectively the "Consolidated Restated Summary Statements" or "Consolidated Restated Financial Statements"). These Consolidated 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 Offer (IPO) in SME Platform of National Stock Exchange Limited (NSE).
2. Such Financial information , which has been approved by the Board of Directors of the Company , has been prepared in accordance with the requirements of:
   a. Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act,2013, AS amended (hereinafter referred to as the "Act");
   b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009 ("SEBI Regulations") ("SEBI ICDR Regulations") issued by the SEBI in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications made thereto from time to time;
   c. The terms of reference to our engagements with the Company, requesting us to examine the financial information referred to above and proposed to be included in this Draft offer Document / offer Document of the Company in connection with its proposed initial public offer of equity shares in SME Platform of NSE.
3. The Consolidated Restated Summary Statements of the Company have been extracted by the Management from the Audited Financial Statements / Audited Accounts of the Company for the financial years ended on September 30, 2015, March 31, 2015 & March 31, 2011 which have been approved by the Board of Directors.
4. Financial Statement for the period ended on September 30, 2015 has been audited by us as required under SEBI ICDR Regulations. This report in so far as it relates to the amounts included for the Financial Year March 31, 2015 & March 31, 2011 is based on the audited financial statements / audited accounts of the Company.
   "The audited financial statements of Sagardeep Engineers Pvt. Ltd. for the period ending on March 31, 2011 were not available as the company had prepared its financial statement for a period of 15 months ending on March 31, 2012 when the company was not a subsidiary of Sagardeep Alloys Ltd. We have prepared the Consolidated Restated Financial statements based on the audited accounts and restated the same for the period of 3 Months for the year ending on March 31, 2011."
5. In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations , Guidance Note and Engagement Letter , We report that;
   a. The "Consolidated Restated statement of Assets and Liabilities" as set out in Annexure I to this report of the company as at years / periods ended on September 30, 2015, March 31, 2015 and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These Consolidated Statement of Assets and Liabilities as restated have been arrived at after making such adjustment and regroupings to the Consolidated Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Consolidated Restated Summary Statements as set out in Annexure IV to this Report.
   b. The "Consolidated Restated statement of Profit & Loss" as set out in Annexure II to this report of the company for the financial years / periods ended on September 30, 2015, March 31, 2015 and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These Consolidated Statement of Profit & Loss as restated have been arrived at after making such adjustment and regroupings to the Consolidated Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and

Notes to the Consolidated Restated Summary Statements as set out in Annexure IV to this Report.

c. The " Consolidated Restated statement of Cash Flow" as set out in Annexure III to this report of the company for the financial year / periods ended on September 30, 2015, March 31, 2015 and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These Consolidated Statement of Cash Flow as restated have been arrived at after making such adjustment and regroupings to the Consolidated Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Consolidated Restated Summary Statements as set out in Annexure IV to this Report.

6. Based on the above, we are of the opinion that the Consolidated Restated Financial Statements have been made after incorporating :
   a. Adjustments if any, for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods.
   b. Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are not qualifications which require adjustments.
   c. There are no exceptional and extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
   d. These Profits / (Losses) have been arrived at after charging all expenses including depreciation and after making such adjustments/restatement and regroupings as in our opinion are appropriate and are to be read in accordance with Significant Accounting Policies and Notes to the Consolidated Restated Summary Statements as set out in Annexure IV to this Report.
7. We have examined the following regrouped/ rearranged financial information relating to the Company Proposed to be included in this Draft offer Document / offer Document ("Offer Document") as approved by the Board of Directors of the Company and attached to this report for the financial years ended on September 30, 2015, March 31, 2015 and March 31, 2011.
8. We, M/s. Piyush J. Shah & Co., 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.
9. The report should not in any way be constructed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor this report be constructed as a new opinion on any of the financial statements referred to therein.
10. In our opinion, the above financial information contained in Annexure I to Annexure XXVIII read with respective Significant Accounting Policies and Notes to Consolidated Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
11. This report is intended solely for the use of Management and for the inclusion in the offer Document in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.
12. Opinion
    In our opinion and to the best of our information and according to the explanations given to us, the Consolidated restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;
    a. In the case of "Consolidated Restated statement of Assets and Liabilities" of the company as at September 30, 2015, March 31, 2015 & March 31, 2011 .
    b. In the case of the "Consolidated Restated statement of Profit & Loss" of the profit of the company for the years / periods ended on that date; and
    c. In the case of "Consolidated Restated statement of Cash Flow" of the cash flows of the Company for the years / periods ended on that date.

For, Piyush J. Shah & Co.
Chartered Accountants
FRN: 121172W

Name: Mr. Piyush J. Shah
Designation: Partner **Date: February 5th, 2016**
Membership No.: 108670 **Place: Ahmedabad**

Annexure to Consolidated Restated Financial Statements of the Company: -

1. Restated Consolidated Financial Statements of Assets & Liabilities as restated in Annexure I
2. Restated Consolidated Statement of Profit and Losses as restated in Annexure II
3. Restated Consolidated Statement of Cash Flow as restated in Annexure III
4. Significant Accounting Policies and Notes to accounts as restated in Annexure IV;
5. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE V to this report;
6. Details of Share Capital as Restated as appearing in ANNEXURE VI to this report;
7. Details of Reserves and Surplus as Restated as appearing in ANNEXURE VII to this report;
8. Details of Long Term Borrowings as Restated as appearing in ANNEXURE VIII to this report;
9. Details of Deferred Tax Liabilities (Net) as Restated as appearing in ANNEXURE IX to this report;
10. Details of Short Term Borrowings as Restated as appearing in ANNEXURE X to this report;
11. Details of Trade Payables as Restated as appearing in ANNEXURE XI to this report;
12. Details of Other Current Liabilities as Restated as appearing in ANNEXURE - XII to this report;
13. Details of Short Term Provisions as Restated as appearing in ANNEXURE - XIII to this report;
14. Details of Fixed Assets as Restated as appearing in ANNEXURE XIV to this report;
15. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE XV to this report;
16. Details of Inventories as Restated as appearing in ANNEXURE XVI to this report;
17. Details of Trade Receivables as Restated enclosed as ANNEXURE XVII to this report;
18. Details of Cash and Bank Balances as Restated enclosed as ANNEXURE XVIII to this report;
19. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XIX to this report;
20. Details of Revenue from Operations as Restated as appearing in ANNEXURE XX to this report;
21. Details of Other Income as Restated as appearing in ANNEXURE XXI to this report;
22. Details of Staff Costs as Restated as appearing in ANNEXURE XXII to this report;
23. Details of Other Manufacturing Expenses as Restated as appearing in ANNEXURE XXIII to this report;
24. Details of Administration Expenses as Restated as appearing in ANNEXURE XXIV to this report;
25. Details of Interest Costs as Restated as appearing in ANNEXURE XXV to this report;
26. Capitalization Statement as Restated as at September 30, 2015 as appearing in ANNEXURE XXVI to this report;
27. Statement of Tax Shelters as Restated as appearing in ANNEXURE XXVII to this report;
28. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XXVIII to this report;
29. Reconciliation of Restated Profit as appearing in ANNEXURE XXIX to this report;

ANNEXURE – I

Restated Consolidated Financial Statements of Assets & Liabilities

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	773.81	773.81	140.00
(b) Reserves and surplus	892.92	882.77	326.23
(c) Minority Interest	-	-	0.49
Sub-Total	**1666.73**	**1656.58**	**466.72**
2. Share application money pending allotment	-	-	60.00
Sub-Total	**-**	**-**	**60.00**
3. Non-current liabilities			
(a) Long-term borrowings	508.52	180.95	27.91
(b) Deferred tax liabilities (Net)	46.46	28.15	14.21
(c) Long-term provisions	-	-	-
(d) Other Non-Current Liabilities	-	-	-
Sub-Total	**554.98**	**209.10**	**42.12**
4. Current liabilities			
(a) Short-term borrowings	1391.62	1482.36	1647.10
(b) Trade payables	745.82	807.55	2410.25
(c) Other current liabilities	724.76	82.88	24.75
(d) Short-term provisions	23.74	3.64	45.04
Sub-Total	**2885.94**	**2376.43**	**4127.14**
TOTAL	**5107.65**	**4242.11**	**4695.98**
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	1061.96	1077.85	337.42
(b) Non-current investments	-	-	
(c) Deferred tax assets (net)	-	-	
(d) Long-term loans and advances	54.28	45.46	0.20
Sub-Total	**1116.24**	**1123.31**	**337.62**
2. Current assets			
(a) Current investments – Shares Quoted	-	-	16.29
(b) Inventories	922.76	274.07	1052.07
(c) Trade receivables	2425.89	2296.15	2505.55
(d) Cash and cash equivalents	31.44	13.83	7.80
(e) Short-term loans and advances	611.32	534.75	776.65
(f) Other current assets	-	-	-
Sub-Total	**3991.41**	**3118.80**	**4358.36**
TOTAL	**5107.65**	**4242.11**	**4695.98**

ANNEXURE – II
Restated Consolidated Statement of Profit and Losses

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
I. Revenue from operations			
of products manufactured by the issuer	2742.33	5425.77	2999.91
of products traded by the issuer	3402.22	7819.53	10405.57
Total Revenue from Operation	6144.55	13245.30	13405.48
II. Other income	8.36	19.93	34.74
III. Total Revenue (I + II)	6152.91	13265.23	13440.22
IV. Increase / (Decrease) in Inventories	641.90	(1257.79)	480.14
V. Total (III + IV)	6794.81	12007.44	13920.36
VI. Expenses:			
Cost of materials consumed	2407.96	5116.83	2672.31
Purchases of Stock-in-Trade	3663.58	5611.52	10658.50
Staff Costs	29.94	93.14	50.71
Other Manufacturing Expenses	536.29	778.61	157.35
Administration Expenses	21.50	67.68	38.37
Selling & Distribution Expenses	-	-	0.31
Interest costs	100.04	260.40	134.12
Total expenses	6759.31	11928.18	13711.67
VII. Profit before extraordinary items and tax (V – VI)	35.50	79.26	208.69
VIII. Extraordinary Items-	-	-	0.29
IX. Profit before tax (VII – VIII)	35.50	79.26	208.98
X. Tax expense:			
(1) Current tax	7.04	16.65	62.37
(2) Deferred tax	18.31	(5.27)	11.25
XI. Profit (Loss) for the period (IX – X)	10.15	67.88	135.36
XII. Earning per equity share:			
(1) Basic	0.13	0.88	2.02
(2) Diluted	0.13	0.88	2.02

ANNEXURE – III
Restated Consolidated Statement of Cash Flow

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
CASH FLOW FROM OPERATING ACTIVITIES			
Restated Net profit Before Tax and Extraordinary Items	35.50	79.26	208.98
Adjustments For:			
Depreciation	20.94	36.16	9.36
Preliminary Expenses	-	5.00	0.07
Interest Received	(1.05)	(0.89)	(28.70)
Dividend Received	-	-	(0.11)
Net (gain)/loss on foreign exchange	**-**	**-**	(0.64)
Interest and Finance Charges	100.04	260.40	134.12
Profit on sales of shares	-	-	(1.68)
	-	-	(0.16)
Operating Profit before working capital changes	**155.43**	**379.93**	**321.24**
Adjustment For:			
Decrease/(Increase) in Inventories	(648.69)	1330.24	(573.76)
Decrease/(Increase) in Trade receivables	(129.74)	471.46	(1354.65)
Decrease/(Increase) in Short-term loans and advances	(76.57)	(415.97)	(738.16)
Decrease/(Increase) in Long Term Loans and Advances	(8.82)	(12.57)	-
Decrease/(Increase) in Trade Payables	(23.81)	(945.82)	1855.78
Decrease/(Increase) in Other Current Liabilities	641.88	62.12	4.86
Decrease/(Increase) in Short Term Provisions	20.10	-	26.11
Cash Generated from Operations	**(70.22)**	**869.39**	**(458.58)**
Taxes Paid	7.04	16.57	62.37
Net Cash From /(Used In) Operating Activities (A)	**(77.26)**	**852.82**	**(520.95)**
Cash Flow From Investing Activities			
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(5.06)	(589.75)	(81.25)
Decrease/(Increase) in Non Current investments			(6.30)
Preliminary Expenses Incurred	-	(5.00)	-
Interest Received	1.05	0.89	28.70

Dividend Received	-	-	0.11
Rental Income	-	-	0.16
Loans and Advances to others	-	(20.89)	-
Net Cash From /(Used In) Investing Activities (B)	**(4.01)**	**(614.75)**	**(58.58)**
Cash Flow From Financing Activities			
Interest and Finance Charges	(100.04)	(260.40)	(134.12)
Proceeds / (Repayments) of Share Application Money	-	-	60.00
(Decrease)/Increase in Short Term Borrowing	(90.74)	2.48	632.35
(Decrease)/Increase in Long Term Borrowing	327.57	(47.25)	24.87
(Decrease)/Increase in Non-Current Liabilities	(37.92)	37.97	-
Net gain / loss on Foreign Exchanges	**-**	**-**	0.64
Net Cash From Financing Activities (c)	**98.87**	**(267.20)**	**583.74**
Net Increase / (Decrease) in Cash (A)+(B)+(C)	**17.61**	**(29.13)**	**4.21**
Cash and Cash equivalents at the beginning of the year	13.83	42.96	3.59
Cash and Cash equivalents at the end of the year	**31.44**	**13.83**	**7.80**

i) The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"
ii) Figures in Brackets represent outflows
iii) The above statement should be read with the restated statement of profit and loss, cash flow statements, significant accounting policies and notes to restated summary statements as appearing in Annexure I, II, respectively.

ANNEXURE – IV
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A) Corporate Information :

Sagardeep Alloys Limited is engaged in the business of Manufacturing & Supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloys Consumables and Trading and supply of Ferrous and Non ferrous Metals and alloys on its own and also on job work basis. The Factory is located at Plot No 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Taluka-Kalol, Ghandhinagar-382721, Gujarat (India).

The Company's products adhere to high quality standards and it has got ISO 9001:2008 certification for "Manufacturing & Supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloys Consumables and Trading and supply of Ferrous and Non ferrous Metals and alloys" from BSCIC Management Systems. Company's products are utilized in various industries such as Air Conditioning and Refrigeration, Engineering & Gas Application etc.

B) Basis of Preparation :

The Consolidated Restated Summary Statements of Assets and Liabilities of the Company as at September 30, 2015, March 31, 2015 & March 31, 2011 and the related Consolidated Restated Summary Statements of Profits and Losses and Cash Flows Statement as at September 30, 2015, March 31, 2015 & March 31, 2011 (herein collectively referred to as "Consolidated Restated

Summary Statements) have been complied by management from the Consolidated financial statements of the company for the period ended on September 30, 2015, March 31, 2015 & March 31, 2011.

The Consolidated Restated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable, and the relevant provisions of the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. The Consolidated Restated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used for the purpose of preparation of financial statements for the period ended on September 30, 2015, March 31, 2015 & March 31, 2011.

Consolidated Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filled by the company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed Initial Public Offering.

Consolidated Restated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared to comply in all material respect with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-Section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26,2009 as amended from time to time.

C) Significant Accounting Policies :

a) Use of Estimates :

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

b) Fixed Assets :

Fixed Assets are stated at their acquisition cost less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use where applicable together with any incidental expenses of acquisition/installation. Cost of acquisition includes borrowing costs that are directly attributable to the acquisition/construction of qualifying assets.

c) Depreciation:

Up to March 31st, 2014 depreciation on fixed assets is provided on straight line method (SLM) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life. w.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

d) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

D) Foreign Currency Transactions :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

E) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

F) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

G) Taxation :

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

H) Borrowing Cost :

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

I) Segment Reporting :

The company is mainly engaged in the business of Manufacturing of Copper Product and Trading of Metals. Considering the nature of Business and financial reporting of the company the company has only one segment.

J) Provisions and Contingent Liabilities :

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

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

K) Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

L) Events occurring after Balance Sheet Date :

The Company has remitted Rs.2,719,748 on December 28, 2015 for subscribing share capital in Sagardeep General Trading FZE in Dubai which on allotment of shares would have made it a wholly owned subsidiary of the Company. However, the funds of Rs 2,727,500 (Rs 7752 Excess due to "Foreign exchange rate fluctuation") have been remitted back to the Company on February 3,2016 without shares being allotted to the company and therefore as on date, Sagardeep General Trading FZE is not a subsidiary of the Company. Sagardeep General Trading FZE has not started any operational activity.

M) Consolidation Of Accounts:

Sagardeep Alloys Limited had subscribed 51% equity share capital of Sagardeep Engineers Private Limited which was incorporated on 3rd Jan 2011. The 1st financial statements of Sagardeep Engineers Private Limited were prepared for the period from 3/01/2011 to 31/03/2012 i.e. for a period of 15 months. As audited financial statements for the year ended on 31st March 2011 were not available, restated financial statements have been prepared on the basis of the audited accounts till 31st March, 2011.

On 27th March, 2012 Sagardeep Alloys Limited sold its entire stake of 51% and therefore Sagardeep Engineers Private Limited ceased to be a subsidiary company w.e.f. 27th March 2012.
Hence, Company does not require to prepare consolidated financial statements for the period ended 31st March 2012, 31st March 2013 and 31st March 2014.

On 20th December, 2014 Company has purchased 100% equity share capital of Sagardeep Engineers Private Limited making it a wholly owned subsidiary company of Sagardeep Alloys Limited. Hence, restatement of consolidated financial statement as at 31st March, 2015 and 30th September, 2015 has been prepared.

In the process of consolidation of financial statements cross holdings and intercompany transactions have been eliminated to present the true and fair view of the consolidated financial statements.

ANNEXURE – V
RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS

(₹ In Lacs)

A) Basic Earnings per Share

Ratio	As at September 31, 2015	As at March 31, 2015	As at March 31, 2011
Basic Earnings per Share			
Restated PAT as per statement of profit and loss**(B)**	10.15	67.88	135.36
Weighted average number of equity shares at the end of the year/ period**(C)**	24.28	24.28	14.00
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves Prior to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	53.10	53.10	53.10
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves subsequent to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-
Weighted average number of equity shares considered for calculating basic EPS(C)	77.38	77.38	67.10
Share capital as at the end of the year	773.80	773.80	140.00
Earnings Per Share			
Basic & Diluted (Rs)*	**0.13**	**0.88**	**2.02**

B) Net Asset Value per Equity Share

Net Asset value per Equity Share			
Net Worth , as Restated	1666.73	1656.58	466.72
No. of Equity Share Outstanding	24.28	24.28	14.00
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves Prior to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	53.10	53.10	53.10
Add: Impact of Capital Structure undergoing change on account of capitalization of reserves subsequent to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-
No. of Equity Share Outstanding, Considered	77.38	77.38	67.10
Net Asset value per Equity Share	**21.54**	**21.41**	**6.96**

C) Return on net worth			
Return on net worth			
Net Profit after Tax As Restated	10.15	67.88	135.36
Net Worth , as Restated	1666.73	1656.58	466.72
Return on net worth (%)	**0.61%**	**4.10%**	**29.00%**
Nominal value per equity share (Rs.)	10.00	10.00	10.00

Notes:

1. **The ratios have been Computed as per the following formulas:**
   - **i) Basic Earnings per Share**

$$\frac{\text{Net Profit after tax, as restated for the year / period, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year / period}}$$

ii) Net Asset Value (NAV)

$$\frac{\text{Net Asset Value, as restated, at the end of the year / period}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

iii) Return on Net Worth (%)

$$\frac{\text{Net Profit after tax, as restated for the year / period, attributable to equity shareholders}}{\text{Net worth as restated, at the end of the year / period}}$$

2. **Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.**

3. **Earning per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.**

4. **Prior to September 30, 2015, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios:**

   i) On May 30, 2011 the Company has issued and allotted 400,000 shares under private placement to various persons at a price of ₹ 62.50 per equity share (₹ 52.50 towards securities premium).
   ii) On March 22, 2012 The Company has issued bonus shares to its existing equity shareholders in the ratio of 295 (Two Hundred ninety five) shares for every 100 (Hundred) shares held by them by capitalizing its securities premium account and profit & loss account.
   iii) On March 29, 2012 the Company has issued and allotted 1,261,600 shares under private placement to various persons at a price of ₹ 50 per equity share (₹ 40 towards securities premium).

Note:

1. The figures disclosed below are based on the restated consolidated summary statement of assets and liabilities of the Company.
2. The below statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

ANNEXURE – VI
Restated Consolidated statement of Share Capital

(₹ In Lacs)

1. **Statement of Share Capital**

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Authorized			
Equity shares of RS. 10/- each	2000.00	2000.00	150.00
Issued , Subscribed and Fully paid up Capital	**773.81**	**773.81**	**140.00**

Terms/rights attached to equity shares:

i) The company has only one class of Equity Shares having par value of Rs. 10/-per share. Each holder of Equity shares is entitled to one Vote per share.
ii) In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. **Reconciliation of Shares outstanding at the beginning and at the end of the Period**

(In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
At the beginning of the period	77.38	77.38	14.00
Issued during the year	-	-	-
Redeemed or bought back during the period	-	-	-
Outstanding at the end of the Period	77.38	77.38	14.00

3. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-
Aggregate number and class of shares bought back.	-	-	-

4. Details of Shareholders holding more than 5% shares in the company

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Name of Shareholders	**% holding**	**% holding**	**% holding**
Satish A Mehta	20.40	20.40	22.06
Asamalji Mehta	18.96	18.96	21.79
Jayesh A Mehta	22.63	22.63	27.86
Asamalji Mehta (HUF)	7.09	7.09	-
Gujarat Jhaveri Spiners Ltd	-	-	7.14
Ugamdevi A Mehta	13.45	13.41	-
	82.53	82.49	78.85

ANNEXURE – VII

Restated Consolidated Statement of Reserves and Surplus

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
A. Security premium account			
Opening Balance	504.64	504.64	160.00
Add: Securities premium accounts credited on account of share issue	-	-	-
Less : Deletion for issue of Bonus Shares	-	-	-
Closing Balance	**504.64**	**504.64**	**160.00**
B. Profit loss account			
Opening Balance	348.34	326.19	30.87
Add: Net Profit/(Loss) for the year	10.15	31.12	135.36
Less: Issuing Bonus Shares	-	-	-
Less: Other Adjustment	-	8.97	-
Closing Balance	**358.49**	**348.34**	**326.23**
C. Capital Reserves			
Opening Balance	29.79	-	-
Add: Addition during the year	-	29.79	-
Closing Balance	**29.79**	**29.79**	**-**
Total A+B+C	**892.92**	**882.77**	**326.23**

Note:

1. Other Adjustments - The Company had adjusted the unadjusted balance of preliminary expenses from the balance of Profit & Loss Account to comply with requirement of Accounting Standard - 26 "Intangible Assets".
2. Capital Reserve in consolidated balance sheet represents excess net asset value of acquired subsidiary over the consideration paid on the date of such acquisition. Capital Reserve on consolidation as on 30th September 2015 stood at ₹ 29.79 Lacs.

ANNEXURE – VIII

Restated Consolidated Statement of Long Term Borrowings

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Loan Repayable on Demand			
A. From Banks (Secured)			
Bank of Baroda Term Loan			27.89
HDFC Motor Car Loan - GJ-1 H 300			0.02
HDFC Motor Car Loan – Fortuner	13.11	15.05	-
HDFC Motor Car Loan – Innova	7.91	9.12	-
Total	**21.02**	**24.17**	**27.91**
B. From Other Parties			
Sheth Sanwaliya Metals Pvt Ltd	487.50	156.78	-
Total	**487.50**	**156.78**	**-**
Total (A+B)	**508.52**	**180.95**	**27.91**

1. Details of Security and repayment terms are as under:
   i) HDFC Motor Car Loan is secured against the Motor Car Fortuner and ₹ 44,750 of installment will be paid starting from 5th June2014 to 5th July 2019.
   ii) HDFC Motor Car Loan-Innova is secured against the car Innova and ₹ 27,720 of installment will be paid starting from 5th July 2014 to 5th June 2019.
   iii) The company had accepted Interest free Inter Corporate borrowing amounting to ₹ 487.50 Lacs from Sheth Sanwaliya Metals Private Limited.

ANNEXURE – IX
Restated Consolidated Statement of Deffered Tax Liabilities

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Deferred tax liability	46.46	28.15	14.21
Net deferred tax liability	**46.46**	**28.15**	**14.21**

ANNEXURE – X
Restated Consolidated Statement of Short Term Borrowings

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Loan Repayable on Demand			
A. From Banks (Secured)			
Bank of Baroda C.C A/c	1391.62	1482.36	1242.27
Deposits from other secured	-	-	1.78
Total	**1391.62**	**1482.36**	**1244.05**
B. Loans and advances from other parties			
Mukeshkumar Inani	-	-	10.89
Ambica Sales Corporation	-	-	50.00
Balaji Trading Co.	-	-	50.00
Hetal J Patel	-	-	1.50
Harsh Metal	-	-	50.00
Jagdish N Patel	-	-	3.20
Mangilal Somani	-	-	1.90
Meadas Steel Corporation	-	-	50.00
Minaxi Somani	-	-	2.39
Mukesh Somani	-	-	4.31
Pinakin J Patel	-	-	1.45
Porwal Metal Co.	-	-	36.84
Rakesh Somani	-	-	0.93

Rythme Alloys	-	-	50.00
Sagardevi Somani	-	-	2.81
Suman Rakesh Somani	-	-	2.10
Swiss Impex	-	-	0.92
TPS Metal & Tube	-	-	6.02
Uma J Patel	-	-	1.00
Asmalji Mehta	-	-	0.42
Asmalji Mehta (HUF)	-	-	9.85
Harish A Mehta	-	-	0.28
Jayesh A Mehta (HUF)	-	-	0.11
Jayesh A Mehta	-	-	3.55
Rameshbhai A Mehta	-	-	10.62
Rekha J Kanungo	-	-	1.77
Rekha J Mehta	-	-	8.01
Sangita S Mehta	-	-	6.88
Satish A Mehta	-	-	8.48
Seiko Metal & Tube	-	-	0.08
Simandhar Impex	-	-	2.11
Snehalata R. Mehta	-	-	24.35
Ugamben A Mehta	-	-	0.28
Total (B)			**403.05**
Total A+B	**1391.62**	**1482.36**	**1647.10**

Note:

1. Details of Security and repayment terms are as under:
   i) BOB C.C. loan outstanding as on September 30, 2015 is given at the rate of 12.15% and secured against following:
      a) Factory Land & Building in the name of the company situated at Block No 2070, Near Shah Alloys Limited, Khatraj Road, Santej – 382721, Taluka: Kalol, District: Gandhinagar
      b) Raw Materials, Stock in Process, Stores & Spares, Packing Materials, Finished Goods, Book-Debt, entire Machineries, Equipments, Electrical Installations, Furniture & Fixtures, Office Equipments and other Movable Fixed Assets of the company, situated at the above mentioned premises, present & future (Except the vehicles financed by NBFCs)
      c) General form of guarantee signed by the following directors
         - Asamal Siremal Mehta
         - Satish Asamal Mehta
         - Jayesh Asamal Mehta
         - Harish Asamal Mehta

ANNEXURE – XI
Restated Consolidated Statement of Trade Payable

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Sundry Creditors for Goods	683.14	736.61	2405.87
Sundry Creditors for Capital Goods	0.05	37.97	-
Sundry Creditors for Expenses	62.63	32.97	4.38
Total	**745.82**	**807.55**	**2410.25**

Note:
1. Trade Payable as on 30th September, 2015 is taken as certified by management.
2. Sundry Creditors for Capital goods includes amount outstanding against purchase of Capital Goods.

ANNEXURE – XII
Restated Consolidated Statement of Other Current Liabilities

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Advance received from customers	718.63	21.40	-
HDFC Motor Car Loan – Fortuner	3.77	3.58	-
HDFC Motor Car Loan – Innova	2.36	2.24	-
Taxes payable other tax	-	55.66	6.36
HDFC Motor Car Loan - GJ-2 C 3281	-	-	0.97
HDFC Motor Car Loan - GJ-1 H 300	-	-	2.05
Bank of Baroda Term Loan A/c - Current Maturity	-	-	15.37
Total	**724.76**	**82.88**	**24.75**

Note:
1. Advanced received from customer as on 30th September 2015 is taken as certified by the management. No security has been given on the same.
2. HDFC Motor Car Loan is secured against the Motor Car Fortuner and ₹ 44,750 of installment will be paid starting from 5th June2014 to 5th July 2019.
3. HDFC Motor Car Loan is secured against the car Innova and ₹ 27,720 of installment will be paid starting from 5th July 2014 to 5th June 2019.
4. Taxes payable – other tax includes amount payable towards VAT, TDS etc.

ANNEXURE – XIII
Restated Consolidated Statement of Short Term Provisions

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Provision for tax	6.96	1.64	37.14
Provision - others (give details)			
- Provision for Expenses	15.78	-	7.13
- Provision for Audit Fees	1.00	2.00	0.77
Total	**23.74**	**3.64**	**45.04**

Note:
1. Provision for Tax was made after deducting the advance tax and TDS amount, if any.
2. Provision for Expenses includes CST Payable, VAT Payable, TDS Payable, TDS Payable etc.
3. Provision for Audit Fees as on September 30, 2015 is made on half year basis.

ANNEXURE – XIV
Restated Consolidated Statement of Fixed Assets

(₹ In Lacs)

Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Total
Gross Block :								
As at April 1, 2010	129.45	76.22	-	50.96	0.07	12.15	1.28	270.12
Additions / (Deletion)	76.77	(76.22)	-	79.01	0.09	0.52	1.09	81.25
As at March 31, 2011	**206.22**	**-**	**-**	**129.97**	**0.16**	**12.67**	**2.37**	**351.37**
As at April 1, 2014	207.96	-	196.47	152.62	0.16	13.30	4.71	575.18
Additions / (Deletion)	(55.56)	55.56	258.63	289.05	-	42.07	-	589.75
As at March 31, 2015	**152.40**	**55.56**	**455.10**	**441.67**	**0.16**	**55.37**	**4.71**	**1164.93**
As at April 1, 2015	152.40	55.56	455.10	441.67	0.16	55.37	4.71	1164.93
Additions / (Deletion)	-	-	6.00	0.18	-	(7.85)	-	(1.67)
As at September 30, 2015	**152.40**	**55.56**	**461.10**	**441.85**	**0.16**	**47.52**	**4.71**	**1163.26**
Accumulated Depreciation :								
As at April 1, 2010	1.18	-	-	0.94	0.01	2.31	0.08	4.52
Charge for the year	2.87	-	-	5.01	0.01	1.20	0.34	9.43
As at March 31, 2011	**4.05**	**-**	**-**	**5.95**	**0.02**	**3.51**	**0.42**	**13.95**
As at April 1, 2014	14.18	-	-	25.98	0.05	7.27	2.35	49.85
Charge for the year	5.04	-	-	24.56	0.02	5.70	1.91	36.16
Adjustments in Depreciation (Companies Act ' 2013)	-	-	-	-	-	-	-	1.07
As at March 31, 2015	**19.22**	**-**	**-**	**50.54**	**0.07**	**12.97**	**4.26**	**87.08**
As at April 1, 2015	19.22	-	-	50.54	0.07	12.97	4.26	87.08
Charge for the period	2.55	-	-	14.53	0.01	3.70	0.14	20.94
Additions / (Deletion)	-	-	-	-	-	(6.71)	-	(6.71)
As at September 30, 2015	**21.77**	**-**	**-**	**65.07**	**0.08**	**9.96**	**4.40**	**101.31**
Net Block :								
As at March 31, 2011	202.17	-	-	124.02	0.14	9.16	1.95	337.42

As at March 31, 2015	133.18	55.56	455.10	391.13	0.09	42.40	0.45	1077.85
As at September 30, 2015	130.63	55.56	461.10	376.78	0.08	37.56	0.31	1061.96

Note:

1. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of Profit and Loss Account amounting to ₹ 1.07 Lacs during the Financial Year 2014-15.
2. Deletion in the Buildings in the Financial Year 2014-15 was made as per the order received from Income Tax department and the same was shown as addition to the Land.
3. Company had started its plant at Lunej, Khambhat in July, 2014 in a premise which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise for a period of 11 months and to acquire the plant later on when the title is cleared in the name of the seller. The company invested approximately Rs. 3.00 Crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to leave the project and shut down plant. Company carried out its last transaction in June 2015 and since then Company has neither done any manufacturing nor carried out any sale transaction in business. During period from July 2014 to June 2015, company made total turnover of Rs. 78.00 Lacs (approx) and Company realized the amount of Rs. 74 Lacs (approximately). At present plant is in the possession of Land Owner and Company is planning to sold out its all assets related with plant as it is not viable for the company to do the business. In June 2015 plant possession was taken by the land owner and stocks of Rs. 9.00 Lacs (approximately) were lying in the factory. At present plant is not working but company is regularly filing its Excise Return regularly.
4. **Installed Capacity :**
   The Installed capacity of the Plant is 2400 MT per annum for Copper & Brass products on standalone basis of Sagardeep Alloys Limited.

ANNEXURE – XV

Restated Consolidated Statement of Long Term Loans and Advances

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Security Deposits Unsecured, considered good	24.08	15.26	0.20
Loans and advances to parties Secured, considered good	30.00	30.00	-
VAT Deposit	0.20	0.20	-
Total	**54.28**	**45.46**	**0.20**

Note:

1. Security deposit given includes deposit with Uttar Gujarat Vij Company Limited and deposits given to suppliers for gas supplied by them.
2. Loans and advances made to parties include advances made for purchase of properties.

ANNEXURE – XVI
Restated Consolidated Statement of Inventories

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated)	195.06	188.26	93.62
Goods-in transit	-	-	-
	195.06	188.26	93.62
b. Work-in-progress (Valued at Cost or NRV unless otherwise stated)	53.32	42.79	-
Goods-in transit	-	-	-
	53.32	42.79	-
c. Finished goods (Valued at Cost or NRV unless otherwise stated)	179.01	41.97	41.99
Goods-in transit	-	-	-
	179.01	41.97	41.99
d. Stock-in-trade (Valued at Cost or NRV unless otherwise stated)	495.37	1.05	916.46
Goods-in transit	-	-	-
	495.37	1.05	916.46
Total (A+B+C+D)	**922.76**	**274.07**	**1052.07**

Note:

1. Value of Inventories as on September 30, 2015 was taken as certified by the management.

ANNEXURE – XVII
Restated Consolidated Statement of Trade Receivables

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Trade receivables outstanding for a period less than six months from the date they are due for payment.			
Secured, considered good	-	-	
Unsecured, considered good	1498.78	2269.08	2406.57
Unsecured, considered doubtful	-	-	-
	1498.78	**2269.08**	**2406.57**
Less: Provision for doubtful debts	-	-	-
	1498.78	**2269.08**	**2406.57**
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good	-	-	-
Unsecured, considered good	927.11	27.07	98.98
Unsecured, considered doubtful	-	-	-
	927.11	**27.07**	**98.98**
Less: Provision for doubtful debts	-	-	-
	927.11	**27.07**	**98.98**

Total	**2425.89**	**2296.15**	**2505.55**

Note:

1. Trade Receivables as on September 30, 2015 was taken as certified by Management. As per their view, there was no doubtful debt so no provision had been made in respect to doubtful debt.

ANNEXURE – XVIII

Restated Consolidated Statement of Cash and cash equivalents

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Balances with banks	20.04	1.24	1.49
Cash on hand	11.40	12.59	6.31
Total	**31.44**	**13.83**	**7.80**

ANNEXURE – XIX

Restated Consolidated Statement of Short-term loans and advances

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
A. Balances with government authority			
(i) CENVAT credit receivable	89.18	46.35	9.76
(ii) TCS Receivables	0.23	0.08	-
(iii) VAT credit receivable	-	10.00	0.63
(iv)Other advance Tax	15.83	1.60	-
	105.24	58.03	10.39
B. Others (specify nature)			
- Prepaid Insurance	0.34	-	0.30
- Advance to Suppliers	482.13	476.72	-
- Secured & Considered Good	23.61	-	765.96
	506.08	476.72	766.26
Total (A+B)	**611.32**	**534.75**	**766.65**

Note:

1. Balance with government authorities - Other Advances given includes advances towards VAT appeal made under Gujarat VAT Act and advances given for expenses are considered good.
2. Other Receivables includes advances given or amount to be realized towards Purchase License, SAD Receivables etc.
3. Advanced given to customer as on 30th September 2015 is taken as certified by the management. No securities have been taken on the same.

ANNEXURE – XX
Restated Consolidated Statement of Revenue from operations

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Sale of products			
Revenue from sale of products:- Trading	3697.02	8501.22	10405.27
Revenue from sale of products:- Mfg.	2742.33	5425.77	3311.12
Revenue from sale of products	**6439.36**	**13926.99**	**13716.69**
Branch Sales	-	2.44	-
	6439.36	**13929.43**	**13716.69**
Sale of services			
Revenue job work	1.49	0.27	29.29
	1.49	**0.27**	**29.29**
Other operating revenues			
Quality Claim received	13.10	-	-
Commission on Consignment Sales	-	-	0.04
Discount Received	-	-	0.51
Packing and Forwarding	3.81	3.57	-
	16.91	**3.57**	**0.55**
Gross revenue from operations	**6457.76**	**13933.27**	**13746.53**
Less: Adjustments			
Returns on revenue from sale of products	7.61	18.64	-
Excise Duty on Sales	305.60	669.33	341.05
	313.21	**687.97**	**341.05**
Net revenue from operations	**6144.55**	**13245.30**	**13405.48**

ANNEXURE – XXI
Restated Consolidated Statement of Other Income

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011	Nature of Income
Interest Income (in case of company other than a finance company)	1.05	0.89	28.70	Non-Recurring
Other non-operating income				
Profit on licence purchase	6.59	2.92	-	Business Activities
Refund of Processing Charges	0.72	-	-	Non-Recurring
Profit on Sale of Shares	-	-	1.68	Non-Recurring
Rate Difference	-	8.41	3.45	Business Activities
Kasar & Vatav	-	1.23	-	Business Activities
Other receipts	-	6.48	-	Business Activities
Dividend Income	-	-	0.11	Non-Recurring
Net Gain / Loss on Foreign Exchange	-	-	0.64	Non-Recurring
Rental Income	-	-	0.16	Non-Recurring
Total	**8.36**	**19.93**	**34.74**	

ANNEXURE – XXII
Restated Consolidated Statement of Staff Costs

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Salaries and Wages			
Salary and wages	29.01	91.66	49.60
Bonus	-	-	0.52
	29.01	**91.66**	**50.12**
Contribution to provident and other fund			
Contribution to provident and other funds for others	0.43	-	0.34
	0.43	**-**	**0.34**
Staff welfare Expenses			
Staff Welfare Expenses	0.50	1.48	0.25
	0.50	**1.48**	**0.25**
Total	**29.94**	**93.14**	**50.71**

ANNEXURE – XXIII
Restated Consolidated Statement of Other Manufacturing Expenses

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Calibration Expenses	0.14	-	-
Consumption of stores and spare parts	11.92	30.36	23.17
Custom duty	323.16	415.13	-
Depreciation and amortization expenses	17.09	29.60	7.88
Factory Expenses	1.86	7.23	-
Freight Expenses	21.98	74.34	47.87
Labour Expenses	90.42	46.10	-
Power and fuel	67.95	165.52	73.05
Repairs and maintenance of plant, machinery, building	1.77	10.33	5.38
Total	**536.29**	**778.61**	**157.35**

Annexure – XXIV
Restated Consolidated Statement of Administration Expenses

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Audit Fees	1.00	2.00	0.80
Conveyance expenses	1.33	3.55	-
Depreciation and amortization expenses	3.85	11.56	1.48
Income Tax Expenses	2.84	-	-
Indirect Tax Expenses	1.68	9.49	-
Insurance expenses	1.26	0.65	1.15
Legal and professional expenses	2.47	4.23	8.00
Loss on Sale of Fixed Assets	0.01	-	-
Membership Expenses	0.06	-	-

Miscellaneous expenses	1.06	5.23	18.80
Penalty and Interest (Excise and VAT)	0.19	1.09	-
Printing and stationery	0.17	0.38	0.99
Rates and taxes	-	0.25	0.40
Rent Expenses	0.30	23.57	2.09
Service tax	-	1.99	-
Telephone expenses	1.37	2.55	2.63
Travelling Expenses	3.91	1.14	2.03
Total	**21.50**	**67.68**	**38.37**

ANNEXURE – XXV
Restated Consolidated Statement of Interest Cost

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Interest			
Interest on short-term loans from banks	90.39	187.41	118.24
Interest on long-term loans from banks	1.52	2.06	-
Interest on short-term loans from others	-	0.65	10.23
	91.91	**190.12**	**128.47**
Other Borrowing costs			
Other Borrowing costs	8.13	70.28	5.65
	8.13	**70.28**	**5.65**
Total	**100.04**	**260.40**	**134.12**

ANNEXURE – XXVI
Capitalization Statement as at 30th September, 2015

(₹ In Lacs)

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term	1391.62	1391.62
Long-term (A)	508.52	508.52
Total debts (B)	**1900.14**	**1900.14**
Shareholders' funds		
Share capital	773.81	1073.81
Reserve and surplus	892.92	1192.92
Total shareholders' funds (C)	**1666.73**	**2266.73**
Long term debt / shareholders' funds (A/C)	**30.51%**	**22.43%**
Total debt / shareholders' funds (B/C)	**114.00%**	**83.83%**

1. Short term debts represent debts which are due within 12 months from September 30, 2015.
2. Long term debts represent debts other than short term debts, as defined above.
3. Prior to September 30, 2015, the company has made the following changes in its capital structure the effect of which has been considered.
   i) On May 30, 2011 the Company has issued and allotted 400,000 shares under private placement to various persons at a price of ₹ 62.50 per equity share (₹ 52.50 towards securities premium).

ii) On March 22, 2012 The Company has issued bonus shares to its existing equity shareholders in the ratio of 295 (Two hundred ninety five) shares for every 100 (Hundred) shares held by them by capitalizing its securities premium account and profit & loss account.

iii) On March 29, 2012 the Company has issued and allotted 1,261,600 shares under private placement to various persons at a price of ₹ 50 per equity share (₹ 40 towards securities premium).

ANNEXURE – XXVII
Statement of Tax Shelters

(₹ In Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Profit before tax, as restated (A)	35.50	79.26	208.98
Tax Rate (%)	30.90	30.90	30.90
Adjustments :			
Permanent differences			
Expenses disallowed under Income Tax Act, 1961			
Other Expenses - 43B	-	1.75	-
Preliminary Expenses	-	10.31	-
Total permanent differences(B)	-	12.06	-
Income considered separately (C)	-	-	-
Timing differences			
Depreciation as per Books	20.94	36.16	9.43
Depreciation as per IT Act	(30.29)	(70.16)	(40.85)
Total timing differences (D)	(9.35)	(34.00)	(31.42)
Net adjustments E = (B+C+D)	(9.35)	(21.94)	(31.42)
Tax expense / (saving) thereon	(2.89)	(6.78)	(9.71)
Income from other sources (F)	-	-	-
Exempt Income (G)	-	-	-
Taxable income/(loss) (A+E+F-G+H)	26.15	57.32	177.56
Tax as per Normal Provision	8.08	17.71	54.87
Taxable income/(loss) as per MAT	35.50	79.26	79.26
Income tax as per MAT	6.76	15.10	15.10
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision	Normal Provision	Normal Provision

ANNEXURE – XXVIII
Details of Consolidated Related Party Transactions as Restated

(₹ In Lacs)

Name of the Party	Nature of Transaction	Amount of Transaction till September 30, 2015	Amount Outstanding as on 30.09.2015	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable) / Receivable	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable)/ Receivable
Asamalji Mehta	Interest	-	-	-	-	-	0.45	0.42
Asamalji Mehta	Remuneration	4.50	3.45	9.00	-	5.17	5.10	0.04
Asamalji Mehta (HUF)	Interest	-	-	-	-	-	0.99	9.85
Harish	Interest	-	-	-	-	-	0.17	0.28

Mehta								
Harish Mehta	Remuneration	4.50	1.50	9.00	-	0.93	2.70	0.20
Jayeshkumar Mehta	Interest	-	-	-	-	-	1.01	3.55
Jayeshkumar Mehta	Remuneration	4.50	3.75	9.00	-	3.34	5.10	0.81
Jayeshkumar Mehta (HUF)	Interest	-	-	-	-	-	-	-
Ramesh Mehta	Interest	-	-	-	-	-	1.35	10.62
Rekha Mehta	Interest	-	-	-	-	-	0.62	8.01
Sangita Mehta	Interest	-	-	-	-	-	0.56	6.88
Sangita Mehta	Share Transfer	-	-	1.75	-	-	-	-
Satish A Mehta (HUF)	Interest	-	-	-	-	-	-	-
Satish Mehta	Interest	-	-	-	-	-	0.71	8.48
Satish Mehta	Rent	-	-	-	-	1.97	2.09	0.28
Satish Mehta	Remuneration	4.50	4.50	9.00	-	1.89	5.10	0.78
Satish Mehta	Share Transfer	-	-	3.25	-	-	-	-
Seiko Metal & Tubes	Interest	-	-	-	-	-	-	-
Simandhar Impex	Interest	-	-	-	-	-	0.10	2.11
Swiss Impex	Interest	-	-	-	-	-	0.11	0.92
Swiss Impex	Purchase	-	-	-	-	-	100.19	-
Ugamben Mehta	Interest	-	-	-	-	-	0.30	0.28

ANNEXURE – XXIX
Reconciliation of Restated Profit

(₹ In Lacs)

Adjustments for	As at September 30, 2015	As at March 31, 2015	As at March 31, 2011
Net profit/(loss) after tax as per audited statement of profit & loss	8.50	72.96	139.28
Adjustments for:			
Preliminary Expenses (Refer Note 1)	-	(5.00)	0.07
Excess / Short Provision for Tax (Refer Note 2)	1.65	(0.08)	(3.99)
Net profit/ (loss) after tax as restated	**10.15**	**67.88**	**135.36**

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

Adjustments having impact on Profit

1. The Company has amortized preliminary and pre operative expenses in 5 consecutive year in the audited balance sheet while in the restated financial statements, the company has amortized total amount of preliminary and pre operative expenses in the financial year in which it has been incurred.
2. The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

To give explanatory notes regarding adjustments

Adjustments having no impact on Profit Material Regrouping

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES IN LAST FIVE YEARS:

Not Applicable

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There have been no significant changes in Accounting Policies in the past three years.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview of the business of the Company

Sagardeep Alloys Limited was incorporated as "Sagardeep Alloyes Private Limited" on February 13, 2007 under the Companies Act 1956 with a Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Name of the Company was changed & modified to Sagardeep Alloys Private Limited and fresh certificate of incorporation was issued by Registrar of Companies on June 25, 2009. Thereafter once again a fresh certificate of incorporation consequent upon change of name on conversion of the company to public limited company in the name of the "Sagardeep Alloys Limited" was granted by ROC on April 17, 2012.

At present, the Company is engaged in the business of manufacturing of Copper Pipes, Flats, Coils, Rods, Plates and Copper Alloys Consumables and trading of Ferrous and Non ferrous Metals and alloys. The Factory is located at Block No 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Taluka-Kalol, Ghandhinagar-382721, Gujarat (India).

The Company has got ISO 9001:2008 certification for "Manufacturing and Supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloys Consumables and Trading and Supply of Ferrous and Non Ferrous Metals and Alloys" from BSCIC.

Significant developments subsequent to March 31, 2015

- The Company has remitted Rs.2,719,748 on December 28, 2015 for subscribing share capital in Sagardeep General Trading FZE in Dubai which on allotment of shares would have made it a wholly owned subsidiary of the Company. However, the funds of Rs.2,727,500 (Rs.7752 excess due to "foreign exchange rate fluctuation") have been remitted back to the Company on February 3, 2016 without shares being allotted to the company and therefore as on date, Sagardeep General Trading FZE is not a subsidiary of the Company. Sagardeep General Trading FZE has not started any operational activity.
- Company had started its plant at Lunej, Khambhat in July, 2014 in a premise which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise for a period of 11 months and to acquire the plant later on when the title is cleared in the name of the seller. The company invested approximately Rs. 3.00 Crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to leave the project and shut down plant. Company carried out its last transaction in June 2015 and since then Company has neither done any manufacturing nor carried out any sale transaction in business. During period from July 2014 to June 2015, company made total turnover of Rs. 78.00 Lacs (approx) and Company realized the amount of Rs. 74 Lacs (approximately). At present plant is in the possession of Land Owner and Company is planning to sell out its all assets related with plant as it is not viable for the company to do the business. In June 2015 plant possession was taken by the land owner and stocks of Rs. 9.00 Lacs (approximately) were lying in the factory. At present plant is not working but company is regularly filing its Excise Return regularly.
- Earlier Pushpendra Gupta and Associates, Chartered Accountant, having office at 407, Iscon Avenue, Nr. Choice Restaurant, CG Road, Ahmedabad - 380 009 were the statutory auditor of the Company. However, Company has changed its statutory auditor and have appointed M/s Piyush J Shah & Co., Chartered Accountants, 504-B, Shikhar Complex, Nr. Vadilal House, Mithakhali Six Roads, Navrangpura, Ahmedabad-380009 as its statutory auditor for the year 2015-16 vide resolution passed by Board of Directors on October 26, 2015 which was approved by shareholders through special resolution passed at their EGM held on November 2, 2015.

To our knowledge and belief, no circumstances other than as those disclosed in this Draft Prospectus have arisen since the date of the last financial statements contained in this Draft Prospectus which materially affect or are likely to affect, the trading and profitability of our Company, or the value of our assets or our ability to pay material liabilities within the next 12 months.

Factors affecting results of our operations

The financial condition and results of operations of the Company are affected by the following factors:

- ***General Economic and business conditions***

As a company operating in India, we are affected by the general economic conditions in the Country. The Indian economy has grown steadily over the past several years. This improved performance was propelled by the growth in the industrial activity and robust services sector. The overall economic growth will therefore impact the results of its operations.

- ***Factors affecting industrial activity***

Any change in the factors such as industrial policies, tariffs, excise duties etc which may affect the activities of the Copper and Steel Industry may affect our result of operations.

- ***Stiff Competition***

The Company conducts the business under a highly competitive environment. Competition is characterized by many factors, including substitute products, price, quality, service, location, reputation and credit availability. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition.

- ***Changes in laws and regulations that apply to the industry***

There are some laws and regulations applicable to the industry in which we operate, which we have to comply/follow. In case of a failure to comply with these laws and regulations or to obtain or renew the necessary permits and approvals our business may be affected.

- ***Changes in fiscal, economical or political conditions in India***

External factors such as potential terrorist attacks, act of wars or geopolitical and social turmoil in many parts of the world could constrain our ability to do business, increase the costs and negativity affects our financial performances.

- **Cost of materials**

In the recent past, domestic and international markets have shown wide fluctuations in the prices of critical raw materials such as Copper Scrap, Ferrous Alloys etc. which are consumed for the manufacturing activity of the company. Any wide fluctuations in the prices of such raw materials may have an adverse impact on the profitability of the Company.

Results of Operations

As a result of the various factors discussed above that affect the income and expenditure of the Company, results of operations may vary from period to period. The following table sets forth certain information with respect to the results of operations of the Company (on standalone basis) for the periods indicated read together with notes, accounting policies and report thereon which appear in Draft Prospectus:

(Rs. In Lacs)

Particulars		As at				
	September 30, 2015	March 31, 2015	March 31, 2014	Increase/Decrease (%)	March 31, 2013	Increase/Decrease (%)
I. Revenue from operations						
a) of products manufactured by the issuer	2742.33	5425.77	2609.75	107.90	3527.24	-26.01
b) of products traded in by the issuer	3370.4	7819.53	12937.45	-39.56	16519	-21.68
Total Revenue from Operations	6112.73	13245.3	15547.2	-14.81	20046.24	-22.44
II. Other income	8.36	19.93	14.54	37.07	10.06	44.53
III. Total Revenue (I + II)	6121.09	13265.23	15561.74	-14.76	20056.3	-22.41
Increase / (Decrease) in Inventories	641.9	-1257.79	378.38	-432.41	-808.4	-146.81
IV. Total	6762.99	12007.44	15940.12	-24.67	19247.9	-17.19
V. Expenses:						
Cost of materials consumed	2407.96	5116.83	2383.39	114.69	3002.03	-20.61
Purchases of Stock-in-Trade/Labour	3706.64	5611.52	12755.95	-56.01	15589.71	-18.18
Staff Costs	29.94	93.14	68.28	36.41	62.66	8.97
Other Manufacturing Expenses	463.44	778.61	366.56	112.41	203.35	80.26
Administration Expenses	21.2	67.67	32.71	106.88	38.01	-13.94
Selling & Distribution Expenses	-	-	0.13		3.84	-96.61
Interest Expenses	100.04	260.4	235.29	10.67	251.57	-6.47
Total expenses	6729.22	11928.17	15842.31	-24.71	19151.17	-17.28
VI. Profit before extraordinary items and tax (IV - V)	33.77	79.27	97.81	-18.96	96.73	1.12
VII. Extraordinary Items-	-	-	-		-	
VIII. Profit before tax (VI-VII)	33.77	79.27	97.81	-18.96	96.73	1.12
IX. Tax expense:						
(1) Current tax	6.5	16.65	26.55	-37.29	26.28	1.03
(2) Deferred tax	18.31	-5.27	5.6	-194.11	6.88	-18.60
X. Profit (Loss) for the period (VIII- IX)	8.96	67.89	65.66	3.40	63.57	3.29

(Source: Restated Standalone Financial Statements)

Key Components of Profit and Loss Statement

Revenue from operations

Revenues, referred to in the financial statements as total income comprises of income from operations which includes Sale of Goods, job work and other income. The income from operations comprises of the sales of Copper /Aluminum /SS / MS angles, Flats, Ingots, Pipes, Coils, job work done, etc.

Expenditure

Expenditure mainly comprises of Cost of Material Consumed, Staff Costs, other manufacturing expenses, Administration expenses, Selling and distribution expenses and interest expenses.

Comparison of the Financial Performance of Fiscal 2015 with Fiscal 2014

Revenue from operations of products manufactured by the issuer

Revenue from operations of products manufactured by the issuer increased to Rs. 5425.77 Lacs in Fiscal 2015 from Rs. 2609.75 Lacs in Fiscal 2014. The increase of 107.90% in Revenue from operations of products manufactured by the issuer was due to increase in manufacturing activities by the company.

Revenue from operations of products traded by the issue

Revenue from operations of products traded by the issuer decreased to Rs. 7819.53 Lacs in Fiscal 2015 from Rs. 12937.45 Lacs in Fiscal 2014. The decrease of 39.56% in Revenue from operations of products traded by the issuer was due to decrease in trading activities by the company.

Other Income

Other Income increased to Rs. 19.93 Lacs in Fiscal 2015 from Rs. 14.54 Lacs in Fiscal 2014. The increase of 37.07% in Other Income was due to rate difference and other receipts.

Change in Inventory

Change in Inventory was Rs. -1257.79 Lacs in Fiscal 2015 as compare to Rs. 378.38 Lacs in Fiscal 2014 as the company utilized its opening stock.

Cost of Material Consumed

Cost of Material Consumed increased to Rs. 5116.83 Lacs in Fiscal 2015 from Rs. 2383.39 Lacs in Fiscal 2014. The increase of 114.69% in Cost of Material Consumed was due to increase in manufacturing activities of the company. The manufacturing turnover of the company was increased to 41% of total turnover in Fiscal 2015 from 17% of total turnover in Fiscal 2014.

Purchase of Stock in Trade/Labour

Purchases of Stock-in-Trade decreased to Rs. 5611.52 Lacs in Fiscal 2015 from Rs. 12755.95 Lacs in Fiscal 2014. The decrease of 56.01% in Purchases of Stock-in-Trade was due to decrease in trading activities of the company.

Staff Costs

Staff Costs increased to Rs. 93.14 Lacs in Fiscal 2015 from Rs. 68.28 Lacs in Fiscal 2014. The increase of 36.41% in Staff Costs was due to increase in manufacturing activities which resulted in increase of Labour Charges and also due to appointment of Key managerial Employees in the company.

Other Manufacturing Expenses

Other Manufacturing Expenses increased to Rs.778.61 Lacs in Fiscal 2015 from Rs. 366.56 Lacs in Fiscal 2014. The increase of 112.41% in Other Manufacturing Expenses was due to increase in custom duty for import of raw materials and increase in depreciation due to change in Companies Act which includes fixed assets of factory building & Plant and machinery as well as increase in assets base of the company due to acquisition of machineries for chemical business.

Administration Expenses

Administration Expenses increased to Rs. 67.67 Lacs in Fiscal 2015 from Rs. 32.71 Lacs in Fiscal 2014. The increase of 106.88% in Administration Expenses was due to increase in depreciation (which is charge on Furniture & Fixtures, Motor Vehicles and Computer) because of Purchase of Motor Car change in Company Act and increase in rent charges.

Interest Expenses

Interest Expenses increased to Rs. 260.40 Lacs in Fiscal 2015 from Rs. 235.29 Lacs in Fiscal 2014. The increase of 10.67% in Interest Expenses was due to increase in LC discounting charges.

Profit for the Period

Profit for the Period increased to Rs. 72.99 Lacs in Fiscal 2015 from Rs. 66.71 Lacs in Fiscal 2014. The increase of 9.41% in Profit for the Period was due to increase in scale of manufacturing activities of the company which resulted into better profit margin.

Comparison of the Financial Performance of Fiscal 2014 with Fiscal 2013

Revenue from operations of products manufactured by the issuer

Revenue from operations of products manufactured by the issuer decreased to Rs. 2609.75 Lacs in Fiscal 2014 from Rs. 3527.24 Lacs in Fiscal 2013. The decrease of 26.01% in Revenue from operations of products manufactured by the issuer was due to decrease in manufacturing activities by the company.

Revenue from operations of products traded by the issuer

Revenue from operations of products traded by the issuer decreased to Rs. 12937.45 Lacs in Fiscal 2014 from Rs. 16519.00 Lacs in Fiscal 2014. The decrease of 21.68% in Revenue from operations of products traded by the issuer was due to decrease in trading activities by the company.

Other Income

Other Income increased to Rs. 14.54 Lacs in Fiscal 2014 from Rs. 10.06 Lacs in Fiscal 2014. The increase of 44.53% in Other Income was due to increase in Kasar Vatav and Profit on License purchase.

Change in Inventory

Change in Inventory was Rs. 378.38 Lacs in Fiscal 2014 as compare to Rs. -808.40 Lacs in Fiscal 2013 there is a decrease in opening inventory as compared to Fiscal 2013.

Cost of Material Consumed

Cost of Material Consumed decreased to Rs. 2383.39 Lacs in Fiscal 2014 from Rs. 3002.03 Lacs in Fiscal 2013. The decrease of 20.61% in Cost of Material Consumed was due to decrease in manufacturing activities of the company. The manufacturing turnover of the company decreased to 16% of total turnover in Fiscal 2014 from 18% of total turnover in Fiscal 2013.

Purchase of Stock in Trade/Labour

Purchases of Stock-in-Trade decreased to Rs. 12755.95 Lacs in Fiscal 2014 from Rs. 15589.71 Lacs in Fiscal 2013. The decrease of 18.18% in Purchases of Stock-in-Trade was due to decrease in trading activities of the company.

Staff Costs

Staff Costs increased to Rs. 68.28 Lacs in Fiscal 2014 from Rs. 62.66 Lacs in Fiscal 2013. The increase of 8.97% in Staff Costs was due to increase in Labour Charges.

Other Manufacturing Expenses

Other Manufacturing Expenses increased to Rs. 366.56 Lacs in Fiscal 2014 from Rs. 203.35 Lacs in Fiscal 2013. The increase of 80.26% in Other Manufacturing Expenses was due to increase in custom duty for import of Raw materials and increase in Electricity expenses.

Administration Expenses

Administration Expenses decreased to Rs. 32.71 Lacs in Fiscal 2014 from Rs. 38.01 Lacs in Fiscal 2013. The decrease of 13.94% in Administration Expenses was due to decrease in Miscellaneous Expenses.

Interest Expenses

Interest Expenses decreased to Rs. 235.29 Lacs in Fiscal 2014 from Rs. 251.57 Lacs in Fiscal 2013. The decrease of 6.47% in Interest Expenses was due to decrease in borrowings by the company.

Profit for the Period

Profit for the Period increased to Rs. 66.71 Lacs in Fiscal 2014 from Rs. 63.99 Lacs in Fiscal 2013. The increase of 4.25% in Profit for the Period was due to increase in profit margin.

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. **Unusual or infrequent events or transactions**
   There are no unusual or infrequent events or transactions that have significantly affected operations of the Company.

2. **Significant economic changes that materially affected or likely to be affect income from continuing operations**
   Any major change in policies of the Government would have a significant impact on the profitability of the Company. Metal sector is facing severe economic slowdown globally as well as in domestic market which is affecting the scale of operations as well as profitability of the company adversely and being reflected in the scale of operations during last few years. Further any slowdown of government spending could adversely impact the profitability of the Company. Except the above, and those discussed in Chapter on "Risk Factors", there are no significant economic changes that may materially affect or likely to affect income 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**
   Apart from the risks as disclosed under heading "Risk Factors" of this Draft Prospectus, there is no known trend or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. **Future changes in relationship between costs and revenues**
   Copper and Steel industry in India is well integrated with International market. Any development internationally shall have direct impact over cost of raw material it uses and price of its finished product.

5. **The extent to which material increase in Net sales is due to increase in sales volume, Introduction of new products or services or increased sales prices.**
   Increase in revenue is largely on account of optimum utilization of its capacity, increase in selling price in the market during last few years.

6. **Total turnover of each major industry segment in which the Company operated**
   Company operates in only one industry segment i.e. Metal.

7. **Status of any publicly announced New Products or Business Segment**
   The Company has not announced any new products or business segment except Chemical business, the details of which mentioned on page 171 of Draft Prospectus.

8. **Seasonality of business**
   Currently our Company's business is not seasonal in nature.

9. **Dependent on a single or few customers/Clients**
   The Company is largely dependent on single and few customers, as the top one and top ten customers constitutes around 17.95% and 76.65% of the total income for the year 2014-15 on a standalone and consolidated basis. In addition, company is also dependent on few suppliers as top one and top ten suppliers constitutes 10.55% and 59.55% of the total purchases for the year 2014-15.

10. **Competitive Conditions**
    The Company faces stiff competition from medium and larger well-established players. The Company is smaller in size compared to the market leaders.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

The Issuer Company certifies that except as stated herein, there is no:

(i) outstanding criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) outstanding claims for any direct and indirect tax liabilities; (iv) material litigation, in each case involving the Issuer Company, its Subsidiary(ies), Promoter(s), Directors, or its Group entity(ies), (iv) any litigation involving Company, its Promoter, Directors, Subsidiaries or our Group entities or any other person whose outcome could have a material adverse effect on the position of the Issuer Company; (vi) outstanding dues to creditors of the Issuer Company as determined to be material by the Company's Board in accordance with the SEBI ICDR Regulations; and (vii) dues to small scale undertakings and other creditors.

For the purpose of material litigation in (iv) above, Board of the Directors of Issuer Company has considered and adopted, at its meeting held on February 5, 2016, the following policy on materiality with regard to outstanding litigation to be disclosed by the Company in the offer documents:

(a) Pre-litigation notices: Notices received by the Company, its Subsidiary (ies), Promoter(s), Directors, or its Group entity(ies), from third parties (excluding statutory / regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company, its Subsidiary (ies), Promoter(s), Directors, or its Group entity(ies) are impleaded as defendants in litigation proceedings before any judicial forum;

(b) Criminal, tax proceedings and actions by statutory authorities / regulatory authorities: All criminal and tax proceedings, and actions by statutory / regulatory authorities involving the Issuer Company, its Subsidiary (ies), Promoter(s), Directors, or its Group Company(ies) shall be deemed to be material;

(c) Directors: Legal proceedings in the nature of criminal proceedings, taxation proceedings, actions by statutory authorities and / or by regulatory authorities involving the directors of the Company shall be deemed to be material; and

(d) Monetary threshold for civil litigation: Civil litigation against the Issuer Company, its Subsidiary (ies), Promoter(s), Directors, or its Group Entity (ies) or having any bearing on the Company before any judicial forum and having a monetary impact/amount involved not exceeding Rs.5,00,000 (Rupees Five Lacs), shall not be considered material. However, in the event of civil litigation wherein a monetary liability is not quantifiable, such litigation shall be considered as material only in the event that the outcome of such litigation has a bearing on the operations or performance of the issuer Company or its Subsidiary (ies).

For the purpose of outstanding dues to creditors in (vi) above, Board of the Directors of Issuer Company has considered and adopted the policy of materiality, at its meeting held on February 5, 2016, and decided that outstanding dues to creditors will be considered as material if dues owed by the issuer Company to small scale undertakings and other creditors exceeds Rs.10,00,000.

Further, except as stated in this section, there are no (i) inquiries, inspections or investigations initiated or conducted under the Companies Act against the Issuer Company or Subsidiaries in the past five years, and if there were any prosecution filed (whether pending or not) fines imposed or compounding of offences against the Issuer Company or Subsidiaries (ii) material frauds committed against the Issuer Company, in each case in the preceding five years from the date of this Prospectus; (iii) proceedings initiated against our Company for economic offences, (iv) defaults in respect of dues payable dues; (v) litigation or legal actions against the Promoters by any ministry or government department or statutory authority during the last five years immediately preceding this Draft Prospectus; (vi) pending litigation involving any other person, whose outcome could have material adverse effect on the position of the issuer and (vii) default and non-payment of statutory dues etc.

1. Under Criminal Laws :

   i) Cases filed by/against the Company - Nil
   ii) Cases filed by/against the Promoters/Directors/Subsidiary companies/Promoter Group Entities -

Sr. no	Case No	Institution Date	Parties	Authority	Subject Matter & Relief Sought	Amount Involved	Present Status

1	8786/10	15.02.2006	Sagar Metal (Prop: Asamal Mehta) V/s Kirti Engineering Works, Prop:Dileep Panchal	Metropolitan Magistrate Court at Ahmedabad	Sagar Metals sold goods worth Rs.44317 against which Kirti Engineering Works issued cheque of Rs. 30,080 which was bounced for reason "exceeds arrangement".	Rs.30,080	Pending
2	1635/13	20.07.2013	Swiss Impex (Prop: Jayesh A Mehta) V/s. 1. G.M Gujarat Trading Co. Pvt. Ltd. 2. Jashvanbhai K Choksi 3. Harivadan K Choksi 4.Vasantbhai T Choksi 5.Ghanshyambhai K Choksi	Metropolitan Magistrate Court at Ahmedabad	Jayesh A Mehta proprietor of Swiss Impex sold the goods to G.M Gujarat Trading Co. Pvt. Ltd. against which party issued cheques of Rs.12,95,028 and cheques were returned due to "Stop payment by Party".	Rs. 12,95,028	Pending
3	135/15	20.07.2013	Swiss Implex (Prop: Jayesh A Mehta) V/s. 1. G.M Trading Co. 2. Jashvanbhai K Choksi 3. Harivadan K Choksi 4.Vasantbhai T Choksi 5.Ghanshyambhai K Choksi	Metropolitan Magistrate Court at Ahmedabad	Jayesh A Mehta proprietor of Swiss Impex sold the goods to G.M Trading Co. against which party issued cheques of Rs. 13,47,507 and cheques are returned due to "Stop payment by Party".	Rs. 13,47,507	Pending

2. Under Securities Laws:

   i) Cases filed by/against the Company - Nil
   ii) Cases filed by/against the Promoters/Directors/Subsidiary companies/Promoter Group Entities – Nil

3. Under Tax Laws:

   i) Cases filed by/against the Company –

Sr no	Case No	Institution Date	Parties	Authority	Subject Matter & Relief Sought	Amount Involved	Present Status
1.	189 of 2015	26.03.2015	Sagardeep Alloys Ltd V/s The State of Gujarat	Gujarat Value Added Tax Tribunal, Ahmedabad	Commercial Tax Officer – (2) Ghatak -1 issued an order dt.31.03.2014 with demand of Rs. 23,28,175 for the FY 2009-10 for disallow of Input Tax Credit of Rs. 7,60,386 on the ground that vendor Registration Certificate was cancelled ab-initio. Against which Company filed the First Appeal on 26.05.2014 with Deputy Commissioner of Commercial Tax Appeals (DCCT-A) in which Company was directed to Pay Rs.10 Lacs as pre-deposit but assessee did not pay the said amount and the appeal was rejected by him summarily without going through the facts	Rs. 23, 28,175 which includes Tax 6,94,695 + Interest 4,92,901 + Penalty 11,40,579	Tribunal has sent back the matter to DCCT-A who now will decide the case afresh on the merits.

					of the case vide his order dt.8.12.2014, against which 2nd Appeal was filed in Tribunal on 26.03.15. Tribunals also ordered to pay Rs.10 as pre-deposit vide its order dt.09.04.15 which was paid by the Company in trenches. Considering the same, the tribunal, vide its order dt. 09.09.15, granted stay against the recovery of outstanding amount till final disposal of appeal and send back the matter to first appellate Authority (DCCT-A) to decide the case afresh on the merits after considering submissions of the Company.		
2.	290 of 2014	21.04.2014	Sagardeep Alloys Ltd V/s The State of Gujarat	Gujarat Value Added Tax Tribunal, Ahmedabad	On 17th May 2013 Commercial Tax Officer searched the premise and passed the Provisional Assessment order dt.16.12.2013 demanding Rs.4,82,00,824 which includes tax Rs. 1,20,80,206 + Penalty 3,61,50,618 mainly on account of Stock Difference and Illegal Sale on the Basis of Diary found in the Premises. Against the said order Company filed the First Appeal on 16.01.2014 with Deputy Commissioner of Commercial Tax Appeals (DCCT-A) in which Company was directed to Pay Rs.25 Lacs as pre-deposit but assessee did not pay the said amount and the appeal was rejected by him summarily without going through the facts of the case vide his order dt.28.02.2014, against Which 2nd Appeal was filed in Tribunal on 15.04.14. Tribunals also ordered to pay Rs.10 as pre-deposit vide its order dt.09.05.14 which was paid by the Company. Considering the same, the tribunal vide its order dt. 28.10.15, granted stay against the recovery of outstanding amount till final disposal of appeal and send back the matter to first appellate Authority (DCCT-A) to decide the case afresh on the merits after considering submissions of the Company.	Rs. 4, 82,00,824 which includes Tax 1, 20, 80,206 + Penalty 3, 61, 50,618.	Tribunal has sent back the matter to DCCT-A who now will decide the case afresh on the merits.
3	764 of 2015	27/04/2015	Sagardeep Alloys Ltd V/s	Gujarat Value Added	Assessing Officer issued an order dt.31.03.2015 with demand of Rs.	Rs. 1,83,85,414 which	Tribunal has sent back the

			The State of Gujarat	Tax Tribunal, Ahmedabad	1,83,85,414 for the FY 2010-11 for disallow of Input Tax Credit on the ground that vendor Registration Certificate was cancelled ab-initio. Against which Company filed the First Appeal on 27.04.2015 with Deputy Commissioner of Commercial Tax Appeals (DCCT-A) in which Company was directed to Pay Rs.50 Lacs as pre-deposit but assessee did not pay the said amount and the appeal was rejected by him summarily without going through the facts of the case vide his order dt.26.08.2015, against Which 2nd Appeal was filed in Tribunal on 29.09.15. Tribunal also ordered to pay Rs.10 lacs as pre-deposit vide its order dt.04.11.15 which was paid by the Company. Considering the same, the tribunal, vide its order dt. 14.12.15, granted stay against the recovery of outstanding amount till final disposal of appeal and send back the matter to first appellate Authority (DCCT-A) to decide the case afresh on the merits after considering submissions of the Company.	includes Tax 33,88,592 + Interest 30,37,775 + Penalty 1,19,59,047	matter to DCCT-A who now will decide the case afresh on the merits.

ii) Cases filed by/against the Promoters/Directors/Subsidiary companies/Promoter Group Entities - Nil

4. Under Civil Laws :

i) Cases filed by/against the Company –

Sr no	Case No	Institution Date	Parties	Authority	Subject Matter & Relief Sought	Amount Involved	Present Status
1.	Summary Suit No. 2757/2014	17/12/2014	M/s D.P Traders V/s 1.Sagardeep Alloys Limited 2.Asamalji Mehta 3.Satish Mehta 4.Jayesh Mehta	In Ahmedabad City Civil Court	M/s D P Traders filed suit against the Company in the matter of nonpayment of outstanding amount of Rs. 8,23,003 against supply of goods. The Fact of the case is that the Company purchased goods from DP Traders but the supplier supplied the goods of inferior quality due to which company suffered the loss and stopped the payment of Supplier as per settlement after mutual understanding with the plaintiff.	Rs.8,23,003 and interest	Pending

ii) Cases filed by/against the Promoters/Directors/Subsidiary companies/Promoter Group Entities – Nil

Sr no	Case No	Institution Date	Parties	Authority	Subject Matter & Relief Sought	Amount Involved	Present Status
1.	Summary Suit No. 2757/2014	17/12/2014	M/s D.P Traders V/s 1.Sagardeep Alloys Limited 2.Asamalji Mehta 3.Satish Mehta 4.Jayesh Mehta	In Ahmedabad City Civil Court	M/s D P Traders filed suit against the Company in the matter of nonpayment of outstanding amount of Rs. 8,23,003 against supply of goods. The Fact of the case is that the Company purchased goods from DP Traders but the supplier supplied the goods of inferior quality due to which company suffered the loss and stopped the payment of Supplier as per settlement after mutual understanding with the plaintiff.	Rs.8,23,003 and interest	Pending

5. Under Labour Laws :

i) Cases filed by/against the Company - Nil
ii) Cases filed by/against the Promoters/Directors/Subsidiary companies/Promoter Group Entities – Nil

6. Under Various Statutory Laws :

i) Cases filed by/against the Company - Nil
ii) Cases filed by/against the Promoters/Directors/Subsidiary companies/Promoter Group Entities – Nil

7. Under various other laws including various notices received, defaults made & penalties levied etc.

i) Cases filed by/against the Company - Nil
ii) Cases filed by/against the Promoters/Directors/Subsidiary companies/Promoter Group Entities – Nil
iii) Notices received by the Company:

Sr no	Case No	Institution Date	Parties	Authority	Subject Matter & Relief Sought	Amount Involved (In Rs.)	Present Status
1.	N.A	08.05.2015	Sagardeep Alloys Limited	Commercial Tax Officer, Unit-11, Ahmedabad.	Notice for Provisional Assessment in respect of Scrutiny of VAT return for the F.Y 2012-13 under section 32(1) of the Gujarat Value Added Tax, 2003.	Not Quantifiable	Pending
2.	N.A	11.03.2015	Sagardeep Alloys Limited	Commercial Tax Officer , Unit-2, Ahmedabad.	Notice under Rule 9 (4) of the Central Sales Tax (Gujarat) Rules, 1970 received in respect of return for the period for F Y 2012-13 .	Not Quantifiable	Pending
3.	N.A	26.03.2015	Sagardeep Alloys	Office of the Deputy	Show Cause notice for non	Rs. 60,487	Pending

			Limited	Commissio ner of Customs	submission of Bank Realization Certificates for export during 2013.		

iv) Other disputes, defaults etc

(a) On February 22, 2011 Assistant Commissioner of Commercial Tax searched the business premises. On scrutiny of Purchase Bills, officer observed that Company has made purchases from a seller and has taken input tax credit for Rs.,354,088 inspite of the cancellation of the registration of the said seller and directed company to pay aforesaid Rs.354088 Tax together with Interest of Rs. 63735 i.e. total Rs. 417823.
Officer also observed that Branch Transfer was not added in the return and for this default they directed us to pay tax of Rs. 144092 together with 150% penalty for such unaccounted materials amounting to Rs. 216137 i.e. total Rs. 360229.
In addition, on verification of Physical stock of Trading accounts and stock balance on books, they found a difference of Rs. 790400, for which they levied they levied tax of Rs. 86944 and penalty of Rs. 130416 and directed us to pay total Rs. 217360.
The aforesaid total Liability of Rs.995412 has been paid by the company. They also seized company Purchase bills file for the FY 2010-11 and FY 2011-12.

(b) On 27th May 2015 Director General of Central Excise Intelligence, Mumbai visited the Office Premises of company and seized the documents and files relating to purchase and sales invoices for the FY 2011-12 and FY 2012-13. A summon to attend their office on June 4, 2015 was also served upon the company. Company's representative attended their office. No further proceedings have been initiated in this regard.

(c) Company started chemical business at Lunej, Khambhat in July, 2014 in premises which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise and to acquire the plant later when the title is cleared in the name of the seller. The company invested approx Rs. 3 crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to continue the project on rented premise but on 8th August 2015, without any prior intimation or information, Mr. Ritesh Kumar Patel along with few other person, seized the property forcefully along with the installed machineries and stock laying in the factory. Mr. Jayeshkumar A Mehta, Director of the Company lodged a Police complaint in the Khambhat Police Station against Mr. Ritesh Kumar Patel along with few other person regarding the same. At present the matter is in dispute and company is in process to solve the matter amicably.

(d) The Company has filed an application to Central Government under section 460 of Companies Act, 2013 for condonation of delay in filing Form MGT-14 due to non filing of Special Resolution within stipulated time period. The said application is still pending. The company had passed a special resolution under section 149 read with rules made there under and other applicable provisions of Companies Act, 1956 in its Extra Ordinary General Meeting held on March 6, 2014 relating to commencement of chemical business i.e. an object mentioned in the "other Object" clause of the Memorandum of Association of the Company. As per Section 117 of companies act, 2013, E-form is required to be filed within the stipulated period of passing the resolution but the company could not file E-form MGT-14 in prescribed time. Accordingly, the said application has been made by the Company to Central Government by way of e-form i.e. Form NO. CG-1 on December 22, 2015. The said application is still pending.

Likely adverse effect of outstanding litigations on the financials of Issuer Company

The financial performance of the company will be adversely effect to the extent of amount involved in a particular case mentioned above, wherever quantifiable, in the cases where company is directly involved and final outcome of the cases is not in favour of the company. However, in the cases which relates to promoter & directors or subsidiary companies or Promoter Group entity, there will be no effect of any outstanding litigations mentioned above on the financial performance of the company as Issuer Company is not directly involved in such cases.

Outstanding dues to Creditors

For the purpose of outstanding dues to creditors, Board of the Directors of Issuer Company has considered and adopted the policy of materiality, at its meeting held on February 5, 2016, and decided that outstanding dues to creditors will be considered as material if dues owed by the issuer Company to small scale undertakings and other creditors exceeds Rs.10,00,000.

As per the said policy, there is no material creditor in the Company as on September 30, 2015 except the followings:

Sr. No.	Creditor	Amount Outstanding as on September 30, 2015 (Rs.)
1.	Rajasthan Metals	2,63,30,215
2.	Devanshi Powers Ltd	2,56,75,349
3.	Real Strips Limited	35,73,986
4.	Rame Electrowire Private Limited	23,07,369
5.	Ashtamangal Stainless Private Limited	20,00,000
6.	Voltamp Transformers Ltd.(Unit-II)	15,46,600
	Total	6,14,33,519

As on September 30, 2015, the Company had the following dues to small scale undertakings and other creditors:

Sr. No.	Creditors	No of cases	Amount involved (Rs.)
1	Small Scale Undertakings	2	13,49,242
2	Other Creditors	24	6,69,30,850
Total		26	6,82,80,092

The details pertaining to outstanding dues towards creditors are available on the website of our Company at http://www.sdalloys.com/creditor_for_goods.pdf. It is clarified that such details available on our website do not form a part of this Prospectus. Anyone placing reliance on any other source of information, including Company's website, www.sdalloys.com, would be doing so at their own risk.

Material Developments

There are no material developments after the date of the last audited balance sheet as on September 30, 2015, which may materially affect the performance, or business prospects of the Company. However, you are requested to refer Para "Significant developments subsequent to March 31, 2015" in "Management's Discussion and Analysis of Financial Condition and Results of Operations" for more information.

GOVERNMENT APPROVALS /LICENSING ARRANGEMENTS

Investment Approvals (FIPB/RBI, etc.)

As per Notification No. FEMA 20/2000 -RB dated May 3, 2000, as amended from time to time, under automatic route of Reserve Bank, the Company is not required to make an application for issue of equity shares to NRIs/FIIs with repatriation benefits. However, the allotment/transfer of the Equity Shares to NRIs/FIIs shall be subject to prevailing RBI Guidelines.

All Government and Other Approvals

The Company has received all the necessary licenses, permissions and approvals from the Central and State Government and other government agencies/certification bodies required for the business and no further approvals are required by the Company for carrying on the present as well as proposed business activities of the Company except as mentioned below. It must, however, be distinctly understood that in granting the above approvals, the Central Government, State Government, RBI and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed.

In view of the approvals listed below, the Company can undertake the current business activities and no further major approvals from any statutory authority are required to continue those activities other than as mentioned below.

The following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

I. General Corporate Approvals

1. Certificate of Incorporation No. U28112GJ2007PTC050007 dated February 13, 2007 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli issued in the erstwhile name of the "Sagardeep Alloyes Private Limited".

2. Fresh Certificate of Incorporation dated June 25, 2009 consequent upon Change of Name of our Company from "Sagardeep Alloyes Private Limited" to "Sagardeep Alloys Private Limited" issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

3. Fresh Certificate of Incorporation No. U29253GJ2007PLC050007 dated April 17, 2012 consequent upon change of name on conversion to public limited company from "Sagardeep Alloys Private Limited" to "Sagardeep Alloys Limited" issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

II. Factory Units related Approvals

1. Consumer No. 20175 and agreement dated May 14, 2015 between the company and The Uttar Gujarat Vij Company Limited (UGVCL) for supply of 600 KVA Power for our Company's unit at Santej.

2. Consent Order No AWH-44462 under Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981 and Hazardous Waste (Management, Handling & Trans Boundary Movement) Rules, 2008 from the Gujarat Pollution Control Board dated November 28, 2011 and is valid upto September 11, 2016. The company has not applied for change of name from Sagardeep Alloys Pvt Ltd to Sagardeep Alloys Ltd.

3. Registration as importer for importing on behalf of actual users dated May 10, 2010 vide letter dated GPCB/Haz-R-ABD-108/50911/2010 for import of waste listed in Part D of schedule III of Hazardous waste (Management, Handling & Trans Boundary Movement) Third Amendment Rules, 2010. The company has not applied for change of name from Sagardeep Alloys Pvt Ltd to Sagardeep Alloys Ltd.

4. Registration Certificate No. 293710 dated December 12, 2015 issued by Jr. Inspector, Legal Metrology, Kalol under The Legal Metrology Act, 2009. The validity of the certificate is upto December 29, 2016. The company has not applied for change of name from Sagardeep Alloys Pvt Ltd to Sagardeep Alloys Ltd.

5. Entrepreneurs' Memorandum (EM) for setting up Micro, Small, Medium Enterprise- Acknowledgement for Part-II vide its no.24-006-12-01178 dated December 18, 2009 issued by District Industries Centre, Gandhinagar issued in the name of "Sagardeep Alloys Private Limited". Subsequent to the change of name of our Company to Sagardeep Alloys Limited, the above memorandum was modified in the name of "Sagardeep Alloys Limited" w.e.f. December 18, 2012

III .Other Commercial Approvals

1. Certificate of Registration No. 24070502369 dated February 13, 2008 under Gujarat Value Added Tax Act, 2003 issued in the name of "Sagardeep Alloys Private Limited". Subsequent to the change of name of our Company to Sagardeep Alloys Limited, the above certificate was modified in the name of "Sagardeep Alloys Limited" w.e.f. October 8, 2012.

2. Certificate of Registration No. 24570502369 w.e.f. February 13, 2008 under Central Sales Tax (Registration and Turnover) Rules, 1957 Certificate issued in the name of "Sagardeep Alloys Private Limited" under the Central Sales Tax Act, 1956. Subsequent to the change of name of our Company to Sagardeep Alloys Limited, the above certificate was modified in the name of "Sagardeep Alloys Limited" w.e.f. April 17, 2012.

3. Central Excise Registration Certificate

    a. No.AAKCS6034MEM003 dated November 6, 2009 issued by Office of Asst. Commissioner of Central Excise, Kalol under Rule 9 of the Central Excise Rules, 2002 in the name of Sagardeep Alloys Private Ltd for operating as a manufacturing of excisable goods at Plot No 2070, Rajnagar, Patia, Khatraj- Road, Santej, Kalol, Ghandhinagar-382721. The above certificate was modified in the name of "Sagardeep Alloys Limited" subsequent to its conversion from Private Limited Company to Public Limited Company.

    b. No.AAKCS6034MED006 dated April 29, 2013 issued by Office of Deputy Commissioner of Central Excise, Ahmedabad-II under Rule 9 of the Central Excise Rules, 2002 in the name of Sagardeep Alloys Ltd for operating as a Dealers of Excisable Goods at Pittalaya Bumba, Ghee Kanta 205, Nr. Madhuram Cinema, Gheekanta, Ahmedabad.

    c. No.AAKCS6034MEI008 dated September 10, 2014 issued by Office of Asst. Commissioner of Central Excise, Ahmedabad-II under Rule 9 of the Central Excise Rules, 2002 in the name of Sagardeep Alloys Ltd for operating as an Importer of Excisable Goods at Pittalaya Bumba, Ghee Kanta 205, Nr. Madhuram Cinema, Gheekanta, Ahmedabad.

4. Permanent Account No. AAKCS6034M issued by Income Tax Authority under the Income Tax Act, 1961 and same was modified consequent to change in the name of the Company from Sagardeep Alloys Private Limited to Sagardeep Alloys Limited.

5. Tax Deduction Account No. SRTS06912D allotted by Income Tax Authority under the Income Tax Act, 1961 under the name of Sagardeep Alloyes Private Limited on March 15, 2007. Fresh Tax Deduction Account No AHMS22926B issued in the name of Sagardeep Alloys Limited on September 20, 2012.

6. Service Tax Code (Registration number) AAKCS6034MST001 dated November 20, 2008 issued in the name of "Sagardeep Alloyes Private Limited. The same was modified consequent to change in the name of the Company to Sagardeep Alloys Limited.

7. Certificate of registration No.PE/C011230752 granted to Company under Gujarat State tax on Professions, Trades, callings and Employments Act, 1976.

8. The Certificate of Importer-Exporter Code (IEC) No. 0807016179 with date of issue of January 17, 2008 issued by the Office of Joint Director General of Foreign Trade (DGFT), Ahmedabad under the Ministry of Commerce and Industry, Government of India. The same was modified consequent to change in the name of the Company to Sagardeep Alloys Limited

9. Employees' Provident Fund (EPF) Code No. GJ/AHD/55660 issued by the Office of Regional Provident Fund Commissioner, Ahmedabad under its Letter No. GJ/AHD/55660/ENF/1218 dated December, 2009. The company has not applied for change of name from Sagardeep Alloys Pvt Ltd to Sagardeep Alloys Ltd.

10. Employee State Insurance Corporation (ESIC) Code No. 37001012880001002 issued by the Office of ESIC, Gujarat Regional Office. The company has applied for change of name from Sagardeep Alloys Pvt Ltd to Sagardeep Alloys Ltd.

11. Certificate of Registration no. 504/2009 dated December 14, 2009 granted to the Company under Contract Labour (Regulation and Abolition) Act, 1970 for employing upto 20 labourers. The company has not applied for change of name from Sagardeep Alloys Pvt Ltd to Sagardeep Alloys Ltd.

12. ISO CERTIFICASTION

    Certificate No. BN8247/7240:0913 dated September 20, 2013 issued by BSCIC, which certifies that Company operates Quality Management Systems which complies with the requirements of ISO 9001:2008 for the manufacture and supply of Copper Pipes, Tubes, Flats, Coils, Rods, Nuggets, Plates and Copper Alloy Consumables, Trading and Supply of Ferrous and Non Ferrous Metals and Alloy. This Certificate will expire on September 19, 2016.

Approval applied for but not received

1. Factory license bearing registration no. 18/27201/2008 and License no. 209 was issued in the name of Sagardeep Alloyes Private Limited. The same has been expired in December 31, 2014. The company has applied for the renewal but has not received the license as on date.

2. Trade Mark Application dated May 8, 2015 under Class 6 in respect of Common Metals and their alloys, pipe and tubes metal, copper pipes, tubes, flats, roads, nuggets, plates and copper alloys consumables included submitted to the Office of the Trademark Registrar for registration of Company's Trademark "SagarDeep ALLOYS LTD." under Trade Marks Act, 1999.

Approval not yet applied

- Registration Certificate of Establishment bearing registration number PII/SHA2/05/0000044 dated May 16, 2008 issued by the Ahmedabad Municipal Corporation registering our Company as a commercial establishment under the Bombay Shops and Establishments Act, 1948. The said registration was valid till December 31, 2013. The company has not applied for its renewal.

SECTION VII - 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 November 17, 2015 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extra-Ordinary General Meeting of our Company held on December 9, 2015 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, Promoters, Promoter Group, Directors, Subsidiary Company and Group entities have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters, Directors 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 Directors are not in any manner associated with the securities market and there has been no action taken by the SEBI against the Directors or any entity with which our Directors are involved as promoters or directors.

Neither our Company, our Promoters or their relatives (as defined in the Companies Act), Subsidiary Company, Group entities, nor our Directors have been detained as willful defaulters by the RBI or any other government authorities. There are no violations of securities laws committed by any of them in the past or pending against them.

ELIGIBITY FOR THIS ISSUE

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

Our Company is eligible for the Issue in accordance with Regulation 106(M)(2) and other provisions of Chapter XB of the SEBI ICDR Regulations, as we are an Issuer whose post-issue face value capital is more than ten Crores Rupees but less than twenty five crores rupees and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange"), in this case being the NSE EMERGE.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 37 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, than our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act.
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 37 of this Draft Prospectus.
5. The Company shall mandatorily facilitate trading in demat securities and has entered in to an agreement with both the depositories.
6. The Company has a website: www.sdalloys.com.

7. There has been no change in the Promoter(s) of the Company in the preceding one year from the date of filling application to NSE-EMERGE Platform.

The Eligibility criteria for listing on NSE Emerge platform and its compliance status by the company are as under:

Parameter	Listing Criterion	Compliance status by the Company
Incorporation	The Issuer should be a company incorporated under the Companies Act 1956, in India	The Company was incorporated under Companies Act, 1956.
Post Issue paid up Capital	The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.	Post issue paid up capital of the company will not exceed Rs.25 crores. It is expected to be Rs.11.37 crores.
Track record	• The company should have track record of atleast 3 years. • The company should have positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth should be positive.	• The company confirms that it has track record of more than 3 years. • The company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on 30.09.2015 is positive.
Other Listing conditions	• The applicant Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR). • No petition for winding up is admitted by a Court of competent jurisdiction against the applicant Company. • No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.	• The applicant Company confirms that it has not been referred to Board for Industrial and Financial Reconstruction (BIFR). • The applicant Company confirms that no petition for winding up is admitted by a Court of competent jurisdiction against the applicant Company. • The applicant Company confirms that no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.
Disclosures	The following matters should be disclosed in the offer document: i. Any material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company. ii. Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years. An auditor's certificate shall also be provided by the issuer to the exchange, in this regard. iii. The applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. iv. In respect of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been	The applicant Company confirms that there is no i. material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the company. ii. Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years. An auditor's certificate to that effect shall also be provided by the issuer to the exchange, in this regard. The applicant company confirms that following matters has been disclosed in the offer document: i. The applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. ii. In respect of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the

	charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.	directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

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 OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, CHARTERED CAPITAL AND INVESTMENT 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 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, CHARTERED CAPITAL AND INVESTMENT LIMITED WILL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●].

As per Regulation 106(o) of the SEBI ICDR Regulations, only the prospectus has to be filed with SEBI along with a Due Diligence certificate as per form A of Schedule VI of the SEBI ICDR Regulations by the Lead Manager. Accordingly, this section will be updated at the time of filing the Prospectus with Stock Exchange and ROC and Prospectus and Due Diligence certificate as per form A of Schedule VI of the SEBI ICDR Regulations with SEBI.

THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED WITH AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, GUJARAT, DADRA AND NAGAR HAVELI AT AHMEDABAD IN TERMS OF SECTION 26, SECTION 30 AND SECTION 32 OF THE COMPANIES ACT.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

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

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated January 27, 2016, the Underwriting Agreement dated **[●]** entered into among the Underwriter and our Company and the Market Making Agreement dated **[●]** 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. Chartered Capital and Investment 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 Chartered Capital and Investment Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer "Annexure A" to this Draft Prospectus and the website of the Lead Manager at www.charteredcapital.net.

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 Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad, 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 Draft Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE NSE EMERGE PLATFORM

As required, a copy of this Draft Prospectus shall be submitted to NSE for listing on NSE Emerge platform. The disclaimer clause as intimated by NSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to RoC filing.

FILING

This Draft 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 SEBI at the SEBI Regional Office at Ahmedabad. A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 shall be delivered to the RoC, Gujarat, Dadra and Nagar Haveli situated at ROC Bhavan, Opp. 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 NSE EMERGE Platform. However application will be made to the NSE EMERGE Platform for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The NSE EMERGE Platform has given its in-principal approval for using its name in our Draft Prospectus vide its letter dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE EMERGE Platform, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 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 NSE EMERGE Platform mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoter, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to act in their respective capacities have been obtained and will be filed along with a copy of the Draft Prospectus with the RoC, as required under sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Statutory Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus/ 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 Statutory Auditor on Statement of Tax Benefits.
- Report of the Statutory Auditor on Restated Financial Statements.

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 52 of this Draft Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager
The total fees payable to the Lead Manager will be as per the MOU dated January 27, 2016 between our Company and the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue
The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated February 1, 2016 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others
The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters 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) Rule, 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 43 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION OR 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

Neither Issuer Company nor any of its subsidiaries or group companies are listed on any recognized stock exchange and thererefore disclosure about capital raised by such entities during last 3 years is not applicable.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Neither Issuer Company nor any of its subsidiaries or group companies are listed on any recognized stock exchange. The Issuer 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.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the 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.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES BY COMPANIES UNDER THE SAME MANAGEMENT

There is no listed company under same management and therefore this clause is not applicable on us.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB 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 September 15, 2015. For further details, please refer to the chapter titled "*Our Management"* beginning on page 92 of this Draft Prospectus.

Our Company has appointed Mr. Dileep Panchal as Company Secretary & Compliance Officer and he may be contacted at the following address:

Mr. Dileep Panchal
Sagardeep Alloys Limited
205, Pittalaya Bumba, Nr. Madhuram Cinema,
Gheekanta, Ahmedabad-380001
Tel: +91-79-2562 6304, 2562 6535;
Fax: +91-79-2562 6535;
E-mail: secretary@sdalloys.com;
Website: www.sdalloys.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

Earlier Pushpendra Gupta and Associates, Chartered Accountant, having office at 407, Iscon Avenue, Nr. Choice Restaurant, CG Road, Ahmedabad - 380 009 were the statutory auditor of the Company. However,

Company has changed its statutory auditor and have appointed M/s Piyush J Shah & Co., Chartered Accountants, 504-B, Shikhar Complex, Nr. Vadilal House, Mithakhali Six Roads, Navrangpura, Ahmedabad-380009 as its statutory auditor for the year 2015-16 vide resolution passed by Board of Directors on October 26, 2015 which was approved by shareholders through special resolution passed at their EGM held on November 2, 2015. Other than this, there has been no change in auditors of the Company during last three financial years. The new auditor was appointed due to resignation of the previous auditor due to his pre occupancy.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure"* beginning on page 43 of this Draft Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus.

Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoter 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 RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, 2013 and other applicable rules framed thereunder, the Companies Act, 1956 (to the extent applicable), SCRA, SCRR, the Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN'), the listing agreement to be entered into with the stock exchanges and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE Emerge platform, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10. 2015 All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available

RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the *Companies Act,* our Memorandum and Articles of Association and shall rank *paripassu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details please refer to the section titled, 'Main Provisions of the Articles of Association of the Company' on page 250 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including our results of operations and financial condition, capital requirements, contractual restrictions (including the terms of some of our financing arrangements that restrict our ability to pay dividends) and other factors considered relevant by our Board of Directors and shareholders. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled 'Dividend Policy' on page 112 of this Draft Prospectus.

FACE VALUE AND ISSUE PRICE

The Equity Shares having a Face Value of Rs.10 each are being offered in terms of this Draft Prospectus at the price of Rs.20 per Equity Share which includes share premium of Rs.10 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled 'Basis for Issue Price' beginning on page 57 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH SEBI REGULATIONS

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time including SEBI (ICDR) Regulations, 2009.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive annual reports and notices to members;

- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 5,000 Equity Shares and the same may be modified by the NSE Emerge Platform from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 5,000 Equity Shares subject to a minimum allotment of 5,000 Equity Shares to the successful Applicants.

MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

JOINT HOLDERS

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company. In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

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

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

ISSUE PROGRAMME

ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

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 be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. 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 blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

Further, in accordance with Regulation 106Q 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 NSE from the NSE SME Exchange at a later date subject to the following:

a) If the Paid up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue, etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.
OR
b) If the Paid up Capital of our company is more than Rs. 10 crores but below Rs. 25 crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares offered though this Issue are proposed to be listed on the NSE Emerge Platform (NSE 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 37 of this Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	**Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)**	**Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)**
Upto Rs. 20 Crore, as applicable in our case	25%	24%

Further, the Market Maker shall give (2) two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 5,000 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 NSE Emerge platform i.e. SME platform of NSE.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution as detailed in chapter titled "Capital Structure" beginning on page 43 of this Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section "Main Provisions of the Articles of Association" beginning on page 250 of this Draft Prospectus.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

Our Company shall issue shares only in dematerialized form. Investors making application in dematerialized form may get the specified securities rematerialized subsequent to allotment.

The investors have an option either to receive the security certificate or to hold the securities with depository. As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. 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.

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.

WITHDRWAL 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. If our Company withdraws the Issue after the Issue Closing Date, a public notice providing reasons for not proceeding with the Issue 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 instruct 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 with respect to the Equity Shares offered through the Prospectus, which the Company shall apply for after Allotment and the final RoC approval of the Prospectus.

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.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares 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)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital is more than Rs. 1,000 Lakhs and upto Rs. 2,500 Lakhs, may issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ('SME Exchange', in this case being the SME Platform of NSE i.e. NSE Emerge platform). For further details regarding the salient features and terms of such an Issue please refer to the chapters titled 'Terms of the Issue' and 'Issue Procedure' beginning on page 195 and 202 of this Draft Prospectus.

FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 30,00,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. 20/- per Equity Share ('"Issue Price") aggregating to Rs. 600.00 Lacs, of which 1,55,000 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 28,45,000 Equity Shares of face value of Rs. 10/- each is hereinafter referred to as the "Net Issue".

Particulars of the Issue	**Net Issue to Public***	**Market Maker Reservation Portion**
Number of Equity Shares available for allocation	28,45,000 Equity Shares	1,55,000 Equity Shares
Percentage of Issue Size available for allocation	94.83% of the Issue size	5.17 % of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of 5,000 Equity Shares and further allotment in multiples of 5,000 Equity Shares each. For further details please refer to the "Basis of Allotment" on page 214 of this Draft Prospectus.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	**For QIB and NII:** Such number of Equity Shares in multiples of 5,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000 **For Retail Individuals:** 5,000 Equity Shares	1,55,000 Equity Shares
Maximum Application Size	**For QIB and NII:** For all other investors the maximum application size is the Net Issue to public (in multiples of 5,000 Equity Shares) subject to limits the investor has to adhere under the relevant laws and regulations as applicable. **For Retail Individuals:** Such number of Equity Shares in multiples of 5,000 Equity Shares such that the Application Value does not exceed Rs.2,00,000	1,55,000 Equity Shares
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	5,000 Equity Shares	5,000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The Applicant shall have sufficient balance In the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Issue.	

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue and the allocation in the net offer to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to Investor Other than retail individual investors; and
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

"If the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage"

ISSUE PROGRAMME

ISSUE OPENING DATE	**[●]**
ISSUE CLOSING DATE	**[●]**

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Collecting Intermediaries, 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) or such other extended time as may be permitted by NSE.

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.*

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors (except for Anchor Investors) and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms. These changes are applicable for public issues which open on or after January 1, 2016.

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 Draft 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 this Draft Prospectus and the 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 in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions of Section 29 of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	**Color of Application Form**
Resident Indians and Eligible NRIs applying on a nonrepatriation basis	White
Non-Residents and Eligible NRIs applying on a	Blue

repatriation basis	

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.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

i) an SCSB, with whom the bank account to be blocked, is maintained
ii) a syndicate member (or sub-syndicate member)
iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, 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.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue and as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines:-

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;

- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPIs, VCF, AIF and FVCI registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicants category;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds 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 Department of Posts, India.
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them under Indian laws.

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER

The Lead Manager 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 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.

OPTION TO SUBSCRIBE IN THE ISSUE

a) Investors will get the allotment of Equity Shares in dematerialization form only.
b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
c) A single Application From any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of 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.

APPLICATION 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 ELIGIBLE NRIS/FPIs ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered 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 nonconvertible 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 these regulations, 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 these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

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.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. 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.

6. 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.

7. 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 or 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 who 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 a 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 SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "**IRDA Investment Regulations**"), are broadly set forth below:

a) Equity Shares of a company: The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
b) The entire group of the investee company: The least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney 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 FPIs, 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.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / refund orders / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of 5,000 Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000, they can make Application for minimum Application size i.e. for 5,000 Equity Shares and maximum application size of 10,000 Equity Shares.

b) For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 5,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

INFORMATION FOR THE APPLICANTS:

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 Issuer Company and the Lead Managers and the Registrar to the Issue.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
5. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
6. 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.
7. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is

submitted.. 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.

8. The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary 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.
9. 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.
10. 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.

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.

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. Application Forms should bear the stamp of the Application Collecting Intermediaries. ASBA Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

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**. With a view to broad base the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. **www.bseindia.com** and NSE i.e. **www.nseindia.com**.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the following Application Collecting intermediary

    i) an SCSB, with whom the bank account to be blocked, is maintained
    ii) a syndicate member (or sub-syndicate member)
    iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
    iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
    v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

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. The Intermediaries 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.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to Application Collecting intermediaries Submission of a second Application Form to either the same or to another Application Collecting Intermediary 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 intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form directly or through other intermediary, 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, and If sufficient funds are not available in the ASBA Account the application will be rejected.
7. 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.
8. 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.

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 as entered into the Stock Exchange online system, 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 Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. 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.

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 allocation advice may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. Please note that any such delay shall be at the Applicant's sole risk and neither our Company nor the Banker to the Issue, 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.

TERMS OF PAYMENT / PAYMENT INSTRUCTIONS

Terms of Payment

The entire Issue price of Rs.20 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for Applicants

The 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/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stockinvest, or Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the Application, as the case may be.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Issue Closing Date.
3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be re will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
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 Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries 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 Application Collecting Intermediaries 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 Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into in 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;
    - 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 Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
9. Such acknowledgment 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 Draft Prospectus. The Application Collecting Intermediaries 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 Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, 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.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE Emerge Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 5,000 equity shares the allotment will be made as follows:
   a) Each successful applicant shall be allotted 5,000 equity shares; and
   b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 5,000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 5,000 equity shares subject to a minimum allotment of 5,000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 5,000 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 Draft Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
   a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
   b) The balance net offer of shares to the public shall be made available for allotment to
      i. individual applicants other than retails individual investors and
      ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
   c) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

As per Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 as amended, if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than 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 NSE.

The Executive Director / Managing Director of NSE - 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.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 1,55,000 Equity Shares shall be reserved for Market Maker. In addition, 14,22,500 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 i.e. 14,22,500 will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in Retail Individual Applicant & Non Retail category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. 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 acknowledgement/TRS;
- All 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 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.

OTHER INSTRUCTIONS

Submission of Application Form

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.
In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of, know your client norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number **('PAN')** to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of The Issue;
- Applications for number of Equity Shares which are not in multiples of 5,000;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stockinvest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications where clear funds are not available in the Bank Account as per the final certificate from the SCSB(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 4.00 pm on the Issue Closing Date.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

'Any person who:

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated [●] this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 32 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.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of four (4) working days of the Issue Closing Date.

After the funds are transferred from the ASBA Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working days of the date of Allotment. Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

UNBLOCKING OF ASBA ACCOUNT

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account, within a period of four (4) working days of the Issue Closing Date.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the Application, as the case may be.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 working days of date of Allotment of Equity Shares.

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 NSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) working days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.
3. The Company shall pay interest at 15% p.a. for any delay beyond the prescribed period, if Allotment is not made or if funds with SCSBs are not unblocked, in the disclosed manner and/ or demat credits are not made to investors within 6 working days of Issue Closing Date.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

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 6 working days from the Issue Closing Date;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice in prescribed manner shall be made available to the Registrar to the Issue by us;
4. That the allotment of securities/ refund confirmation/advise to the non-resident Indians shall be dispatched within specified time;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
6. that adequate arrangements shall be made to collect all Applications Supported by Blocked Amount

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, 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 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.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has sign the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(a) Agreement dated January 28, 2016 between NSDL, the Company and the Registrar to the Issue;
(b) Agreement dated January 5, 2016 between CDSL, the Company and the Registrar to the Issue;

The Company's Equity shares bear an ISIN No. INE976T01013

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with 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 etc.

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. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular 1 of 2015, with effect from May 12, 2015 ("Circular 1 of 2015"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular 1 of 2015 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a Non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. However the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.

ISSUE PROCEDURE

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. 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 Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft 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 through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Offer 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 Offer and the relevant information about the Issuer undertaking the Offer 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 Offer. 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 Offer 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 see "*Glossary and Abbreviations*".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

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. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations. 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 (2) of Chapter XB of SEBI (ICDR) Regulation.

2.3 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, 2013 (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 106P of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
(b) In accordance with Regulation 106R 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 106O 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 106V of the SEBI ICDR Regulations, the LM 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 a track record of atleast there years.
(f) The Net worth (excluding revaluation reserves) of the Issuer shall be positive as per the latest audited
(g) financial results.
(h) The Issuer should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years.
(i) The Post-issue paid up capital of the Issuer shall be less than Rs. 25 Crores.
(j) The Issuer shall mandatorily facilitate trading in demat securities.
(k) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
(l) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
(m) 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.
(n) The Company should have a website.

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 (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital will be more than

Rs. 1,000 lacs and upto Rs.2500 lacs. Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Offer Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Offer ("**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 Draft 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 Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Offer 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 the Stock Exchange(s).

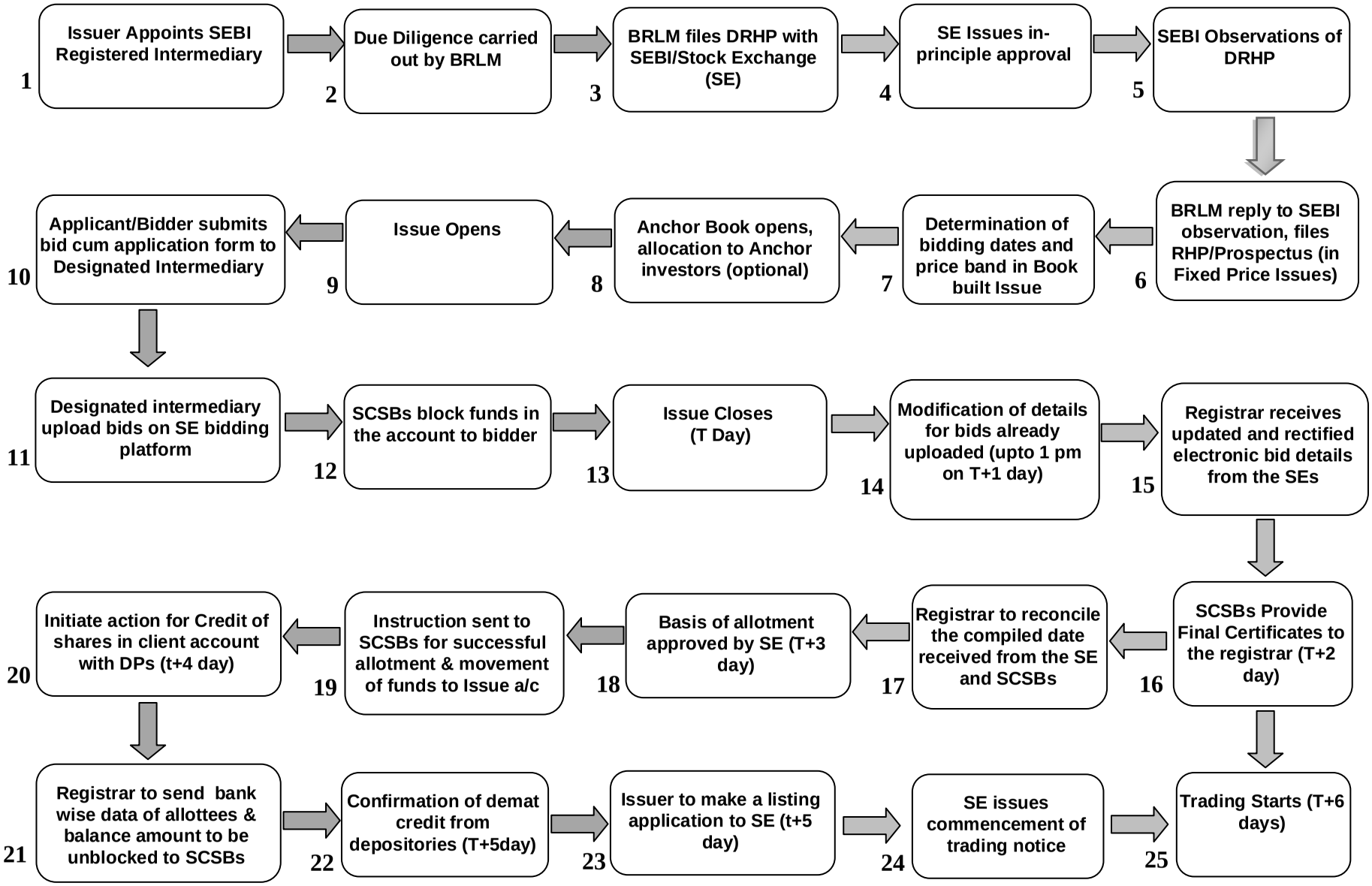
In case of a Book Built Issue, the Issuer may close the Issue Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the LM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Offer other than Book Built Issue (Fixed Price Issue) the process at the below mentioned steps shall be read as:

  i. Step 7: Determination of Offer Date and Price
  ii. Step 10: Applicant submits Application Form with Designated Branch of SCSB
  iii. Step11: SCSB uploads ASBA Application details in Stock Exchange Platform
  iv. Step12: Issue period closes
  v. Step15: Not Applicable


1
Issuer Appoints SEBI Registered Intermediary
2
Due Diligence carried out by BRLM
3
BRLM files DRHP with SEBI/Stock Exchange (SE)
4
SE Issues in-principle approval
5
SEBI Observations of DRHP
6
BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7
Determination of bidding dates and price band in Book built Issue
8
Anchor Book opens, allocation to Anchor investors (optional)
9
Issue Opens
10
Applicant/Bidder submits bid cum application form to Designated Intermediary
11
Designated intermediary upload bids on SE bidding platform
12
SCSBs block funds in the account to bidder
13
Issue Closes (T Day)
14
Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15
Registrar receives updated and rectified electronic bid details from the SEs
16
SCSBs Provide Final Certificates to the registrar (T+2 day)
17
Registrar to reconcile the compiled date received from the SE and SCSBs
18
Basis of allotment approved by SE (T+3 day)
19
Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20
Initiate action for Credit of shares in client account with DPs (t+4 day)
21
Registrar to send bank wise data of allottees & balance amount to be unblocked to SCSBs
22
Confirmation of demat credit from depositories (T+5day)
23
Issuer to make a listing application to SE (t+5 day)
24
SE issues commencement of trading notice
25
Trading Starts (T+6 days)

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, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer 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 competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid 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 may be considered at par with Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals Bidding only under the Non Institutional Investors ("**NIIs**") category;
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Applicants should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Fixed Price Issue:

Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries 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 registered office of the Issuer and at the office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus. Applicants should ensure that they apply in the appropriate category.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application cum Application Form

Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB) FPIs, on a repatriation basis	Blue

Securities issued in an IPO can only be in dematerialized form in accordance 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

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:

COMMON APPLICATION FORM	XYZ LIMITED – PUBLIC ISSUE - R	FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE

ISIN : _____

Application Form No.

Date : _____

BROKER'S /SCSB/DP/RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENTS STAMP & CODE
SCSB / BANK BRANCH STAMP & CODE	**SCSB / BANK BRNACH SERIAL NO.**

1. NAME & CONTACTS OF SOLE / FIRST APPLICANT

Mr./Ms. _____

_____ Age

Address _____

Email _____

Tel. No. (with STD code) / Mobile _____

2. PAN OF SOLE / FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CSDL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

6. INVESTOR STATUS

☐ Individual(s)	- IND
☐ Non-Resident Indians (Non – Repatriation Basis)	- NRI
☐ Hindu Undivided Family*	- HUF
☐ Bodies Corporate	- CO
☐ Banks & Financial Institutions	- FI
☐ Mutual Funds	- MF
☐ National Investment Fund	- NIF
☐ Insurance Funds	- IF
☐ Insurance Companies	- IC
☐ Venture Capital Funds	- VCF
☐ Alternative Investment Funds	- AIF
☐ Others (Please Specify)	- OTH

*HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

4. APPLICATION DETAILS

No. of Equity Shares of ₹ 10/- each Digit Client ID / For CDSL enter 16 Digit Client ID [1&2]

(In Figure)		(In Words)	

[1] Please note that applications must be made in minimum of 10,000 shares and further multiples of 10,000 shares accordingly.
[2] Please note that the trading of equity shares will be only in dematerialized mode on the SME Platform of BSE.

5. CATEGORY

☐ Retail Individual
☐ Non-Institutional
☐ QIB

7. PAYMENT DETAILS — PAYMENT OPTION : Full Payment

Amount Paid (₹ in Figures) (₹ in words) _____

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2S AND THE GENERAL INFORMATION DOCUMENT FOR INVESTINGIN THE PUBLIC ISSUE ("GID) AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT | 8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B.SIGNATURE OF ASBA BANK ACCOUNT HOLDERS(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
Date : 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) 2) 3)	

TEAR HERE

LOGO | XYZ Limited – PUBLIC ISSUE - R | Acknowledgement Slip for Broker / SCSB / DP /RTA | Application Form No.

DPID/ CUID | PAN

Received from Mr./Ms. _____
Address _____
Telephone/Mobile _____ Email _____

No. of Equity Shares applied for	
In Figure	
In words	
Amount Paid (₹ in figure)	

SCSB Branch Stamp & Signature

ASBA Bank A/c No. | Drawn on (Name of Bank & Branch)

TEAR HERE

XYZ Limited PUBLIC ISSUE - R

	In Figure	In Words
No. of Equity Shares		
Amount Paid (₹)		

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No. :
Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

Application Form No.

COMMON APPLICATION FORM	XYZ LIMITED – PUBLIC ISSUE - NR	FOR NRIs, FIIs, FVCI ETC, APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE

ISIN : _____

Application Form No. _____

Date : _____

BROKER'S /SCSB/DP/RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENTS STAMP & CODE
SCSB / BANK BRANCH STAMP & CODE	**SCSB / BANK BRNACH SERIAL NO.**

1. NAME & CONTACTS OF SOLE / FIRST APPLICANT

Mr./Ms. _____ Age _____

Address _____

Email _____

Tel. No. (with STD code) / Mobile _____

2. PAN OF SOLE / FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CSDL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e at ₹ 10/- per share [1&2]

(In Figure)		(In Words)	

[1] Please note that applications must be made in minimum of 10,000 shares and further multiples of 10,000 shares accordingly.
[2] Please note that the trading of equity shares will be only in dematerialized mode on the SME Platform of BSE.

5. CATEGORY

- ☐ Retail Individual
- ☐ Non-Institutional
- ☐ QIB

6. INVESTOR STATUS

☐	Non-Resident Indians (Non – Repatriation Basis)	NRI
☐	Foreign Institutional Investor	FII
☐	Foreign Venture Capital Investor	FVCI
☐	FII Sub Account Corporate / Individual	FII SA
☐	Others (Please Specify)	OTH

7. PAYMENT DETAILS — **PAYMENT OPTION : Full Payment**

Amount Paid (₹ in Figures) _____ (₹ in words) _____

ASBA Bank A/c No. _____

Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2S AND THE GENERAL INFORMATION DOCUMENT FOR INVESTINGIN THE PUBLIC ISSUE ("GID) AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B SIGNATURE OF ASBA BANK ACCOUNT HOLDERS(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
Date : 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) 2) 3)	

TEAR HERE

LOGO **XYZ Limited – PUBLIC ISSUE - NR** **Acknowledgement Slip for Broker / SCSB / DP /RTA** Application Form No. _____

DPID/ CUID _____ PAN _____

Received from Mr./Ms. _____

Address _____

Telephone/Mobile _____ Email _____

No. of Equity Shares applied for	
In Figure	
In words	
Amount Paid (₹ in figure)	

SCSB Branch Stamp & Signature

ASBA Bank A/c No.	Drawn on (Name of Bank & Branch)

TEAR HERE

XYZ Limited PUBLIC ISSUE - NR

	In Figure	In Words
No. of Equity Shares		
Amount Paid (₹)		

ASBA Bank A/c No. _____
Bank & Branch _____

Stamp & Signature of Broker / SCSB / DP / RTA

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

(a) Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **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 letters notifying the unblocking of the bank accounts of 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 Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.

(c) **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 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.

(d) **Impersonation**: Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. 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 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. 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 the PAN, 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 any 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 i.e. PRICE, APPLICATION QUANTITY & AMOUNT

(a) Being the fixed price issue, the Issuer will mention fix Price in the draft Prospectus/Prospectus.

(b) **MAXIMUM AND MINIMUM APPLICATION SIZE**

- **For Retail Individual Applicants**

The Application must be for a minimum of 5,000 Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000, they can make Application for minimum Application size i.e. for 5,000 Equity Shares and maximum application size of 10,000 Equity Shares.

- **For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 5,000 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. 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.

(c) **MARKET LOT AND TRADING LOT**

The trading of the Equity Shares will happen in the minimum contract size of 5,000 Equity Shares and the same may be modified by the NSE Emerge Platform from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 5,000 Equity Shares subject to a minimum allotment of 5,000 Equity Shares to the successful Applicants.

(d) Allotment: The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot,

Applicants may to the Prospectus or the advertisement regarding the Price Band published by the Issuer.

(e) A Bid cannot be submitted for more than the Offer size.

4.1.4.1 Multiple Applications

(a) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another Designated Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.

(b) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer 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 FII 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 FII 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. Such Applications which have the same DP ID and Client ID may be treated as multiple Applications and are liable to be rejected.

(c) The following Applications may not be treated as multiple Applications:

i. Applications by Reserved Categories Bidding in their respective Reservation Portion as well as Applications made by them in the Offer 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 Bid has been made.

iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Applications by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

(a) 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).

(b) 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.

(c) 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 Offer 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 Bid/Apply in the Offer 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 NUMBER 7: PAYMENT DETAILS

(a) The full application Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Application Form.

(b) All Applicants (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.

(c) Bid Amount cannot be paid in cash, cheques or demand drafts, through money order or through postal order or in any other mode.

4.1.7.1 Instructions for Anchor Investors:

(a) Anchor Investors may submit their Applications with a Book Running Lead Manager.

(b) Payments should be made either by RTGS or NEFT.

(c) The Anchor Escrow Bank shall maintain the monies in the Anchor Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 Payment instructions for Applicants (other than Anchor Investors)

(a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.

(b) Applicants must specify only such Bank Account number maintained with an SCSB in the Application Form. The Application Form submitted by 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 Applications cum Application Forms can be submitted.

(f) **Applicants making application through a Registered Broker, RTA or CDP** should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

(g) 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.

(h) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Application Form.

(i) 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 for application directly submitted to SCSB by investor.

(j) 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.

(k) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Bid 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.

(l) 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 Offer, or until withdrawal or rejection of the Application, as the case may be.

(m) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer 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 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 Offer, the SCSBs may transfer the requisite amount against each successful Applicant 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 Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.3 Discount (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Applicants applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Offer may block an amount i.e. the Bid Amount less Discount (if applicable).

Applicant may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.7.4 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their 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.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Applicant is required to sign the Application Form/ 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 Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/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 Bid 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.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

(b) All communications in connection with Applications made in the Offer should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Applicants should contact the Registrar to the Offer.

ii. In case of Applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
iii. In case of queries relating to uploading of Applications by a Registered Broker, the Applicants should contact the relevant Registered Broker
iv. In case of Applications submitted to the RTA, the Applicants should contact the relevant RTA.
v. In case of Applications submitted to the CDPs, the Applicants should contact the relevant CDP.
vi. Applicant may contact our Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Offer.

(c) 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. name and address of the Designated Intermediary, where the Bid was submitted;
iii. In case of Applications other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked; or
iv. In case of Anchor Investor Applications, the unique transaction reference (UTR) number and the name of the relevant bank thereof

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:

COMMON REVISION FORM	XYZ LIMITED – PUBLIC ISSUE - R	FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE SME ISSUE
ISIN : _____

Date : _____

Application Form No.

BROKER'S /SCSB/DP/RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENTS STAMP & CODE

SCSB / BANK BRANCH STAMP & CODE	SCSB / BANK BRNACH SERIAL NO.

1. NAME & CONTACTS OF SOLE / FIRST APPLICANT

Mr./Ms.

Tel. No. (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CSDL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

4. FROM (as per last Application or Revision)

Option	No. of Equity Shares applied (Application must be in Multiples of 1000 equity shares) (In Figure)							Price per Equity Share (₹)..... (In Figure) Issue Price				Discount, If any				Net Price			
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	4	3	2	1
Option 1																			
(OR) Option 2																			
(OR) Option 3																			

5. TO (Revised Application)

Option	No. of Equity Shares applied (Application must be in Multiples of 1000 equity shares) (In Figure)							Price per Equity Share (₹)..... (In Figure) Issue Price				Discount, If any				Net Price			
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	4	3	2	1
Option 1																			
(OR) Option 2																			
(OR) Option 3																			

6. PAYMENT DETAILS — **PAYMENT OPTION : Full Payment**

Amount Paid (₹ in Figures) (₹ in words) _____

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2S AND THE GENERAL INFORMATION DOCUMENT FOR INVESTINGIN THE PUBLIC ISSUE ("GID) AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

7 A. SIGNATURE OF SOLE / FIRST APPLICANT	7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDERS(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
Date : 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) 2) 3)	

TEAR HERE

LOGO | XYZ Limited – PUBLIC ISSUE - R | **Acknowledgement Slip for SCSB** | Application Form No.

DPID/ CUID | PAN

Additional Amount Paid (₹ in figure) | Bank & Branch | **SCSB Branch Stamp & Signature**

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ Limited PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Issue Price			
Additional Account Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

ASBA Bank A/c No. _____

Bank & Branch _____

Application Form No.

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. 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:

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 OPTIONS 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

Applicant may Issue instructions to block the revised amount in the ASBA Account, to same Application Collecting Intermediary 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 APPLICATION FORM/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**
Anchor Investors Application Form	To the Book Running Lead Managers at the Specified Locations mentioned in the Application Form
All Applications (other than Anchor Investors)	(a) To Registered Brokers at the Broker Centres or the RTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

Applicants should submit the Revision Form to the same Designated Intermediary through which such Applicant had placed the original application.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Applications within the Price Band or above the Floor Price and determining the Offer Price based on the Applications received as detailed in Schedule XI of SEBI ICDR Regulations. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Applications received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF APPLICATIONS

(a) During the Issue Period, Applicants may approach any of the Designated Intermediaries to register their Applications. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
(c) For Details of the timing on acceptance and upload of Applications in the Stock Exchanges Platform Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF APPLICATIONS

(a) The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges.
(c) Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing

5.3 BUILD UP OF THE BOOK

(a) Applications received from various Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the LMs at the end of the Issue Period.
(b) Based on the aggregate demand and price for Applications registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Issue Period.

5.4 WITHDRAWAL OF APPLICATIONS

(a) RIIs can withdraw their Applications until Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
(b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Applications at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF APPLICATIONS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

i. the Applications accepted by the Designated Intermediaries;
ii. the Applications uploaded by the Designated Intermediaries; and
iii. the Application Forms accepted but not uploaded by the Designated Intermediaries.

(b) The LMs and their affiliate Syndicate Members, as the case may be, may reject Applications if all the information required is not provided and the Application Form is incomplete in any respect.
(c) The SCSBs shall have no right to reject Applications, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Applicants, only the (i) SCSBs (for Applications other than the Applications b y Anchor Investors); and (ii) LMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject Applications. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
(e) All Applications by QIBs, NIIs & RIIs Applications can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
(b) Applications by OCBs;
(c) In case of partnership firms, Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
(d) In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Application Form;
(e) Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
(f) Applications by persons in the United States;
(g) Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
(h) PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
(i) In case no corresponding record is available with the Depositories that matches the DPID, the Client ID and the PAN;
(j) Applications for lower number of Equity Shares than the minimum specified for that category of investors;
(k) Applications at a price less than the Floor Price and Applications at a price more than the Cap Price;
(l) Applications at Cut-off Price by NIIs and QIBs;
(m) The amounts mentioned in the Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
(n) Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
(o) Submission of more than five Application Forms/Application Form as through a single ASBA Account;
(p) Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
(q) Multiple Applications as defined in this GID and the Prospectus;
(r) Application Forms/Application Forms are not delivered by the Applicants within the time prescribed as per the Application Forms/Application Form, Bid/Offer Opening Date advertisement and as per the instructions in the RHP and the Application Forms;
(s) Bank account mentioned in the Application Form not being an account maintained with an SCSB. Inadequate funds in the bank account to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the bank account;
(t) In case of Anchor Investors, Applications where sufficient funds are not available in Anchor Escrow Accounts as per final certificate from the Escrow Collection Banks;
(u) Where no confirmation is received from SCSB for blocking of funds;
(v) Applications by Applicants (other than Anchor Investors) not submitted through ASBA process;
(w) Applications submitted at locations other than the Specified Locations and Application Forms/Application Forms, under the ASBA process, submitted to the Anchor Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;
(x) Applications not uploaded on the terminals of the Stock Exchanges; and
(y) Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Application Form and in the Prospectus. For details in relation to allocation, the Applicant may refer to the Prospectus.

(b) Under-subscription in any category (except QIB Category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the LMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Applicants may refer to the RHP.

(d) Illustration of the Book Building and Price Discovery Process

Applicants should *note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors.*

Applicants can bid at any price within the Price Band. For instance, assume a Price Band of Rs. 20 to Rs. 24 per share, Offer size of 3,000 Equity Shares and receipt of five Applications from Applicants, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Applications received from various investors.

Application Quantity	Application Amount (Rs.)	Cumulative Quantity	Subscription
500	**24**	**500**	**16.67%**
1,000	**23**	**1,500**	**50.00%**
1,500	**22**	**3,000**	**100.00%**
2,000	**21**	**5,000**	**166.67%**
2,500	**20**	**7,500**	**250.00%**

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the LMs, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Applications at or above this Offer Price and cut-off Applications are valid Applications and are considered for allocation in the respective categories.

Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Applicant with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Applicant is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Applicants is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Applicant, decide whether a Applicant be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Applicant be allowed single or multiple Applications.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Application Form in a Fixed Price Offer. As the Offer Price is mentioned in the Fixed Price Offer 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 the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Application Collecting Intermediaries 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.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE Emerge Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

7. 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).
8. 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).
9. For applications where the proportionate allotment works out to less than 5,000 equity shares the allotment will be made as follows:
   c) Each successful applicant shall be allotted 5,000 equity shares; and
   d) 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.
10. If the proportionate allotment to an applicant works out to a number that is not a multiple of 5,000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 5,000 equity shares subject to a minimum allotment of 5,000 equity shares.
11. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 5,000 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 Draft Prospectus.
12. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
    d) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
    e) The balance net offer of shares to the public shall be made available for allotment to
       iii. individual applicants other than retails individual investors and
       iv. other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

f) 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.

As per Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 as amended, if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than 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 NSE.

The Executive Director / Managing Director of NSE - 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 SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(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 Offer.
Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Offer.

(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) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 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 one Working Day from the date of Allotment, after the funds are transferred from the ASBA 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 six Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with CDPs, and dispatch the Allotment Advice within six 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 take steps to refund, without interest, all moneys received from Applicants.

If such money is not refunded to the Applicants within the prescribed time 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 such period, be liable to repay the money, with interest at such rate, as prescribed under Companies Act and disclosed in the Prospectus.

8.2.2 NON RECEIPT OF 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 be subscribed and the sum payable on application is not received, 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 the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Applicants, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

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 Applications/Applications (other than Anchor Investors):** Within six Working Days of the Issue Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Bidding/Application.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund advices for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Offer 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 Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Anchor Escrow Bank, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds to Anchor Investors shall be credited only to the bank account from which the Bid Amount was remitted to the Anchor Escrow Bank.

8.3.1. Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' 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 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 Anchor Investors 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 of that particular bank branch and the payment of refund may be made to the Anchor Investors 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;

(b) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account; and

(c) **RTGS**—Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds Rs.

0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding Indian Financial System Code ("**IFSC**"). Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company and the Selling Shareholders. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the above mentioned modes shall be credited only to the bank account from which the application Amount was remitted to the Banker to the Issue.

For details of levy of charges, if any, for any of the above methods including bank charges, etc., Anchor Investors may refer to Prospectus.

8.4. INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum 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 six Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum if Allotment is not made in accordance with timelines prescribes under applicable law.

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 Offer to successful Applicants
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
Allottee	An Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations and the Prospectus
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the LMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Applications being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
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.
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 Collecting Intermediaries	(i) an SCSB, with whom the bank account to be blocked, is maintained (ii) a syndicate member (or sub-syndicate member) (iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker") (iv) a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity) (v) a registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Designated Intermediaries	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the

/Collecting Agent	Applicants, in relation to the Offer
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Applicant
Banker(s) to the Issue /Anchor Escrow Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Anchor Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the Prospectus and Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Offer
Bid	An indication to make an offer during the Issue Period by a prospective Applicant 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 within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Applications indicated in the Application Form and payable by the Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Applications for the Offer, 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/Applicants may refer to the Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Applications for the Offer, which may be the date 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/Applicants may refer to the Prospectus for the Bid/Offer Opening Date
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Applications, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. Applicants/Applicants may refer to the Prospectus for the Issue Period
Application Form	An application form, whether physical or electronic, used by Applicants, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Book Built Process/ Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges
LM(s)/Book Running Lead Manager(s)/ Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the Prospectus and the Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and 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
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Applications may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Applicants are entitled to Bid at the Cut-off Price
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 Applicants including the 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 Application Forms used by Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Anchor Escrow Bank from the Anchor Escrow Account and 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 Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations.
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 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 promoters. For further details, Applicant may refer to the Prospectus
Equity Shares	Equity Shares of the Issuer
Anchor Escrow Account	Account opened with the Anchor Collection Bank and in whose favour the Anchor Investors may transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Anchor Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Anchor Escrow Bank and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and

	conditions thereof
Anchor Escrow Bank	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/ Fixed Price Process/ Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Applications may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
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
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid 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
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the Prospectus and Application Form
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 Offer and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issuer	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer 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 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
Issue	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholder
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Applicants other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer in consultation with the Lead

	Manager(s)
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
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Issue Account	An account opened with the Banker to the Offer to receive monies from the Anchor Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the Prospectus and Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Applicants as provided under the SEBI ICDR Regulations
Retail Individual Investors/RIIs	Investors who applies or Applications for a value of not more than Rs.200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or Applications for a value of not more than Rs. 200,000.
Retail Category	The portion of the Offer 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 Applicants in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their 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	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
SME IPO	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
Specified Locations	Bidding centres where the Syndicate shall accept Application Forms, a list of which is included in the Application Form
Stock Exchanges/SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Application Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s) and the Syndicate Member(s), if any
Underwriting Agreement	The agreement amongst the Issuer, and the
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Issue Period, "Working Days" shall mean all days, excluding Saturdays and public holidays, which are working days for commercial banks in India.

SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Main provisions of the articles of association of the company are as under:

Table "F" not to apply but company to be governed by these Articles

1. The regulations contained in Table "F" in the First Schedule of the Companies Act,2013 shall not apply to this Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.
*The following regulations comprised in these Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association vide Special Resolution passed with requisite majority by the members of the Company Dated 28th August, 2015.

CAPITAL, INCREASE AND REDUCTION OF CAPITAL

Share Capital

3. The authorised share capital of the Company shall such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or provisions of the law for the time being in force.

Increase of capital by the Company how carried into effect

4. The Company may in General Meeting from time to time by an 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 Companies Act, 2013.

New Capital same as existing capital

5. Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Non Voting Shares

6. The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

Redeemable Preference Shares

7. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

Voting rights of preference shares

8. The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

Provisions to apply on issue of Redeemable Preference Shares

9. On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:

(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.

(b) No such Shares shall be redeemed unless they are fully paid.

(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.

(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company

shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

(e) Subject to the provisions of Section 55 of the Act the redemption of preference shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.

Reduction of capital

10. The Company may (subject to the provisions of section 52, 55(1) & (2) and 66 of the Act and other applicable provisions, if any, of the Act) from time to time by a Special Resolution reduce

(a) the share capital;

(b) any capital redemption reserve account; or

(c) any security premium account.

in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

Purchase of own Shares

11. The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.

Sub-division, consolidation and cancellation of Shares

12. Subject to the provisions of Section 61 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate all or any of its Shares of larger amount than its existing shares or smaller amount than is fixed by the memorandum; convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denominations; Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

MODIFICATION OF RIGHTS

Modification of rights

13. Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48,106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. Provided that if variations by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourth of such other class of shareholders shall be also obtained and the provisions of section 48 shall apply to such variation. This Article is not to derogate from any power the Company would have if this Article was omitted.

The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further Shares ranking pari passu therewith.

SHARES, CERTIFICATES AND DEMATERIALISATION

Restriction on allotment and return of allotment

14. The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 39 of the Act, and shall cause to be made the returns as to allotment provided for in Section 39 of the Act.

Further issue of shares

15. (1) Where at any time, Company proposes to increase its subscribed capital by issue of further Shares then such shares shall be offered -

(a) to persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the paid-up share capital on those Shares subject to the following conditions namely;

(i) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than number of days as specified in the act from the date of the offer and the offer, if not accepted, will be deemed to have been declined;

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in clause (i) shall contain a statement of this right;

iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.

(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as prescribed in the act and rules made thereunder

(c) to any person(s), if authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, in any manner as prescribed in the act and rules made thereunder.

(2) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company;

PROVIDED THAT the terms of issue of such debentures or loans containing such an option have been approved before the issue of debentures or raising of loan by a special resolution passed by the company in general meeting.

Shares at the disposal of the Directors

16. (1) 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 person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 & 54 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

(2) Subject to the provisions of section 62 of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, provision of these articles and such other rules, procedures, Regulations and Guidelines as may be applicable any preferential issue of equity shares/warrants/fully convertible debentures/partially convertible debentures or any other financial instruments by the company which would be converted into or exchanged with equity shares at a later date shall be under the control of the Board which may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times either at par or at a premium and for such consideration as the Board thinks fit.

Power to offer Shares/options to acquire Shares

16A (i) Without prejudice to the generality of the powers of the Board under Article 16 or in any other article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.

(ii) In addition to the powers of the Board under Article 16A (i), the Board may also allot the Shares referred to in Article 16A(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

(iii) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(i) and (ii) above.

Application of premium received on Shares

17. (1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "Securities Premium Account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the security premium account were paid up share capital of the Company.

(2) The security premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:

(a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus;

(b) In writing off the preliminary expenses of the Company;

(c) In writing off the expenses of, or the commission paid or discount allowed on, any issue of Shares or debentures of the Company;

(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company; or

(e) for the purchase of its own shares or other securities as per the Act.

Power also to Company in General Meeting to issue Shares

18. In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.

Power of General Meeting to authorize Board to offer Shares/Options to employees

18A (i) Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose

(ii) In addition to the powers contained in Article 18A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.

Shares at a discount

19. Company shall not issue shares at a discount except issue by way of Sweat Equity Shares of a class of shares already issued as per the provisions of section 54 of the act, if the following conditions are fulfilled, namely:

(a) The issue of the Shares is authorised by special resolution passed by the Company

(b) The resolution specifies the number of shares, current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued;

(c) not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business;

(d) where the shares of the Company are listed, the shares are to be issued in accordance with the regulations made by SEBI.

Installments of Shares to be duly paid

20. If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representative, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.

The Board may issue Shares as fully paid-up

21. Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.

Acceptance of Shares

22. Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.

Deposit and call etc., to be debt payable

23. The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members

24. Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.

Dematerialisation of securities

25A **Definitions:**

Beneficial Owner "Beneficial Owner" means a person whose name is recorded as such with a Depository.

SEBI "SEBI" means the Securities and Exchange Board of India as established under section 3 of Securities and Exchange Board of India Act, 1992.

Bye-Laws "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;

Depositories Act "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;

Depository "Depository" means a company formed and registered under the Companies Act, 1956 / 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;

Record "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;

Regulations "Regulations" mean the regulations made by SEBI;

Security/Securities "Security" means such security/ securities as may be specified by SEBI.

Dematerialization of securities

25B Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

Options to receive security certificates or hold securities with depository

25C Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.

Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.

Securities with Depositories to be in fungible form

25D All Securities held by a Depository shall be dematerialized and shall be in a fungible form;

Rights of depositories and beneficial owners

25E (1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;

(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;

(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.

Depository to Furnish Information

25F Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

Service of documents

25G Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.

Option to opt out in respect of any security

25H If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

Sections 45 and 56 of the Act not to apply

25I Notwithstanding anything to the contrary contained in the Articles,

(1) Section 45 of the Act shall not apply to the securities held with a Depository;

(2) Section 56 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.

Share Certificates

26. (a) Every Member or allotee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.

(b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.

(c) The Board may, from time to time, subject to the provisions of the Act and these Articles sub-divide/consolidate Share Certificates.

Limitation of time for issue of certificates

26A. Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within fifteen days of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.

Renewal of share certificates

27. No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out,

or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.

PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.

Issue of new certificate in place of one defaced, lost or destroyed

28. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provision of this Article shall mutatis mutandis apply to Debentures of the Company.

The first name joint holder deemed sole holder

29. If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.

Issue of Shares without Voting Rights

30. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.

Buy-Back of Shares and Securities

31. Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 68 and SEBI (Buy back of Shares) Regulations as may be permitted by law.

Employees Stock Options Scheme/Plan

32. The Directors shall have the power to offer, issue and allot Equity Shares or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

Sweat Equity

33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

Postal Ballot

34. Postal Ballot means voting by post or through electronic mode. The Company may pass such resolution by way of postal ballot in the manner prescribed by Section 110 of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof.

Company not bound to recognize any interest in Shares other than of registered holder

35. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole

discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

Trust recognized

36. (a) *Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.*

(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.

Declaration by person not holding beneficial interest in any Shares

37. (1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act

(2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act

(3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act

(4) Not withstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.

Funds of Company not to be applied in purchase of Shares of the Company

38. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 and 66 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

UNDERWRITING AND BROKERAGE

Commission may be paid

39. The Company may exercise the powers of paying commission conferred by Section 40 and other applicable provisions of the Act and rules thereunder, provided that the rate percent, or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said Section and the rules made thereunder and the rate or amount of commission shall not exceed the rate or amount prescribed in rules made under Section 40 and other applicable provisions of the Act and rules thereunder. Such commission may be satisfied by the payment in cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

Brokerage

40. The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.

LIEN

Partial payment not to preclude forfeiture

50. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of 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 to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

Company's lien on Shares/ Debentures

51. The Company shall have first and paramount lien upon all Shares/ Debentures other than fully paid up Shares/ Debentures registered in the name of any Member whether solely or jointly with any other person, and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article. Further, the fully paid shares shall be free from all liens and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

As to enforcing lien by sale

52. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:-
    (a) Unless a sum in respect of which the lien exists is presently payable; or
    (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.

    For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members

    (c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.

Application of proceeds of sale

53. (a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and
    (b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).

FORFEITURE OF SHARES

If money payable on Shares not paid notice to be given

54. If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Sum payable on allotment to be deemed a call

55. For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.

Form of notice

56. The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.

In default of payment Shares to be forfeited

57. If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.

Notice of Forfeiture to a Member

58. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited Shares to be the property of the Company and may be sold etc.

59. Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

Member still liable for money owning at the time of forfeiture and interest

60. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.

Effects of forfeiture

61. The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.

Annulment of forfeited shares

62. The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Declaration of forfeiture

63 ***(a)*** A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that the certain Share in the Company have been duly forfeited, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.

(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.

(d) Any such purchaser or allotee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.

(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.

Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum

64. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Cancellation of shares certificates in respect of forfeited Shares

65. Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.

Evidence of forfeiture

66. A declaration as mentioned in Article 63(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

Validity of sale

67. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

Surrender of Shares

68. The Directors may subject to the provisions of the Act, accept surrender or any share from any Member desirous of surrendering on such terms and conditions as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

No transfers to minors etc.

69. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.

Instrument of transfer

70. The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Further, a common form of transfer shall be used.

Application for transfer

71. (a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee.

(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice

(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

Execution of transfer

72. The instrument of transfer of any Share shall be duly executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with.

Transfer by legal representatives

73. A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.

Register of Members etc. when closed

74. The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in aggregate forty five days in each year as it may seem expedient to the Board.

Directors may refuse to register transfer

75. Subject to the provisions of Companies Act, these Articles and any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on partly paid up Shares.

Death of one or more joint holders of Shares

76. In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.

Titles of Shares of deceased Member

77. The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper

dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 56 and 72 of the Companies Act.

Notice of application when to be given

78. 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.

Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)

79. Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".

Refusal to register nominee

80. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Person entitled may receive dividend without being registered as a Member

81. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

No fee on transfer or transmissions

82. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.

Transfer to be presented with evidence of title

83. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Company not liable for disregard of a notice prohibiting registration of transfer

84. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

SHARE WARRANTS

Power to issue share warrants

85. The Company may issue warrants subject to and in accordance with provisions of Companies Act 2013 and SEBI ICDR Regulations and other applicable rules and regulations and listing agreement as entered into with the exchanges the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

Deposit of share warrants

86. (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant

(b) Not more than one person shall be recognized as depositor of the Share warrant

(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor

Privileges and disabilities of the holders of share warrant

87. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

Issue of new share warrant coupons

88. 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.

BORROWING POWERS

Power to borrow

93. Subject to the provisions of Sections 73 to 76, 179, 180 and other applicable provisions of the Act and rules made thereunder and subject to the Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

The payment or repayment of moneys borrowed

94. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Bonds, Debentures, etc. to be subject to control of Directors

95. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider for the benefit of the Company.

Terms of issue of Debentures

96. Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise; However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Mortgage of uncalled capital

97. If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.

MEETING OF MEMBERS

Annual General Meeting

98. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other general meeting in that year. An Annual General Meeting of the Company shall be held

within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a National Holiday, and shall be held at the registered office of the Company or at some other place within the city, town, or village in which the Registered Office of the Company is situated. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company, shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.

Report statement and registers to be laid before the Annual General Meeting

99. The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.

Extra-Ordinary General Meeting

100. All General Meeting other than the Annual General Meeting of the Company shall be called Extra-Ordinary General Meeting of the Company.

Contents of requisition, and number of requisitionists required and the conduct of Meeting

101. (1) In case of requisition the following provisions shall have effect:

(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.

(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.

(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.

(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (3) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.

(e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:

(i) By the requisitionists themselves ; or

(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) whichever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.

(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:

(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but

(b) shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.

(3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.

(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Length of notice of Meeting

102. (1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.

(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:

(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and

(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.

PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.

Contents and manner of service of notice

103. (1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.

(2) Subject to the provisions of the Act notice of every General Meeting shall be given;

(a) to every Member of the Company, in any manner authorised by Section 20 of the Act;

(b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for ,the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and

(c) to the Auditor or Auditors for the time being of the Company

PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under Section 20 of the Act, the statement of material facts referred to in Section 102 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.

(3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.

Special and ordinary business and explanatory statement

104. (1) (a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to;

(i) the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors;

(ii) the declaration of dividend;

(iii) the appointment of Directors in the place, of those retiring; and

(iv) the appointment of, and the fixing of the remuneration of the Auditors, and

(b) In the case of any other meeting, all business shall be deemed special.

(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director.

PROVIDED THAT, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.

(3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate proceedings

105. The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.

Notice of business to be given

106. No General Meeting, Annual or Extra-Ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.

Quorum

107. The Quorum requirement for General Meetings shall be as under and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting.
Number of Member upto 1000: 5 Member personally present
Number of Member 1000 to 5000: 15 Members personally present
Number of Member more than 5000: 30 Members personally present

If quorum not present when Meeting to be dissolved and when to be adjourned

108. If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by requisitionist shall stand dissolved and in any other case the meeting shall stand, adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjournment meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.

Resolution passed at adjourned Meeting

109. Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Chairman of General Meeting

110. At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.

Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required

111. Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.

Business confined to election of Chairman whilst the Chair is vacant

112. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.

Chairman may adjourn Meeting

113. (a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.

(b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.

(c) where there is adjournment or of change of day, time and place of meeting, the company shall give at least three days' notice to the members in a manner as laid down under section 103 (2) of the Act.

How questions are decided at Meetings

114. Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the voting is carried out electronically under section 108 or poll is demanded under section 109 of the Act.

Chairman's declaration of result of voting on show of hands

115. A declaration by the Chairman of the Meeting on passing of a resolution or otherwise by show of hands and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact of passing of such resolution or otherwise.

Demand of poll

116. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting on his own motion, and shall be ordered to be taken by him on a demand made in that behalf by the Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than five lakh rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

Time of taking poll

117. A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.

Chairman's casting vote

118. In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

Appointment of scrutinizers

119. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.

Demand for poll not to prevent transaction of other business

120. The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.

Special notice

121. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Member paying money in advance not to be entitled to vote in respect thereof

122. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.

Restriction on exercise of voting rights of Members who have not paid calls

123. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

Number of votes to which Member entitled

124. Subject to the provisions of Article, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.

Votes of Members of unsound mind

125. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.

Votes of joint Members

126. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several

executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Representation of body corporate

127. (a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.

(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.

Votes in respects of deceased or insolvent Members

128. Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.

Voting in person or by proxy

129. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 105 of the Act.

Rights of Members to use votes differently

130. On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses

Proxies

131. Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company. Provided also that a person appointed as a proxy shall act on behalf of such member or number of members not exceeding fifty.

Proxy either for specified meeting or for a period

132. An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.

No proxy to vote on a show of hands

133. No proxy shall be entitled to vote by a show of hands.

Instrument of proxy when to be deposited

134. The instrument appointing a proxy shall be in writing and signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, be under its seal or signed by an officer or any attorney duly authorised by it shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.

Validity of votes given by proxy notwithstanding revocation of authority

135. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been

received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.

Time for objection to vote

136. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.

Chairman of any Meeting to be the judge of Validity of any value

137. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.

Custody of Instrument

138. If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIRECTORS

Number of Directors

139. 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 shall not be less than three and not more than fifteen provided that company may appoint more than fifteen directors after passing a special resolution in a general meeting.

Directors

140 As on the date of adoption of these Articles the following are the Directors of the Company:

1. ***ASAMAL SIREMAL MEHTA***
2. ***SATISHKUMAR A. MEHTA***
3. ***JAYESHKUMAR A. MEHTA***
4. ***HARISHKUMAR A. MEHTA***

Appointment of Directors

141. The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.

Debenture Directors

142. Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.

Nominee Director or Corporation Director

143. a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Shares or Debentures in the Company or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places.

b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors.

c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation being paid off

d) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..

Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.

Limit on number of retaining Directors

144. The provisions of Articles and Section 152 of the Act, number of such Directors appointed under Article shall not exceed in the aggregate one third of the total number of Directors for the time being in office.

Alternate Director

145. The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.

Directors may fill in vacancies

146. The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.

Additional Directors

147. The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting. Provided that a person who fails to get appointed as a director in a general meeting shall not be appointed as an additional director.

Qualification shares

148. A Director need not hold any qualification shares.

Directors' sitting fees

149. The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him.

Extra remuneration to Directors for special work

150. If any Director, being willing, is appointed as an executive officer either whole time or part-time or is called upon to perform extra services or to make any special exertions for any of the purposes of the Company or for indemnifying or guaranteeing any obligation of the Company or in giving special attention to the business of the Company or as a member of a Committee of the Board then, subject to Sections 197, and 188 and other applicable provisions of the Act and rules thereunder, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:

i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or

ii) by way of commission if the Company by a Special Resolution authorised such payment.

Traveling expenses incurred by Directors on Company's business

151. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.

Director may act notwithstanding vacancy

152. The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number fall below the minimum above fixed the Board shall not, except for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

Board resolution necessary for certain contracts

153. (1) Subject to the provisions of Section 188 of the Act, except with the consent of the Board of Directors of the Company and such other conditions and manner as may be prescribed by the government from time to time, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract or transactions not exceeding such sums, as mentioned under Section 188 of the Companies Act 2013 and rules made thereunder with the Company;

(2) If consent is not accorded to any contract or agreement under this Article, anything done in pursuance of the contract or agreement will be voidable at the option of the Board.

(3) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realized by any such contract or agreement or the fiduciary relation thereby established.

Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Whole time Director

154. When the Company:-

(a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or

(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Act shall be complied with.

Disclosure of Director's interest

155. (a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act.

General notice of disclosure

(b) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosure already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals.

Directors and Managing Director may contract with Company

156. Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Act and in this respect all the provisions of Section 184 and 189 of the Act shall be duly observed and complied with.

Disqualification of and vacation by the Director

157. No person shall be qualified to be appointed as a Director of the Company if he possess such disqualifications as mentioned under section 164 of the Companies Act, 2013.

Vacation of office by Directors

158. Notwithstanding anything contained in Article 157 hereof, the disqualification referred to in this shall not take effect:

(a) for thirty days from the date of the conviction or order of disqualification;

(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or

(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

Removal of Directors

159. The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and rules thereunder, by ordinary resolution of which Special Notice has given, remove any Director before the expiration of his period of office and may be ordinary resolution of which Special Notice has been given appoint another person in his stead, if the Director so removed was appointed by the Company in general meeting or by the Board. The person so appointed shall hold office, until the date upto which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed the Board may at any time thereafter fill such vacancy under the provisions of Article.

Interested Directors not to participate or vote in Board's proceedings

160. No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:-

(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;

(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;

(i) in his being:
   (a) a director of such company; and
   (b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or

(ii) in his being a member holding not more than two percent of its paid-up share capital.

Director may be director of companies promoted by the Company

161. A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 188 or Section 197 of the Act may be applicable.

ROTATION AND APPOINTMENT OF DIRECTORS

Rotation of Directors

162. Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting. Provided that total number of directors shall not include independent directors of the Company.

Retiring Directors

163. Subject to the provisions of Section 152 of the Act, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office.

Ascertainment of Directors retiring by rotation and filling of vacancies

164. Subject to Section 174 of the Act, the Directors retiring by rotation at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.

Eligibility for re-election

165. A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.

Company to fill vacancies

166. Subject to Section 149 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.

Provision in default of appointment

167. (a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

(b) If at the adjourned Meeting also, the vacancy of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless the same has been restricted by the provisions of any of the sub-clauses (i) to (v) of sub-section (7) section 152 of the Companies Act, 2013

Company may increase or reduce the number of Directors or remove any Director

168. The Company may by an Ordinary Resolution in General Meeting from time to time increase or reduce the number of Directors within limits fixed by Act.

Appointment of Directors to be voted individually

169. (a) A motion, at any General Meeting of the Company for the appointment of two or more persons as Directors of the Company by a single resolution shall not be moved unless a proposal to such a motion has first been agreed to at the meeting without any vote being given against it.

(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.

(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

Notice of candidature for office of Directors except in certain cases

170. (1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit amount as prescribed in the act which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five percent of total valid votes cast on such resolution.

(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed in the act and the rules made thereunder.

(3) Every person (other than Director retiring by rotation or otherwise or person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.

(4) A person other than a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 149 and 151 of the Act, appointed as a Director, re- appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.

Disclosure by Directors of their holdings of their Shares and debentures of the Company

171. Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.

Votes of Body Corporate

172. A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same

rights and poser (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were as individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.

MANAGING DIRECTOR

Powers to appoint Managing Director

173. (1) Subject to the provisions of section 196,197 and other applicable sections the Act, the Board may from time to time appoint one or more of their body to the office of Managing Director for such period not exceeding five years and or such terms it may think fit and subject to the terms of any agreement entered into with him may revoke such appointment, in making such appointment(s) the Board shall ensure compliance with the requirements of law and seek and obtain such approvals as are prescribed by the Act. Provided that Company shall not appoint or employ at the same time a managing director and manager.

(2) A Managing Director or Managing Directors shall (subject to the provisions of any contract between him and the company) be subject to the same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Managing Director or Managing Directors if he or they cease to hold the office of the Director for any cause except where he or they retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Managing Director or Managing Directors of the company.

Remuneration of Managerial Personnel

174. Subject to the provisions of Sections 196 and 197 of the Companies Act 2013 a Managing Director shall be paid such remuneration as determined by the Board of Directors at a meeting subject to the approval of the Company in a general meeting and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V of the Companies Act 2013.

Certain persons not to be appointed Managing Director, Whole Time Director or Manager

175. The Company shall not appoint or employ or continue the appointment or employment of a person as its Managing Director or Whole-time Director or manager who-

(a) is below the age of twenty-one years or has attained the age of seventy years provided that appointment of a person who has attained the age of seventy years may be appointed by passing a special resolution;

(b) is an undischarged insolvent or has at any time been adjudged as an insolvent;

(c) has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them; or

(c) is or has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

Powers of Managing Director

176. The Director may from time to time entrust to and confer upon a Managing Director or Wholetime Director or the manager for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.

177. 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.

178. Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company.

179. 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.

180. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such

remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

Appointment and powers of Manager

181. The Board may, from time to time, appoint any Manager to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.

WHOLE TIME DIRECTOR

Power to appoint Whole Time Director and/or Whole-time Directors

182. (1) Subject to the provisions of the Act in force from time to time, the Board may appoint one or more of its Director/s or other person/s as Whole Time Director or Whole Time Directors for a term not exceeding five years at a time as may be thought fit and may from time to time (subject to provisions of any contract between him/them and the Company) remove or dismiss him or them from office and appoint any or others in or their place or places.

(2) A Whole Time Director or Whole Time Directors shall (subject to the provisions of any contract between him and the company) be subject to the same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Whole Time Director if he or they cease to hold the office of the Director for any cause except where he or they retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Whole Time Director or Whole Time Directors of the company.

To what provisions Whole time Directors shall subject

183. Whole Time Director or Whole Time Directors shall carry out such functions as may be assigned to him/them by the Managing Director from time to time or the Board of directors as it may deem fit.

Whole Time Director or Whole Time Directors shall not be paid sitting fees for attending meeting of the Board of Directors or any committee(s) thereof.

Resignation of office of Managing Director & Whole Time Director

Acceptance by the Company of the resignation laid by the Managing or Whole Time Director is necessary for the resignation to be effective.

Applicability of certain sections

Subject to the provisions of Sections 196 & 197 of the Act, the appointment and payment of remuneration to the Managing Director, Whole Time Director or Manager shall be subject to approval of the members in general meeting subject to the conditions of Schedule V of the Act and/or with the approval of the Central Government.

Seniority of Whole Time Director and Managing Director

184. If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meeting of Directors

185. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Act allow, to hold atleast four such Meetings in a year and not more than 120 days shall elapse between two consecutive meetings. The Directors may adjourn and otherwise regulate their Meetings as they think fit.

Quorum

186. (a) Subject to Section 174 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by any other audio visuals means shall also be counted for the purpose of quorum. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time.

(b) for the purpose of clause(a)

(i) "Total Strength" shall not include directors whose places are vacant, and

(ii) "Interested Directors" a director within the meaning of sub-section (2) of section 184 of the Companies Act, 2013.

Procedure when Meeting adjourned for want of quorum

187. If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.

Chairman of Meeting

188. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.

Question at Board meeting how decided

189. Subject to the provisions of Section 203,186 and 203 of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.

Powers of Board meeting

190. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.

Directors may appoint Committee

191. The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.

Meeting of the Committee how to be governed

192. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.

Circular resolution

193. (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 190 shall subject to the provisions section 175 of the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held.

(b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers, if any, to all the Directors, or to members of the Committee, as the case may be at their registered addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means and has been approved b a majority of directors or members who are entitled to vote on the resolution provided that where not less than one-third of the total numbers of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

Acts of Board or Committee valid notwithstanding defect in appointment

194. No act done by a person as a director shall be deemed to be invalid, notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the act of in the articles of the company provided that nothing in this article shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

POWERS OF THE BOARD

General powers of management vested in the Board of Directors

195. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company, required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Provided that the Board shall not, except with the consent of the Company in General Meeting:-

(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;

(b) remit, or give time for the repayment of, any debut due by a Director,

(c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation;

(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up share capital of the Company and its free reserves

Certain powers to be exercised by the Board only at Meetings

196. A. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers, as mentioned in sub-section (3) of section 179 of the Act, on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;

(a) to make calls, on shareholders in respect of money unpaid on their Shares;
(b) to issue securities including Debentures, whether in outside India;
(c) to authorize buy back of securities
(d) to invest the funds of the Company;
(e) to borrow monies;
(f) to grant loans or give guarantees or provide security in respect of loans
(g) to approve financial statements and the Board's report;
(h) to diversify the business of the company
(i) to approve amalgamation, merger or reconstruction;
(j) to take over a company or acquire a controlling or substantial stake in another company;
(k) any other matter as prescribed in the Act or rules made thereunder

Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (d) to (f)

B. Without prejudice to the general powers conferred by Article 195 & 195 A above it is hereby expressly declared that the Directors shall, subject to the provisions of the Act, have the following powers:

(1) To purchase or otherwise acquire for the Company, any property, right or privileges which the company is authorised to acquire at such price and generally on such terms and conditions as they think fit.

(2) At their discretion to pay property, rights or privileges acquired by, or services rendered to the Company, either wholly or partly in cash or in shares, bonds, debentures or other securities of the company and any such shares may be issued either as fully paid up or partly paid up and with such conditions 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.

(3) To secure fulfillment of any contract or agreements into by the company by mortgage or charge of all or any of the property of the company and its uncalled capital for the time being or in such other manner as they may think fit

(4) To appoint, at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services, as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments and to require security in such instance and for such amounts as they think fit.

(5) To make and give receipts, releases and other discharges for money payable to the company and for the claims and demands for the company.

(6) From time to time provide for the management for the company abroad in such manner as they think fit, and in particular to appoint any person to be attorneys or agents of the company with such powers (including power to sub-delegate) and upon such terms as may be thought fit.

(7) To invest and deal with any of the moneys of the company not immediately required for the purpose thereof upon such securities not being shares in the company in such manner as they may think fit, and from time to time vary or realise such investments provided that such investments are in accordance with the provisions of Section 186 of the Act.

(8) To execute in the name and on behalf of the company in favour of any Director or other persons who may incur or be about to incur any personal liability for the benefit of the company such mortgage of the company's property (present and future) as they think fit and such mortgage may contain a power of sale and such other powers, covenants and previsions shall be agreed upon.

(9) From time to time to make, vary and repeal bye-laws for the regulations of the business of the company, its officers and servants.

(10) To enter into all such negotiations and contracts and rescind and vary all such contorts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purpose of the company.

(11) To give to any person employed by the company a commission on the profits of any particular business transaction, or a share in the general profits of the company, and such commission or share of profits shall be treated a part of the working expenses of the company.

(12) To give award or allow any bonus, pension, gratuity or compensation to any employee of the company or his widow, children or dependents; that may appear to the Directors just or proper, whether such employee, his widow, children or dependents have, or have not a legal claim upon the company.

(13) Before declaring any dividend to set aside portion of the profits of the company as they think fit, to form a fund to provide for the pension, gratuity, or compensation or create a provident fund or benefit fund in such manner as the Directors may deem fit.

(14) Subject to the provisions contained in Article 141 hereof to sub delegate all or any of the powers, authorities and discretion for the time being vested in them, subject, however, to the ultimate control and authority being retained by them.

(15) Subject to the provision of the Act, to borrow, or raise or secure the payment of money in such manner as the company shall think fit, and in particular by the issue of debenture or debenture-stock, perpetual or otherwise, charged upon all or any of the company's property (both present and future) including its uncalled capital and to purchase, redeem or pay of such securities.

(16) To establish, maintain, support or subscribe to any charitable, public or useful objects or any institutions, society or club or fund which may be for the benefit of the Company or its employees or may be connected with any town or place where the company or its employees or may be connected with any town or place where the company carries on its business or any object in which the company may be interested.

(17) To institute, prosecute, defend, compromise, withdraw or abandon any legal proceedings by or against the company or its officers or otherwise answering the affairs f the company and to act on behalf of the company in all matters relating to insolvency or liquidations and to apply for the obtain letters for administration with or without will annexed to the estate persons with whom the company have dealings.

(18) To realise, compound and allow time for the payment or satisfaction of any debts due to or by the company and any claims or demands by or against the company and to refer to arbitration and observe.

(19) To determine who shall be entitled on behalf of the company to make, draw, sign, accept, endorse and negotiate all such cheques, promissory notes, drafts, pay orders, bills of exchange, bills of landing and other documents of title and securities (including government and other promissory notes) contracts, transfer deeds and other instruments as shall be necessary in the opinion of the Directors for carrying on the business of the company.

(20) To enter into transactions or contracts with related party as may be permitted under the act and rules

(21) To undertake such acts as may be necessary to protect and safeguard the interest of the company or its members and to prevent any action against the company which is detrimental to the company or its members or done with mala-fide intention.

MINUTES

Minutes to be made

197. (1) The Company shall cause minutes of all proceedings of every General Meeting of any class of shareholder or creditors, and every resolution passed by postal ballot and every meeting of the Board of Directors or every Committee to be prepared and signed thereof within thirty days of the conclusion of every such meeting or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.

(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:

(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.

Minutes to be evidence of the proceedings and Inspection thereof by the member

198. (a) The minutes kept in accordance with the article 196 above shall be evidence of the proceedings recorded therein.

(b) The books containing the minutes of the proceedings of any general meeting of a company or of a resolution passed by postal ballot shall be kept at the Registered Office of the Company and to be open to the inspection by any Member without charge as provided in Section 119 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.

Presumptions

199. Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors, key managerial personnel, auditors or company secretary in practice shall be deemed to be valid.

THE SECRETARY

200. Subject to the provisions of the Act, the Board may, at any time and form time to time, appoint any individual possessing the prescribed qualification to be the Secretary of the Company and may determine his powers and duties and fix his remuneration and the period for which he is to hold such office.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

201. Subject to the provisions of the Act and rules thereunder:
   a) A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board of Directors for such terms at such remuneration and upon such terms and conditions as it may thinks 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; the Board may appoint one or more chief executive officers for its multiple business.
   b) A director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

202. Any provision of the Act or there articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of Chief Executive Officer, Manager, Company Secretary, or Chief Financial Officer.

THE SEAL

203. The Board shall provide for the safe custody of the seal and the Seal shall never be used except by the authority previously given by the Board or a Committee of the Board authorised by the Board in that behalf and, save as provided in Article hereof, any two Directors or one Director and the Secretary or one Director and such other person as the Board may appoint shall counter sign every instrument to which the Seal in affixed.

Provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.

DIVIDENDS AND CAPITALISATION OF RESERVES

Division of profits

204. (a) Subject to the rights of members entitled to shares (if any) with preferential or special rights attached thereto the profits of the Company, which it shall from time to time determine to divide in respect of any year or other period, shall be applied in the payment of a dividend on the equity shares of the Company according to the amounts paid or credited as paid on the shares in respect where of the dividend is paid and so that where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not rank for dividends or confer a right to participate in profits.

(b) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

The Company at General Meeting may declare dividend

205. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits any may, subject to the provisions of Section 127 and other applicable provisions of the Act and rules thereunder, fix the time for payment.

Dividends out of profits only

206. No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Act.

Interim dividend

207. The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.

Debts may be deducted

208. (a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.

Capital paid-up in advance to carry interest, not the right to earn dividend

209. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

Dividends in proportion to amounts paid-up

210. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.

No Member to receive dividend while indebted to the Company and the Company's right in respect thereof

211. 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 of jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.

Effect of transfer of Shares

212. A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.

Dividend to joint holders

213. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.

Dividend how remitted

214. The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.

Notice of dividend

215. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.

Reserves

216. The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.

Dividend to be paid within time required by law

217. The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-

(a) where the dividend could not be paid by reason of the operation on any law; or

(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or

(c) where there is dispute regarding the right to receive the dividend; or

(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or

(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

Unpaid or unclaimed dividend

218. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank and to be called "Unpaid Dividend Account".

Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.

There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law

Set-off of calls against dividends

219. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.

Dividend in cash

220. No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.

Capitalisation

221. (1) The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;

(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or

(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or

(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)

(3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.

Board to give effect

222. The Board shall give effect to the resolution passed by the Company in pursuance of above Article.

Fractional certificates

223. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and Generally do all acts and things required to give effect thereto.

(2) The Board shall have full power:

(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also

(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively,

credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.

(3) Any agreement made under such authority shall be effective and binding on all such Members.

(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

ACCOUNTS

Books to be kept

224. (1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:

a. all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place

b. all sales and purchases of goods by the Company

c. the assets and liabilities of the Company and

d. any other particulars as may be required by the Central Government

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.

Inspection by Members

225. (1) Subject to the provisions of Section 128 and other applicable provisions of the Act and rules thereunder, the books of account and other books shall be open to inspection during business hours by any Director, Registrar or other Officer authorise by the Central Government in this behalf.

(2) The Board shall, from time to time, determine whether and to what extent and of what time and places, and under what conditions, or regulations the books of account and books and documents of the Company, other than those referred to in Articles 137(2) or any of them, shall be open to the inspection of the members not being Directors and no member (not being a Director) shall have any right of inspecting any books of account or books of documents of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

Statements of accounts to be furnished at Annual General Meeting

226. At every Annual General Meeting the Board shall lay before the Company its financial statement along with the consolidated financial statement of its subsidiaries made up in accordance with the provisions of Section 129 of the Act and such Financial Statement shall comply with the requirements of Section 2(2), 129, 133, and 134 and of Schedule III and other applicable provisions of the Act and rules thereunder so far as they are applicable to the Company but save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 136

227. (1) The Company shall comply with the requirements of Section 136 of the Act.

(2) A copy of every Financial Statement, the Auditor's Report and every document required by law to be annexed or attached to the Financial Statement shall, as provided by the Section 136 and other applicable provisions of the Act and rules thereunder, not less than twenty-one days before the meeting be sent to every such member, debenture-holder, trustee and other person to whom the same in required to be sent by the said Section.

AUDIT

Accounts to be audited

228. Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.

Appointment of Auditors

229. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 147 of the Act.

(2) Subject to the provisions of Section 139 of the act and rules made thereunder the Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the sixth Annual General Meeting and shall, within fifteen days of the appointment, give intimation thereof to every Auditor so appointed. The appointment, remuneration, rights and duties of the Auditor or Auditors shall be regulated by Sections 139 to 147 and other applicable provisions of the Act and rules thereunder.

(3) Where at any Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.

(5) The Company shall within seven days of the central government's power under sub-clause (4) becoming exercisable give notice of that fact to that Government.

(6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of art Auditor, the vacancy shall only be filled by the Company in General Meeting.

(7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.

Accounts when audited and approved to be conclusive

230. Every Financial Statement of the Company when audited and adopted by the Company in General Meeting shall be conclusive except as regards any error discovered therein.

DOCUMENTS AND NOTICES

To whom documents must be served or given

231.(1) A notice or other document may be given by the Company to any member either personally or by sending it through electronic mode as per the provisions of the act and rules thereunder to him to his registered e-mail address or by post at his registered physical address (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.

(2) Further, notice or other document advertised in a newspaper circulating in the neighborhood of the office shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address in India and has not supplied to the Company and address within India for the giving of notices to him.

(3) The company's obligation shall be satisfied when it transmits the email and the company shall not be held responsible for a failure in transmission beyond its control. If a member entitled to receive notice fails to provide or update relevant email address to the company, or to the depository participant as the case may be, the company shall not be in default for not delivering notice via email.

Members bound by documents or notices served on or given to previous holders

232. Every person who by operation of law transfer or other means whatsoever shall become entitled to any share shall be bounded by every notice in respect of such share which previously to his name and address being entered on the Register and the company's records shall have been given to the person from whom he derives his title to such share.

Service of documents on the Company

233. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.

Authentication of documents and proceedings

234. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company.

REGISTERS AND DOCUMENTS

Registers and documents to be maintained by the Company

235. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:
    (a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act
    (b) Register of mortgages and charges as required by Section 85 of the Act and copies of instruments creating any charge requiring registration according to Section 85 of the Act.
    (c) Register and index of Members and debenture holders as required by Sections 88 of the Act.
    (d) Foreign register, if so thought fit, as required by Section 88 of the Act
    (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
    (f) Register of Directors and Secretaries etc. as required by Section 170 of the Act.
    (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Act.
    (h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 186 (9) of the Act.
    (i) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.
    (j) Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act.

    The Company shall comply with the provisions of Sections 17, 71, 94, 117, 119, 136, 189, 190, 170, 171, and 186 and other applicable provisions of the Act and rules thereunder as to the supplying of copies of the Registers, deeds, documents, instruments, returns, certificates and books therein mentioned to the persons therein specified when so required by such persons, on payment of the charges, if any, prescribed by the said Sections.

Inspection of Registers

236. Where under any provision of the Act any person, whether a member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the Company, the person so entitled for inspection shall be permitted to inspect the same during the hours of 10 A.M. to 12 Noon on such business days as the Act requires them to be open for inspection.

WINDING UP

237. Subject to the provisions of Chapter XX of the Act and rules made thereunder
    (i) If the Company shall be wound up, whether voluntarily or otherwise the Liquidator may with the sanction of a Special Resolution, divide among the members, in specific or kind, the whole or any part of the assets of the Company and may, whether they shall consist of property of the same kind or not;
    (ii) for the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or difference classes of members;
    (iii) the liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.

RECONSTRUCTION

238. On any sale of the undertaking of the Company, the Board or the Liquidators on a winding up may, if authorised by a Special Resolution accept fully paid or partly paid up shares, debentures or securities of any other company, whether incorporated in India or not, either then existing or to be formed for the purpose in whole or in part of the property of the Company and the Board (if the profits of the company permit) or the Liquidators (in a winding up) may distribute such shares or securities or any other property of the Company amongst the members without realisation or vest the same in trustees for

them and any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefit or property, otherwise than in accordance with the strict legal rights of the members or contributors of Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up such statutory rights (if any) under Section 494 of the Act as are incapable of being varied or excluded by these Article.

SECRECY CLAUSE

239. Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

No Member to enter the premises of the Company without permission

240. No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

INDEMNITY

241. (1) Subject to the provisions of the Act, every director, managing director, whole time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expenses) which such director, manager, Company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

(2) Subject as aforesaid, every director, managing director, whole time director, manager, company secretary and other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

(3) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably

GENERAL

242. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

243. Any provisions contained in these Articles shall, to extent to which it is repugnant to the provisions of the Act or the Rules, become or be void, as the case may be without affecting other regulations contained in these Articles.

SECTION X – OTHER INFORMATION
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and agreements referred to in paragraph 'A' below (not being entered into the ordinary course of business carried on or intended to be carried on by the company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed to be material have been entered into by or on behalf of the company. Copies of these contracts together with copies of the documents referred to in Para (B) below have been attached with the offer document and delivered to the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, Ahmedabad for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company at 205, Pittalaya Bumba, Nr. Madhuram Cinema, Gheekanta, Ahmedabad-380001 between 10.00 a.m. and 4.00 p.m. on any working day until the Issue Closing Date.

A. MATERIAL CONTRACTS

1. MOU dated January 27, 2016 between the Company and Chartered Capital And Investment Ltd to act as Lead Manager to the Issue.
2. MOU dated February 1, 2016 between the company and Link Intime India Private Limited to act as the Registrar to the Issue.
3. Agreement dated [●] between the Company, the Lead Manager, the Banker to the Issue and the Registrar to the Issue.
4. Underwriting Agreement dated [●] amongst our Company, the Lead Manager and the Market Maker and Underwriter.
5. Market Making Agreement dated [●] amongst our Company, Market Maker and the Lead Manager.
6. Due Diligence Certificate dated [●] form the Lead Manager.
7. Tripartite Agreement dated January 28, 2016 between the Company, NSDL and Registrar to the Issue.
8. Tripartite Agreement dated January 5, 2016 between the Company, CDSL and Registrar to the Issue.

B. DOCUMENTS OF INSPECTION

1. Memorandum and Articles of Association including Certificate of Incorporation of the Issuer Company.
2. Copies of the special resolution passed by the shareholders at their meeting held on December 09, 2015 under section 62(1)(c) of the Companies Act, 2013 for going for Initial Public Offer.
3. Resolution passed by the Board of Directors dated November 17, 2015 for going for Initial Public Offer.
4. Resolution passed by the Board of Directors dated February 26, 2016 and [●] approving the Draft Prospectus, and Prospectus respectively.
5. Consents from the Directors, Lead Manager, Registrar to the issue, Banker to the issue, Banker to the company, Legal Advisor, Auditors, Underwriter, Market Maker, Chief Financial Officer and Company Secretary & Compliance Officer to act in their respective capacities.
6. Auditors Certificate dated December 30, 2015 regarding tax benefits available to the Company and their consent to include the same in the offer document.
7. Auditor's certificate dated January 25, 2016 regarding Sources and Deployment of the Funds incurred on the project and their consent to include the same in the offer document.
8. Report of the Statutory Auditor of the Company dated February 5, 2016 on the Standalone Restated Financial Statements of the Company for the Financial Year ended March 31, 2011, 2012, 2013, 2014 and 2015 and for the six months' period ended September 30, 2015 and their consent to include the same in the offer document.
9. Report of the Statutory Auditor of the Company dated February 5, 2016 on the Consolidated Restated Financial Statements of the Company for the Financial Year ended March 31, 2011, 2015 and for the six months' period ended September 30, 2015 and their consent to include the same in the offer document.
10. Resolution of the Board of Directors of the Company dated September 15, 2015 regarding formation of various committees.
11. Copies of the Annual Reports of the Company for the year ended March 31, 2011, 2012, 2013, 2014 and 2015 and Auditor's Report for the six months' period ended September 30, 2015. Copies of the Annual Reports of the Subsidiary Company i.e. Sagardeep Engineers Private Limited for the period/year ended March 31, 2012, 2013, 2014 and 2015 and Auditor's Report for the six months' period ended September 30, 2015.
12. Agreement dated December 31, 2011 between Company and Mr. Satishkumar A Mehta regarding his appointment as Managing Director of the Company.

13. Agreements all dated December 31, 2011 between Company and Mr. Asamal S Mehta, Mr. Jayeshkumar A Mehta and Mr. Harish A Mehta regarding their appointment as Whole Time Directors of the Company.
14. Copy of approval from NSE *vide* letter dated [●], to use the name of NSE in this offer document for listing of Equity Shares on NSE Emerge

DECLARATION

We declare that all the relevant provisions of the Companies Act, 1956/Companies Act, 2013 and the regulations/guidelines issued by the Government or the regulations/guidelines issued by the Securities and Exchange board of India established under section 3 of the Securities and Exchange board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 1956/Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956, Securities and Exchange board of India Act, 1992 or rules/regulations made or guidelines issued there under. We, the directors of the Company declare and confirm that all statements in this Draft Prospectus are true & correct.

We, the directors of the Company declare and confirm that no information / material likely to have a bearing on the decision of the investors in respect of the equity shares offered in terms of the Draft Prospectus has been suppressed/withheld and/or incorporated in the manner that would amount to misstatement /misrepresentation and in the event of it transpiring at any point of time till allotment/refund as the case may be that any information / material has been suppressed/ withheld and or amounts to misstatement /misrepresentation we undertake to refund the entire application money to all the subscribers within seven days thereafter without prejudice to the provisions of the section 34 of the Companies Act, 2013.

The Issuer accepts no responsibility for statements made otherwise than in the Draft Prospectus or in the advertisements or any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his/ her own risk

Signed by the Directors of the Company

Name and Designation	Signature
Mr. Satishkumar A Mehta Managing Director	
Mr. Asamal S Mehta Whole Time Director	
Mr. Jayeshkumar A Mehta Whole Time Director	
Mr. Harish A Mehta Whole Time Director	
Mr. Hemang M Panchal Non Executive Independent Director	
Mr. Hemendra B Patel Non Executive Independent Director	
Ms. Vinita P Maheshwari Non Executive Independent Director	
Mr. Nileshkumar D Patel Non Executive Independent Director	

Signed By the Chief Financial Officer, Mr. Bhavik R Somani

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Date: February 26, 2016
Place: Ahmedabad

ANNEXURE – A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY CHARTERED CAPITAL AND INVESTMENT LIMITED

Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing Date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th Calendar day from listing day	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing agreement	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th Calendar day from listing day	Benchmark index as on 30th calendar day from listing day (closing)
None	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA