



Supreme (India) Impex Limited

Our Company was incorporated as 'Supreme (India) Impex Limited' under the Companies Act, 1956 pursuant to a Certificate of Incorporation dated August 2, 1995, bearing registration number 026968 and Certificate of Commencement of Business dated August 21, 1995, both issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Our corporate identity number is U51100GJ1995PLC026968. For further details of our Company including change of registered Office, please refer to the chapters titled 'General Information' and 'Our History and Certain Corporate Matters' beginning on pages 55 and 152 respectively, of this Prospectus.

Registered Office: Plot No.823/2, Road No.8, GIDC, Sachin, Surat-394230, Gujarat, India. **Tel. No.:** +91 261 2399355; **Fax No.:** +91 261 2398398

Company Secretary and Compliance Officer: Deepika Karnani

Email: ipo@supremeexports.com; **Website:** www.supremeexports.com

PROMOTER : MR. JUGALKISHORE JHAWAR

PUBLIC ISSUE OF 13,12,000 EQUITY SHARES OF FACE VALUE OF RS 10.00 EACH ("EQUITY SHARES") OF SUPREME (INDIA) IMPEX LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS 60 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS 50.00 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS 787.20 LACS ("THE ISSUE"), OF WHICH 72,000 EQUITY SHARES OF FACE VALUE OF RS 10 EACH FOR CASH AT A PRICE OF RS 60 PER EQUITY SHARE, AGGREGATING RS 43.20 LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKERS TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 12,40,000 EQUITY SHARES OF FACE VALUE OF RS 10 EACH FOR CASH AT A PRICE OF RS 60.00 PER EQUITY SHARE, AGGREGATING TO RS 744.00 LACS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.84% AND 25.37% 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 60.00 IS 6 TIMES OF THE FACE VALUE.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process by 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 297 of this Prospectus. Qualified Institutional Buyers and Non-Institutional Investors shall compulsorily participate in the Issue through the ASBA process.

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 ("SEBI ICDR Regulations"). For further details please refer the section titled "Issue Structure" beginning on page 294 of this Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs 10.00 and the Issue price of Rs 60.00 per Equity Share is 6 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled "Basis for the Issue Price" beginning on page 87 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 14 of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through the Prospectus are proposed to be listed on the SME platform of National Stock Exchange of India Limited ("NSE") ("NSE EMERGE"). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this issue. However, our Company has received an approval letter dated March 3, 2015 from NSE for using its name in this offer document for listing of our shares on the NSE EMERGE. For the purpose of this Issue, SME Platform of the NSE EMERGE shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE



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

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
 E/2, Ansa Industrial Estate, Saki Vihar Road,
 Saki Naka, Andheri (East), Mumbai 400 072
 Maharashtra, India.
Tel: +91 22 4043 0200
Fax: +91 22-2847 5207
Website: www.bigshareonline.com
Email: ipo@bigshareonline.com
Investor Grievance Id: ipo@bigshareonline.com
Contact Person: Mr. Ashok Shetty
SEBI Registration No: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: MONDAY, MARCH 16, 2015

ISSUE CLOSES ON: WEDNESDAY, MARCH 18, 2015

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATION

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

Company Related Terms

Term	Description
“Company”, “our Company”, “Issuer”, “Company”, “we”, “us”, “our”	Supreme (India) Impex Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered office situated at Plot No.823/2, Road No.8, GIDC, Sachin, Surat - 394230, Gujarat, India.
Articles or Articles of Association or AoA or our Articles	The Articles of Association of our Company, as amended from time to time
Board, Board of Directors or our Board	The Board of Directors of our Company, duly constituted from time to time, including any committee thereof
Director(s)	The Director(s) of our Company
Memorandum, our Memorandum or Memorandum of Association or MoA	The Memorandum of Association of our Company, as amended from time to time
Group Entities	Such entities as are included in the chapter titled ‘ <i>Our Group Entities</i> ’ beginning on page 176 of this Prospectus
Promoter	Jugalkishore Jhawar
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 172 of this Prospectus
Registered Office	The registered office of our Company, situated at Plot No.823/2, Road No.8, GIDC, Sachin, Surat—394230, Gujarat, India.
RoC / Registrar of Companies, Gujarat	The Registrar of Companies, Gujarat, located at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.
Peer Reviewed Auditor	The peer review auditor of our Company being, M/s. R. T. Jain & Co., Chartered Accountants
Shareholders	Shareholders of our Company
Statutory Auditor / Joint Statutory Auditors	The statutory auditors of our Company, being, M/s. Soni Surana & Co., Chartered Accountants
Subsidiary	Utility Agrotech Industries Private Limited (Formerly Utility Aquatech Private Limited)

Issue Related Terms

Term	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	A successful applicant to whom the Equity Shares are being / have been allotted pursuant to this Issue
Banker(s) to the Issue/ Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account will be opened, in this case being ICICI Bank Limited and IndusInd Bank
Bankers to our Company	Such Banks which are disclosed as Bankers to our Company in the chapter titled ‘General Information’ beginning on page 55 of this Prospectus
Depositories	Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Designated Date	The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants
Designated Stock Exchange	NSE EMERGE
Draft Prospectus	The Draft Prospectus dated February 25, 2015 issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Equity Shares	Equity shares of our Company of face value of Rs 10 each, fully paid up, unless otherwise specified in the context thereof
Escrow Account(s)	Account opened/to be opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application.
Escrow Agreement	Agreement entered / to be entered into amongst our Company, Lead Manager, the Registrar to the Issue, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.

Term	Description
Issue	Public Issue of 13,12,000 Equity Shares of face value of Rs10 each fully paid up Rs 60 (including share premium of Rs 50) per Equity Shares aggregating to 787.20 Lacs by our Company.
Issue Agreement	The agreement dated February 24, 2015 entered into by our Company and the Lead Manager, pursuant to which certain arrangements are agreed to, in relation to the Issue.
Issue Closing date	The date on which Issue closes for subscription
Issue Opening Date	The date on which Issue opens for subscription
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 60/- per Equity Share of face value of Rs 10/- each fully paid
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs 787.20 Lacs
Lead Manager	Lead Manager to the Issue, in this case being Pantomath Capital Advisors Private Limited
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 72,000 Equity Shares of face value of Rs 10/- each fully paid for cash at a price of Rs 60/- per Equity Share aggregating Rs 43.20 lacs for the Market Maker in this Issue
Market Marking Agreement	Market Making Agreement dated February 24, 2015 between our Company, Lead Manager and Market Maker.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 12,40,000 Equity Shares of Rs 10 each at Rs 60 (including share premium of Rs 50) per Equity Share aggregating Rs. 744.00 Lacs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by our Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 82 of this Prospectus
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
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 XB of the SEBI ICDR Regulations.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue

Term	Description
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 containing, <i>inter alia</i> , the Issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Refund Account(s)	Account opened with a SEBI registered Banker to the Issue from which the refunds of the whole or part of the Application Amount (excluding to the ASBA Applicants), if any, shall be made
Refund Bank (s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Limited
Refunds through electronic transfer of funds	Refunds made through NECS, Direct Credit, NEFT or the ASBA process, as applicable
Registrar to the Issue	Registrar to this Issue, being Bigshare Services Private Limited, having registered office at E -2/3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai-400072
Retail Individual Applicant(s)	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs 2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
SME Listing Agreement	Equity listing agreements to be entered into by our Company with NSE EMERGE for listing on its SME Platform, including all amendments made thereto from time to time
Stock Exchange	Unless the context requires otherwise, refers to, the NSE EMERGE
Underwriters	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated February 24, 2015 entered into between the Underwriters and our Company
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday, and on which commercial banks in Gujarat and / or Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010.

Technical / Industry Related Terms / Abbreviations

Term	Description
ASEAN	Association Of South East Asian Nations
ASSOCHAM	Associated Chambers of Commerce and Industry of India
CAGR	Compound annual growth rate
Bn	Billion
DIPP.	Department of Industrial Policy and Promotion
EU	European Union
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
GDP	Gross Domestic Product
GIDC	Gujarat Industrial Development Corporation
GRDI	Global Retail Development Index
IBEF	Indian Brand Equity Foundation
IMF	International Monetary Fund
ISO	International Organization for Standardization
MFA	Multi Fiber Agreement
NTP	National Textile Policy
R&D	Research and Development

Conventional / General Terms / Abbreviations

Abbreviation/Acronym	Description
A/c	Account
AGM	Annual General Meeting
AIF or Alternate Investment Funds	As defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year; the period of twelve months commencing from the 1 st day of April every year
BPLR	Bank Prime Lending Rate
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 or such other replaced provisions under the Companies Act, 2013 as may be applicable
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director's identity number
DP	Depository Participant as defined under the Depositories Act
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortisation and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMI	Equated Monthly Instalment
EPS	Earnings per Share
ESIC	Employee State Insurance Corporation
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations framed there under, as amended
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FPI	Foreign Portfolio Investor, as defined under the FPI Regulations and registered with the SEBI under applicable laws in India
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
Financial Year / Fiscal / Fiscal Year / FY	Period of twelve months ended March 31 of that particular year, unless specifically stated otherwise
FIPB	Foreign Investment Promotion Board
FVCI	Foreign venture capital investor as defined in and registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
GIR Number	General Index Registry Number
GoI/ Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended from time to time

Abbreviation/Acronym	Description
I. T. Rules	The Income Tax Rules, 1962, as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offer
IRDA	Insurance Regulatory and Development Authority
IT	Information technology
Key Managerial Personnel / KMP	The officers declared as Key Managerial Personnel and as mentioned in the chapter titled ‘Our Management’ beginning on page 159 of this Prospectus
Ltd.	Limited
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended from time to time
MICR	Magnetic Ink Character Recognition
MNC	Multi National Company
MOU	Memorandum of Understanding
N.A.	Not Applicable
NAV	Net Asset Value being paid-up equity share capital plus free reserves (excluding reserves created out of revaluation, preference share capital and share application money) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of ‘profit and loss account’, divided by number of issued Equity Shares outstanding at the end of the Fiscal.
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NRE	Non Resident External Account
NRO	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
RoNW	Return on Net Worth
Rs./INR/Rupees	Indian Rupees, the legal currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, read with rules and regulations thereunder and amendments thereto and as amended from time to time
SEBI ICDR Regulations /	SEBI (Issue of Capital and Disclosure Requirements)

Abbreviation/Acronym	Description
ICDR Regulations / SEBI ICDR / ICDR	Regulations, 2009, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
SEBI Takeover Regulations/ Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
SSI Undertaking	Small Scale Industrial Undertaking
Sq. Ft.	Square feet
Sq. Mtrs.	Square meters
TDS	Tax Deducted at Source
TIN	Taxpayers Identification Number
U.S. or US or U. S. A.	The United States of America
US GAAP	Generally Accepted Accounting Principles in United States of America
UIN	Unique Identification Number issued in terms of SEBI (Central Database of Market Participants) Regulations, 2003, as amended from time to time
ULIP	Unit Linked Insurance Plan
UoI	Union of India
VAT	Value Added Tax
VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time
VCFs	Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations
WDV	Written Down Value Method for calculation of depreciation
W.e.f.	With effect from
YoY	Year over year

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

Notwithstanding the foregoing:

1. In the section titled '*Main Provisions of the Articles of Association*' beginning on page 348 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled '*Summary of Our Business*' and '*Our Business*' beginning on pages 43 and 114 respectively, of this Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled '*Risk Factors*' beginning on page 14 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
4. In the chapter titled '*Statement of Possible Tax Benefits*' beginning on page 90 of this Prospectus,

defined terms shall have the meaning given to such terms in that section;

5. In the chapter titled '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' beginning on page 241 of this Prospectus, defined terms shall have the meaning given to such terms in that section.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements for the period ended September 30, 2014 and Financial years ended March 31, 2014, 2013, 2012, 2011 and 2010 prepared in accordance with Indian GAAP, the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in this Prospectus, and set out in the section titled *'Financial Statements'* beginning on page 182 of this Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the period ended March 31 of that year. In this Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled *'Risk Factors'*, *'Our Business'* and *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* beginning on pages 14, 114 and 241, respectively, of this Prospectus and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act, 1956 and Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP.

Currency and units of presentation

In this Prospectus, unless the context otherwise requires, all references to;

- 'Rupees' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America.

All references to the word 'Lacs' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten Lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified.

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

FORWARD LOOKING STATEMENTS

All statements contained in this Prospectus that are not statements of historical facts constitute ‘forward-looking statements’. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in this Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to following:

- General economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Inability to control raw material cost and supply;
- Foreign exchange fluctuations;
- Our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- Our ability to manage our growth effectively;
- Our ability to retain our management team and skilled personnel;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in laws and regulations & government Policies relating to the industry in which we operate;
- Our ability to obtain permits or approvals in time or at all;
- Developments affecting the indian economy; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled ‘*Risk Factors*’, ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operation*’ beginning on pages 14, 114 and 241, respectively of this Prospectus.

Forward looking statements reflects views as of the date of this Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. None of our Company, its Directors, its officers, any Underwriter, the Lead Manager, or any of its affiliates have any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange.

SECTION II - RISK FACTORS

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

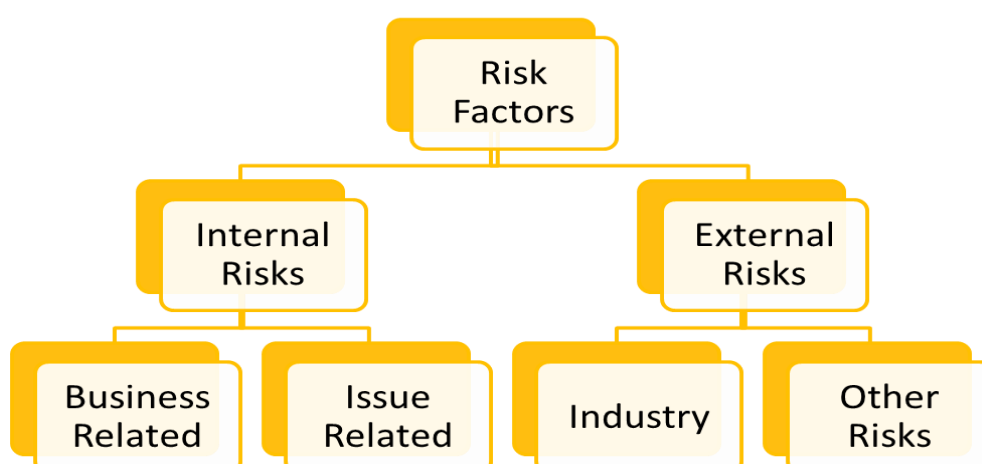
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 114, “Our Industry” beginning on page 99 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 241 respectively, of this Prospectus as well as other financial information contained herein.

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

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

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

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



INTERNAL RISKS

A. Business Risks

1. ***Our Company and certain of our Group Entities are involved in certain legal proceedings. Any adverse decision in such proceedings may render us / them liable to liabilities / penalties and may adversely affect our / their business and results of operations.***

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

(Rs. In Lacs)

Entity involved in the litigation	Civil/ Criminal cases	Securities/ Economic/ Tax Cases	Financial implications (Rs in lacs)	Potential Litigations	Financial implications (Rs in lacs)
Our Company					
Litigations against our Company	Nil	1	*Non Quantifiable	Nil	Nil
Litigations by our Company	1	3	39.85	Nil	Nil
Our Group Entities					
Litigations filed against our Group Entities	Nil	5	**Non Quantifiable	Nil	Nil
Litigations filed by our Group Entities	Nil	1	12.99	Nil	Nil

* Disallowance of Job charges of Rs. 82.69 Lacs was made and thus the financial implication of the same with respect to the tax liability is non quantifiable

** Disallowance of Job Charges and other expenses & Claims of Rs. 1457.54 Lacs was made thus the financial implication of the same with respect to the tax liability is non quantifiable

The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court / Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the tribunal where the case(s) is / are pending. Also financial implication of Civil and Criminal cases are non Quantifiable.

For further details regarding these legal proceedings, please refer to the chapter titled ‘*Outstanding Litigations and Material Developments*’ beginning on page 252 of this Prospectus.

2. *Our top four customers contribute around 99% to our revenue for the period ended September 30, 2014. Any loss of business from one or more of them may adversely affect our revenues and profitability.*

Our top four customers contribute around 99% to our revenues for the period ended September 30, 2014. However, the composition and revenue generated from these customers might change as we continue to add new clients in normal course of business. We believe that we have maintained good and long term relationships with our customers. However, there can be no assurance that we will continue to have such long term relationship with them also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations.

Our Company supplies to four major customers, who are dealer distributors, who in turn sells to end users. And as such, our customer base is wide, though indirect, i.e. through our direct dealer distributors. We have been associated with two of these dealers with more than a decade. These customers further sell the product under our brand only to the end users of our products and thus the brand name is maintained and there is wide customer spread. We intend to retain our customers by offering customized solutions to address specific logistics needs in a proactive, cost effective and time efficient manner. This will help us in providing better value to customers thereby increasing our engagement with our existing customer base that presents a substantial opportunity for growth. We are in process of exploring other geographical opportunities too.

3. *Promoter Group of our Company does not include the brother of our Promoter i.e. Mr. Nandkishore Jhawar, or entity(ies) in which Nandkishore Jhawar may have an interest.*

Mr. Nandkishore Jhawar, comes under the purview of “promoter group” under regulation 2(1)(zb) of SEBI (ICDR) as brother of Jugalkishore Jhawar. However due to family understanding and restructuring, neither Mr. Nandkishore Jhawar nor the entity(ies) promoted by him are included under the “promoter group”. A declaration dated January 19, 2015 has been provided by Mr. Nandkishore Jhawar, stating his unwillingness to be included in the “promoter group”. Apart from the said declaration, there are no formal disassociation arrangement between our Promoter and Mr.Nandkishore Jhawar.

Further Mr. Jugalkishore Jhawar and his group has given a declaration that the amount if any paid by him and his group as an interim measure, pending family settlement may be called back/refunded/adjusted/appropriated towards any other payment obligation(s) towards Mr. Nandkishore Jhawar and his group, as per their written instructions.

4. *Our cost of production is exposed to fluctuations in the prices of raw material like cotton, polyester and other Yarn & fabrics as well as its unavailability.*

We are exposed to fluctuations in the prices of raw material including cotton, polyester, other yarn & fabric etc. as well as its unavailability, particularly as we typically do not enter into any supply agreements with our suppliers and fabric are bought by our Company in the spot market. We may be unable to control the factors affecting the price at which we procure our raw material.

We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the

risk of our products becoming unaffordable for a segment of the demography, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. For further details of our procurement operations and our cost of production, refer “Our Business” on page 114 of this Prospectus. We have been sourcing raw material from domestic manufacturers since the inception and enjoy favourable terms from the suppliers both in prices as well as in supplies. Also, in order to reduce dependence on outside suppliers. We source materials from various suppliers and are not dependent on any one supplier.

5. *Reduction or termination of policies instituted to promote growth of the textile sector may adversely affect our business.*

The Government of India has instituted several policies to promote the growth of the Indian textile sector. These include interest rate subsidies, duty / Incentive schemes like duty drawback / duty entitlement pass book scheme. Our Company avails certain benefits under such promotional policies, the brief of which is provided under chapter titled “Key Industry Regulations and Policies” on page 140 of this Prospectus. Termination of or variation in the terms of such policy(ies) can adversely impact our profitability and/ or our business operations.

6. *We have incurred a substantial amount of indebtedness, which may adversely affect our cash flow and our ability to operate our business.*

As of September 30, 2014, we had Rs.17152.25 Lacs of short term borrowing and Rs. 521.91 Lacs of long term borrowing outstanding resulting into Debt Equity ratio ((Short term Debt + Long Term Debt)/(Share Capital + Reserves and Surplus)) of 3.72X. Our substantial indebtedness could have significant consequences to us such as:

- increasing our vulnerability to general adverse economic and industry conditions and adverse competitive and industry conditions and placing us at a competitive disadvantage to competitors that have less debt;
- requiring us to dedicate a substantial portion of our cash flow from operations and proceeds from any capital raising to payments on indebtedness, thereby reducing our cash flows for working capital expenditures, research and product development efforts, strategic acquisitions, investments and other general corporate requirements;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry and could limit our ability to pursue other business opportunities, borrow more money for operations or capital expenditures in the future and implement our business strategies; and
- increasing our interest expenditure, since a substantial portion of our debt bears interest at floating rates.

We may face challenge in servicing such high debt which could affect our business operations.

7. *Ours is a High Volume-Low Margin Business.*

Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of the products we sell, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to raw material procurement, timely sales / order execution and continuous cost control of non core activities. The table below gives details of our Operating Margins and Net Profit margin based on restated financials for the last five years.

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Total Income (Rs in lacs)	13937.40	17641.15	20613.99	28019.64	34198.48
EBITDA Margins (%)	5.81	6.29	7.25	6.66	6.31
PBT Margins (%)	1.89	2.33	2.50	2.10	2.18
PAT Margins (%)	1.20	1.52	1.65	1.41	1.46

For further details regarding the discussions and explanations for our past results, please refer to the chapter titled “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on page 241 of this Prospectus. Our inability to effectively control costs, manage our key business processes and sufficiently grow the business of the company could lead to lower operating profitability and hence we may not be able to service our debt, pay dividends to shareholders and ensure reasonable liquidity position of the Company.

8. Our Company has a substantial level of sundry debtors and high debtor days.

As of March 31, 2014 the aggregate amount owed to the Company by its debtors was Rs 17858.82 Lacs and debtors days i.e. (Trade receivables / Annual sales) x 365 days) was around 190 days as per restated financials. Client concentration coupled with high debt increase the credit risk of our business. General economic conditions may adversely affect the financial conditions of our debtors, and may result in defaults by some of these debtors. In the event of defaults by our debtors, we may suffer a liquidity shortfall and incur additional costs, including legal expenses, in recovering the sums due and payable to us. If we are unable to recover the sums due and payable to us, or if the recoveries made by us are significantly lower than the aggregate amount owed to us, it may have an adverse impact on our business, financial condition or results of operations.

In view of our management, generally the average debtors period in the industry which we operate is quite high. However, the longer transit time to ship the products to the end customers has resulted in high debtor days in our Company. Moreover, our Company did not have bad debts/unrealised debtors in recent past.

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

Our business is working capital intensive primarily on account of high debtor days and inventory levels. A significant portion of our working capital is utilized towards trade receivables. Summary of our working capital position is given below:-

(Rs. In lacs)

Particulars	For the year ended March 31					For the period ended September 30, 2014
	2010	2011	2012	2013	2014	
A. Current Assets						
a. Inventories	1,593.91	2,052.01	2,699.55	2,373.04	2,529.73	4,952.53
b. Trade Receivables	4,581.76	7,155.18	8,959.88	12,134.00	17,858.82	22,024.52
c. Cash and Cash Equivalents	840.33	689.08	950.48	1,495.14	749.37	1,004.51
d. Short Term Loans & Advances	2.00	12.70	12.71	14.97	14.14	171.16
e. Other Current Assets	6.85	15.91	73.97	68.81	69.31	27.87
B. Current Liabilities						
Short Term Borrowings	5593.00	7191.28	10025.82	13386.96	16481.44	17152.25
Trade Payables	565.26	1262.48	939.82	725.85	2899.10	8409.31

Particulars	For the year ended March 31					For the period ended September 30, 2014
	2010	2011	2012	2013	2014	
Working Capital (A-B)	866.58	1471.12	1730.94	3424.85	1840.33	2619.03
Inventories as % of total current assets	22.69	20.67	21.26	14.75	11.92	17.57
Trade receivables as % of total current assets	65.22	72.09	70.57	75.43	84.15	78.15

Our Working capital requirements are in line with the industry standards. The textile and apparel industry is working capital intensive and involves a lot of investment in trade receivables and inventory. We intend to continue growing by reaching to other geographical areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “*Objects of the Issue*” beginning on page 82 of this Prospectus.

10. Credit Rating of the Company.

The cost and availability of capital, amongst other factors, is also dependent on our credit ratings. We had been rated by Brickwork Ratings as BWR BB+ for long term debt and BWR A4+ for Short term debt through letter dated July 15, 2014. Ratings reflect a rating agency’s opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

11. Our Company has a negative cash flow in its operating activities as well as investing activities in the past 5 years, details of which are given below. Sustained negative cash flow could impact our growth and business.

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

Particulars	For The Year Ended					For the period ended September 30, 2014
	2010	2011	2012	2013	2014	
Cash Flow from / (used in) Operating Activities	(1,161.60)	(1,564.88)	(1,765.73)	(1,826.32)	(2,775.01)	994.72
Cash Flow from / (used in) Investing Activities	(232.55)	(88.21)	86.05	117.07	(24.38)	(55.18)
Cash Flow from / (used in) Financing Activities	1,531.76	1,501.84	1,941.08	2,253.92	2,053.62	(684.40)

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

12. We have contingent Liability in our balance sheet, as restated, as at September 30, 2014.

The following are the contingent liabilities in our balance sheet, as restated, as at March 31, 2014. If it actually occurs, it may adversely impact our financial condition

(Rs. In Lacs)

Particulars	As at September 30, 2014
Export Obligation Pending under EPCG License	Rs 427.49

Our Management believes that we have been fulfilling our export obligations consistently which is well above the average export obligations envisaged under this scheme.

13. We are subject to risks arising from exchange rate fluctuations.

Exporting of our goods helps us gain a foreign exchange earnings and outgo in terms of FOB value of exports. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect the Company to the extent of cost of goods rendered in foreign currency terms. Any adverse fluctuations with respect to the exchange rate of any foreign currency for Indian Rupees may affect the Company's profitability, since a part of its service is rendered in foreign currency.

14. Our future growth can be restricted by our limited manufacturing capacity.

We have manufacturing facility in Surat for apparel products. As on date of this Prospectus we have 3 Schiffly Machines which are running close to the installed capacity. Almost all our Schiffly work products are manufactured in-house at our manufacturing facility. We have also recently commenced in-house manufacturing of yarn doubling & Twisting. If we are unable to expand our manufacturing capacity in our facilities, we may not be able to tap growth opportunities in the apparel market. Outsourcing the manufacturing of our products may increase our cost of production, and may have an adverse impact on the quality of our products which may have an adverse impact on our results of operations. However our management believes that we have sufficient area which can be utilized for installing additional capacity. our Company can increase the manufacturing capacity by buying new machineries as and when required.

15. Set up of New Plant

The Company has received approval subject to terms and conditions vide letter dated February 06, 2015 from Government of India, Ministry of Commerce & Industry, Office of the Development Commissioner, Kandla Special Economic Zone for setting up a unit at Plot No. 15, in Surat Apparel Park - Special Economic Zone, Village Vanz, Sachin, Surat in the State of Gujarat for undertaking authorized operations, namely, Manufacturing

Sr.no	Items of Manufacture	Unit (in)	Annual Capacity
1.	Breeches & Short (other than swimwear);	Nos	5,00,000
2.	Trousers. Bib & Brace Overalls;	Nos	5,00,000
3.	Women or Girls Blouses, Shirts & Shirt, Blouses	Nos	5,00,000
4.	Nightdresses. Pyjamas, Neqliges, Bathrobe; and	Nos	5,00,000
5.	Garments.	Nos	5,00,000

In case the set up of the new plant at Apparel Park is not successful or does not provide the output as projected by the Company it may affect the growth of the Company. Also substantial amount of additional working capital may be required to operate the plant. Additionally we may require other Government Approval for setup of the Plant and failure to obtain such approvals may affect our business operations. Our inability to obtain the future requirements of additional working capital from our bankers, our internal cash flows would affect operations of our plant, revenues and profitability.

16. We have not registered our logo and our brands.

We operate in an extremely competitive environment, where generating brand recognition is significant element of our business strategy. Currently, our brands and Logo is not registered with any certifying authority and therefore we do not enjoy the statutory protection accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. As our logo is not registered, 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 and Other Approvals” beginning on page 267.

Sr. No	Word Mark/ Logo
1	
2	Bestex
3	Trendz
4	High Choice

There can be no assurance that we will be able to register the logo or our other trademarks or those third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill.

17. Some of our properties located at Kohinoor Market as described in Paragraph Property, mentioned in chapter, “Our Business” beginning on page number 114 of the Prospectus are in the name of our Directors, Jugalkishore Jhawar and Saritadevi Jugalkishore Jhawar, however the consideration for the said properties have been paid by our Company.

Our Company have purchased properties located at Kohinoor Market as described in Paragraph Property, mentioned in chapter, “Our Business” beginning on page number 114 of the Prospectus (“said Properties”). The said Properties have been purchased vide various Indentures of Conveyance (“Indentures”) from Dena Bank and Bank of India (“Banks”). The Banks had acquired the said Properties by virtue of the exercise of their rights as lender/mortgagee bank under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFESI Act”), consequent to the borrowers’ default and failure in discharge of their respective liabilities towards the Banks.

Due to inadvertence, the Indentures in respect of the said Properties have been registered in the names of our Directors, Jugalkishore Jhawar and Mrs. Saritadevi Jugalkishore Jhawar. However, our Company holds all free and irrevocable rights including the beneficial right, title and interest in the said Properties. Our directors, Mr. Jugalkishore Chhaganlal Jhawar and Mrs. Saritadevi Jugalkishore Jhawar will continue to do such acts, deeds, matters and things as are necessary with respect to the said Properties, for and on behalf of the Company, in accordance with the directions of the Board of Directors and subject to applicable laws. In this regard, Mr. Jugalkishore Jhawar and Mrs. Saritadevi Jugalkishore Jhawar have executed a Declaration-cum-Undertaking dated February 24, 2015. Further, the said Properties are currently let out on rental/leave and license basis, and the rental income is being received by our Company.

18. *We require certain statutory and regulatory approvals, registrations and licenses for our business and our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.*

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. Further, we may require new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals.

Failure to obtain and renew such registrations and approvals within statutory time frame attracts penal provisions. Further, such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations and may have a material adverse effect on our revenues, profits and operations and profits.

For details please refer to chapter titled “Government and Other Approvals” beginning on page 267 of this Prospectus

19. *Our Company could not retrieve the statutory records including Books of Accounts, Minutes Book etc for the period beginning from incorporation till March 2006.*

Our Company was incorporated as a public limited company on August 2, 1995 under the provisions of the Companies Act, 1956. A fire occurred at the Company office and certain statutory records of the Company were destroyed. Our Company lodged a first information report (FIR) with the jurisdictional police station therefor. Even, duplicate copies of records could not be retrieved from the then consultants who were handling the professional work of our Company. Further, our Company conducted a physical search at the offices of the RoC, Gujarat for obtaining certified copies vide letter dated November 07, 2014, but could not obtain any records there from. We have not received any notices from the ROC in respect of any non-compliance during the period from August 2, 1995 up to March, 2006, till date. However, we cannot assure that no penal action will be taken against us by any statutory authority. Further, our Company may not be in a position to attend to and / or respond appropriately to any legal or business matter due to lack of lost / destroyed records and to that extent the same could affect our Company adversely.

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

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

- a. The paid up capital of our Company was more than Rupees one crore after March 31, 2006 and pursuant to Section 297 of the Companies Act, 1956, our Company was required to take previous approval of Central Government before entering into any contract inter alia with a director of the company or his relative, a firm in which such a director or relative is a partner, or a private company of which the director is a member or director. However, our Company has not taken approval of Central Government before entering into such contracts.

- b. There is discrepancy in the data which is filed with the Registrar of Company with respect to the actual dates of Balance sheet and Profit and Loss account, signing of audit report, data filled in the E-Form etc in the past.
- c. We have in the past, not complied with the provisions of Section 314(1) of the Companies Act, 1956 with respect to appointment of relatives of directors to an “office or place of profit.” The said appointments had to be approved by the shareholders by passing special resolutions. If any office or place of profit is held in contravention of the provisions of Section 314 (1), the relatives of the directors shall be inter alia, deemed to have vacated his office as such, on and from the date next following the date of the general meeting of the Company and shall be liable to refund any remuneration received from the Company.

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

We have appointed a whole time Company Secretary with effect from 1 October, 2014 who shall look after the legal compliances of the Company and shall ensure the timely compliances in future.

21. *Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of our Company to that extent.*

Our Company may have not complied with certain accounting standards and Section 4A of The Payment of Gratuity Act, 1972, in the past. Although no show cause notice in respect of the same has been received by our Company till date. Any penalty imposed for such non-compliance could affect our financial conditions to that extent. In relation to gratuity we have not received any notice/communication from the relevant authority, for the previous defaults till date. Further, our Company has not obtain any insurance for its liability towards the payment for gratuity as prescribed under Section 4A of The Payment of Gratuity Act, 1972 from Life Insurance Corporation of India or any other prescribed insurer till date. However, now our Company is complying with all the accounting standards and has given effects in the Restated Financial Statements for such non compliances

22. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be impaired.*

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

23. *We do not own our Registered Office of our Company from which we operate.*

We do not own our Registered Office of our Company from which we operate. We have taken the premises where our registered office is located on lease from GIDC which is valid until June 7, 2089. Further, if we do not comply with certain conditions of the lease, GIDC may terminate the lease, which could have an adverse affect on our operations.

24. *Our lease agreement with GIDC requires us to obtain the prior consent/NOC of GIDC, in case of a change in constitution of the Company.*

As per Deed of Assignment dated April 5, 2007, in case of a change in constitution of the Company, which amounts to a transfer, the Company has to obtain the prior consent/NOC of GIDC. We have not obtained an NOC from GIDC in respect of the proposed IPO. GIDC may terminate the lease for failure to obtained prior consent/ NOC, which could have an adverse affect

on our operations. However, our management believes that in terms of GIDC Lease Deed, no such approval is required to be taken by our Company from GIDC for the proposed IPO.

25. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.*

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 17214.77 Lacs as on September 30, 2014. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse affect on business, financial condition or results of operations. For further information on the Financial Indebtedness please refer to page 234 of this Prospectus.

26. *Our Group Entity M/s Supreme (India) Overseas Corporation have incurred loss in the previous financial year.*

Sustained financial losses by our Group Entity may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations. Our Group Entity, *M/s Supreme (India) Overseas Corporation*, has incurred losses in previous years:

(Rs in Lacs)			
Particulars	For the period ended March 31, 2014	For the period ended March 31, 2013	For the period ended March 31, 2012
Partner's Capital	-404.37	-407.91	-362.13
Sales/ Income	421.90	787.39	306.21
Profit/ Loss	-1.36	2.20	0.26

There can be no assurance that our Group entity(ies), or any other ventures promoted by our Promoter, 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.

27. *Our results of operations may be materially adversely affected by our failure to anticipate and respond to changes in fashion trends and customer preferences in a timely manner.*

Our results of operations depend upon the continued demand by customers for our products and design. We believe that our success depends in large part upon our ability to anticipate, gauge and respond in a timely manner to changing fashion trends and customer's demands and preferences and upon the appeal of our products. If we are unable to anticipate customers preferences or industry changes, or if we are unable to modify our products on a timely basis, we may lose customers or become subject to greater pricing pressure. Further, while we send out our sample designs for compilation of orders, we start production for some designs without an order book. A decline in demand for our products, or a misjudgement on our part could, among other things, lead to lower sales, excess inventories and higher markdowns, each of which could have a material adverse effect on our reputation, results of operations and financial condition.

We have in place a design team that updates and forecasts fashion trends. Our team analyses the market trends and understands it. We believe that the lead-time in changing fashion trends is sufficient for the Company to formulate fashion strategy. The risk of changing fashion is mitigated through our product pricing and margin strategy for various customer preferences and shopping habits

28. *We operate in a highly competitive environment and may not be able to maintain our market position, which may adversely impact our business, results of operations and financial condition.*

The textile and apparel industry in particular, is highly and increasingly competitive and unorganised, and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations.

The textile segment which we cater to is fragmented and continues to be dominated by unorganised suppliers. We compete primarily on the basis of style, performance and marketing. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and offer customer a wide variety of apparels at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

Competition is prevalent in every market. Our products cater to a different segment of the market and do not impact our market share. With growing preference of the end user for branded/better quality products, there is an assured market for the products of our Company.

29. *Conflicts of interest may arise out of common business undertaken by our Company and our Group Entities.*

Our Group Entities, including, Jhawar International and Supreme (India) Overseas Corporation, are authorized to carry out business similar to that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Entities in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other companies in which our Promoter has interests. There can be no assurance that our Promoter or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

30. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.*

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 234 of the Prospectus

Though these covenants are restrictive to some extent to us however it ensures financial discipline, which would help us in the long run to improve our financial performance.

31. *We do not generally enter into agreements with our suppliers or manufacturers and accordingly may face disruptions in supply from our current suppliers or manufacturers.*

We generally do not enter into agreements with our suppliers including for cotton or yarn that we purchase, or with any of our third party manufacturers, and typically transact business on an order-by-order basis. There can be no assurance that there will not be a significant disruption in the supply of raw materials or finished products from current sources or, in the event of a disruption, that we would be able to locate alternative suppliers of materials or third party manufacturers of comparable quality at an acceptable price, or at all. Identifying a suitable supplier or a third party manufacturer is an involved process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices.

Further, we cannot assure you that our third party manufacturers will continue to be associated with us on reasonable terms, or at all. Since such third party manufacturers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such third party manufacturers, which may cause them to cater to our competitors alongside, or even instead of us. Any interruptions to the manufacturing operations of the third party manufacturers due to strikes, lock outs, work stoppages or other forms of labour unrest, break down or failure of equipment, floods and other natural disaster as well as accidents could affect our ability to receive an adequate supply of quality products at reasonable prices. Any delays, interruption or increased costs in the supply of fabric or manufacture of our products arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

32. *Continued operations of our manufacturing facility are critical to our apparel business and any disruption in the operation of our facility may have a material adverse effect on our business, results of operations and financial condition.*

Our manufacturing facility, at Surat, Gujarat is subject to operating risks, such as unavailability of machinery, break-down, obsolescence or failure of machinery, disruption in power supply or processes, performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Our machines have limited lives and requires periodic cleaning as well as annual over hauling maintenance. In the event of a breakdown or failure of such machinery, replacement parts may not be available and such machinery may have to be sent for repairs or servicing. This may lead to delay and disruption in our production process that could have an adverse impact on our sales, results of operations, business growth and prospects.

33. *Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and terrorism. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.*

Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, standard fire and special perils, earthquake (fire and shock), etc. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to terrorism (except as provided in the marine cargo insurance). There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

34. *Our Company is dependent on third party transportation providers for the delivery of raw materials/ finished products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations*

Our Company uses third party transportation providers for delivery of our raw materials and finished products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition raw materials/ finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

35. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.*

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 82 of this Prospectus.

36. *Our Company has unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.*

As on year ended September 30, 2014 our Company has unsecured loans amounting to Rs. 4.59 Crores from our Directors and other body corporates, etc that are repayable on demand by the relevant lenders. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

For further details of unsecured loans of our Company, please refer ‘Annexure XIV’ ‘Details of Long Term Borrowings as Restated’ of chapter titled “Financial Statements” beginning on page 182 under the chapter ‘Auditors’ Report and Financial Information of Our Company’ of the Prospectus.

37. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business

prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 181.

38. *Our Promoter and members of the Promoter Group have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.*

Our Promoter and members of the Promoter Group have provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

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

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

40. *Our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.*

We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Shortage of skilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations.

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

After completion of the Issue, our Promoter and Promoter Group will collectively own 64.95 % of the Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

42. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding, loans and dividend entitlement in our Company.*

Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding, loans and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 65 and 159, respectively, of this Prospectus.

43. *The shortage or non-availability of power may adversely affect the manufacturing processes and our performance may be affected adversely.*

Our manufacturing processes requires substantial amount of power. Our manufacturing facilities may face power interruptions due to power cuts and as a result our operations or financial condition may be adversely affected. Further the Company has Diesel Generator as back up for power arrangement.

44. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 82 of this Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.*

We intend to use entire fresh Issue Proceeds towards working capital needs and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in financial year 2014-15 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 82 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘Objects of the Issue’ beginning on page 82 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the utilisation of the proceeds of this Issue.

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

Our Company has entered into certain transactions with our related parties including our Promoter, the Promoter Group, our Directors and their relatives. While we believe that all such transactions have been conducted on the arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to section "Related Party Transactions" in Section "Financial Statements" beginning on page 182 of this Prospectus.

46. *We have not entered into any technical support service for the maintenance and smooth functioning of our equipment's and machineries, which may affect our performance.*

Our manufacturing processes involve daily use of technical equipment's and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our company has not entered into any technical support service agreements with any competent third party. Our failure to reduce the downtime in case such events occur may adversely affect our productivity, business and results of operations.

B: Issue Specific Risks

47. *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.

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

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

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

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

49. *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 based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 87 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

50. *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 this Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the 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.

51. *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.

EXTERNAL RISK FACTORS

A: Industry Risks:

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

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

53. *Any changes in regulations or applicable government incentives would materially adversely affect our Company’s operations and growth prospects*

The GoI has provided many incentives to the textile sector including the Technology Upgradation Fund Scheme (“TUFS”) under which 5 per cent of the interest cost is on finance of new machinery is reimbursed from the Ministry of Textiles, duty entitlement pass book scheme and duty drawback. These incentives could be modified or removed at anytime, or new regulations could be introduced applicable to our Company’s business, which could adversely affect our Company’s operations and financial results.

Our Company is also subject to regulations and textile policies, primarily in India. For further details, see the chapter titled “Key Industry Regulations and Policies” beginning on page 140 of the Prospectus. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

B: Other Risks

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

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

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

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax (“STT”) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a

recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

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

As stated in the reports of the Auditor included in this Prospectus under chapter “Financial Statements as restated” beginning on page 182, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

57. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.*

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

While facts and other statistics in the Prospectus relating to India, the Indian economy and the textile industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled ‘Our Industry’ beginning on page 99 of the Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

60. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the NSE EMERGE in a timely manner, or at all.*

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

61. *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.

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

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

63. *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 operation as well as the price of the Equity Shares.

Prominent Notes:

1. Our Company was incorporated as ‘Supreme (India) Impex Limited’ under the Companies Act, 1956 pursuant to a Certificate of Incorporation dated August 2, 1995, bearing registration number 026968 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Our Company received Certificate of Commencement of Business dated August 21, 1995 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. For information on changes in our Company’s name, Registered Office and changes in the objects clause of the MOA of our Company, please refer to the chapter titled “*Our History and Certain Corporate Matters*” beginning on page 152 of this Prospectus.
2. Public Issue of 13,12,000 Equity Shares of face value of Rs 10 each of our Company for cash at a price of Rs 60 per Equity Share (including a share premium of Rs 50 per equity share) (“Issue Price”) aggregating Rs 787.20 Lacs, of which 72,000 Equity Shares of face value of Rs 10 each will be reserved for subscription by Market Makers to the Issue (“Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Issue of 12,40,000 Equity Shares of Rs 10 each is hereinafter referred to as the “Net Issue”.
3. The Issue and the Net Issue will constitute 26.84 % and 25.37%, respectively of the post Issue paid up equity share capital of the Company.
4. Investors may contact the Lead Manager and the Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Compliance Officer, please refer to chapter titled “*General Information*” beginning on page 55 of this Prospectus.
5. The pre-issue net worth of our Company was Rs 4749.79 Lacs, Rs 4477.87 Lacs, Rs 3519.05 Lacs, Rs 3085.22 Lacs and Rs. 2626.35 Lacs for the period ended September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, respectively. The book value of the Equity Shares of our Company was Rs 132.89 per equity share, Rs 140.97 per equity share, Rs 112.47 per equity share, Rs 103.08 per equity share, Rs.106.90 per equity share & Rs 85.27 per equity share for the period ended September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 respectively. For further details, please refer to section titled “*Financial Statements*” beginning on page 182 of this Prospectus.
6. The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

Name of the Promoter	Average cost of acquisition (in Rs)
Jugalkishore Jhawar	31.21

For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled “*Capital Structure*” beginning on page 65 of this Prospectus.

7. Our Company has entered into related party transactions for the financial year ended September 30, 2014 & March 31, 2014. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer “*Annexure XIX*” *Related Party Transaction*” under chapter titled “*Financial Statements as Restated*” beginning on page 182 of this Prospectus.
8. There has been no capitalisation of our reserves since inception.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialised form only.
10. Except as stated in the chapter titled “*Our Group Entities*” beginning on page 176 and chapter titled “*Related Party Transactions*” beginning on page 180 of this Prospectus, our group entities have no business interest or other interest in our Company.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus with the Board.

12. For information on the changes of the objects clause of the Memorandum of Association of our Company, please refer chapter titled *“Our History and Certain Other Corporate Matters”* beginning on page 152 of this Prospectus.

Any clarification or information relating to the Issue shall be made available by the Lead Manager and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the Lead Manager for any complaints, information or clarifications pertaining to the Issue.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 14 and 182 respectively of this Prospectus before deciding to invest in our Equity Shares.

OVERVIEW OF INDIAN TEXTILE INDUSTRY

Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country. It contributes about 14% to the industrial production, 4% to the GDP and 11% to the country's export earnings. The textile sector is the second largest provider of employment after agriculture. Textile sector in India provides direct employment to over 45 million people and holds the second position after the agriculture sector in providing employment.

Growing at a rapid pace, the Indian Market is being flocked by foreign investors exploring investment purposes and with an increasing trend in the demand for textile products in the country, a number of new companies and joint ventures are being set up in the country to capture new opportunities in the market

Source www.ibef.org

The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during the Twelfth Five Year Plan (2012-17) puts India's exports of textiles and clothing at US\$ 64.41 billion by the end of March 2017. In global clothing exports, India ranked ninth as per World Trade Organization (WTO) data 2012 (latest), with China, the EU, and Hong Kong occupying the first three slots. In global textile exports, India ranked third, trailing China and the EU. The import content of India's textile exports is very low, limited to certain specialty fibers and accessories.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other. The decentralized power looms / hosiery and knitting sector form the largest section of the Textiles Sector. The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison with the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

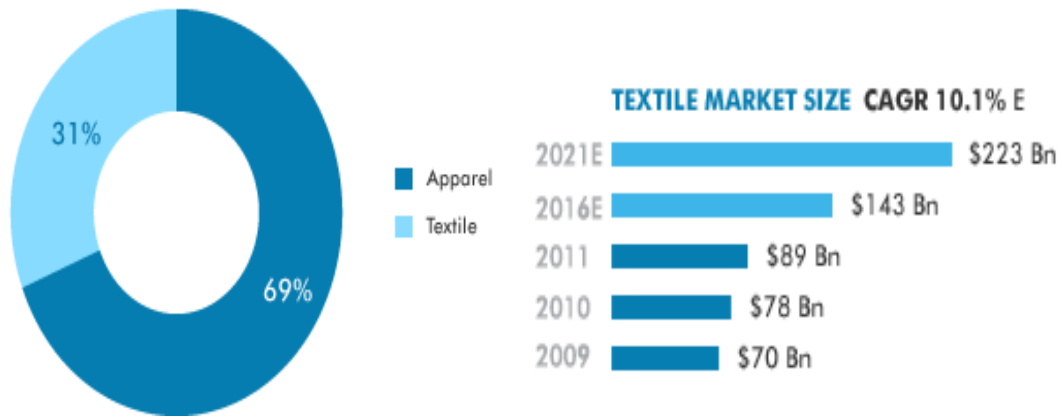
The major sub-sectors that comprise the textiles sector include the organized Cotton/Man-Made Fibre Textiles Mill Industry, the Man-Made Fibre/Filament Yarn Industry, the Wool and woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles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

The Indian textile industry is vertically integrated from raw material to finished products, i.e. fiber to retail. The government has been providing liberal assistance to the sector under the Technology Upgradation Fund Scheme (TUFS). Under TUFS, since inception till 31 March 2014 investment of more than Rs.2,50,000 crore has been made in the sector and Rs.18,579.40 crore has been released towards subsidy. The Scheme for Integrated Textile Parks (SITP) is a strategic initiative to help set up integrated parks equipped with world-class infrastructure facilities in industrial clusters/locations with

high growth potential. The proposal for continuation of the SITP Scheme in the Twelfth Five Year Plan with an allocation of Rs.1900 crore, which includes an additional grant for apparel-manufacturing units under the SITP, has been approved by the Cabinet Committee on Economic Affairs (CCEA). An allocation of Rs300 crore was made in 2013-14, later revised to Rs.140 crore, of which Rs.111 crore was disbursed.

Source: Annual Report 2013-2014, Ministry of Textiles and Economic Survey 2013-2014.

The size of India's textile market is expected to expand at a CAGR of 10.1 per cent over 2009-21. In 2012, apparel had a share of 69 per cent of the overall market; textiles contributed the remaining 31 per cent.



Market Size

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. Abundant availability of raw materials such as cotton, wool, silk and jute and skilled workforce has made India a sourcing hub.

India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to eight per cent and reach US\$ 80 billion by 2020.

Textile exports in FY15 are expected to grow by 25 per cent to US\$ 50 billion, according to Mr Santosh Kumar Gangwar, Minister of State with Independent Charge for Textiles, Government of India.

The most significant change in the Indian textile industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. MMF production increased by 9 per cent during April 2014. Cotton yarn production increased by 2 per cent during April 2014. Cloth production by mill sector and powerloom sector increased by 5 per cent and 6 per cent respectively during April 2014. Total cloth production increased by about 2 per cent during the same month.

Further, the Government of India plans to launch US\$ 44.21 million missions for promotion of technical textiles, while the Ministry of Finance has cleared setting up of four new research centres for the industry, which include products such as mosquito and fishing nets, shoe laces and medical gloves.

The global technical industry is estimated at US\$ 127 billion and its size in India is pegged at US\$ 11 billion.

LONG-TERM OUTLOOK

Vision 2024-25

- Over the last 10 years, India's textile and apparel exports have grown at the rate of 11%. After the phasing out of export quotas in 2005 India's export performance has been below expectations.
- There is no reason why India, provided it takes the necessary steps, cannot achieve 20% growth in exports over the next decade. In the domestic market, sustaining an annual growth rate of 12% should not be difficult.
- This implies that with a 12% CAGR in domestic sales the industry should reach a production level of US\$ 350 billion by 2024-25 from the current level of about US\$ 100 billion for the domestic market.
- With a 20% CAGR in exports India would be exporting about US\$ 300 billion of textile and apparel by 2024-25. India should by then have a market share of 20% of the global textile and apparel trade from the present level of 5%.
- During this period India should attempt a structural transformation whereby it exports only finished products. This would imply that growth rates in exports of fibre and yarn start declining and growth rates of apparel, homes furnishing, technical textiles and other finished products should grow very rapidly. This would maximise employment generation and value creation within the country. In the process, investment of about US\$ 120 billion would take place and about 35 million additional jobs would get created.

Strategy

- Achieving Scale across the Value Chain:
It would be necessary to attract large scale investment to establish world class manufacturing set-ups at each level of the value chain. The advent of large manufacturing set ups which will be able to realize economies of scale will help India in achieving global competency. Large scale capacity additions will enable India to achieve the targets of higher global trade share and generate significant employment opportunities in the sector.
- Attract Investment into the Sector
The sector needs to get US\$ 120 billion investment for achieving the size of US\$ 650 billion by 2024-25. This is a formidable challenge. Attracting new entry, both through start-ups and FDI is essential and would need to be given focused attention
- Skill, Quality and Productivity
The Ministry of Textiles needs to evolve a credible mechanism for tracking improvements in quality and productivity across the value chain as well as across individual enterprises. A program for assisting individual firms in improving on both parameters needs to be implemented.
- Promoting Innovation and R&D
The Indian textile and apparel sector is known for its traditional products. India is yet to make its presence felt on the global stage with brands, chains, products and processes. Without innovation and R&D this would not happen. Government and industry need to work in partnership for this transformation. Business process innovation, in terms of, building brands and creating designs should be the immediate priority.

- Partnership with State Government

To achieve full potential the schemes and programmes of the Ministry of Textiles need the cooperation and support of the State Governments. The initiatives of the Central and State Governments need to complement each other for the attainment of the shared national objective

Action Plan

- Attract Investment into the Sector.

Cluster specific SPVs should be promoted in partnership with the State Governments. The SPVs for this purpose should be not-for-profit institutions which may get seed money from the Ministry of Textiles. The SPV could also choose to operate in the PPP mode. SPVs will purchase latest technology machines and lease them to weavers or knitters. The SPVs through bulk purchases should be able to get reasonable discounts from the machine manufacturers. Being promoted by the Ministry of Textile and the State Government, the SPVs should be able to raise debt at attractive rates for their operations. If necessary their debt could be guaranteed jointly by the Central and State Governments in the initial phase of operations till the track record would warrant the withdrawal the Government guarantees. To the extent feasible, new work-sheds may also be created for which land would need to be arranged for the SPVs by the State Government. The real income of the weaver after paying for the EMI to the SPV should increase adequately for the Scheme to be a real success. 4 to 5 pilot projects of this nature should be taken up initially. Accordingly the interest subsidy subvention would need to be calibrated. After the learning of few pilot projects, a robust delivery mechanism should be in place over the next 2 years. Thereafter, the programme should be scaled up to ensure complete replacement of old looms with modern shuttleless looms over the next 5 to 7 year.

- Skill, Quality and Productivity

It is necessary to ensure that in the next 3 years, the entire new workforce entering the sector is formally trained and certified. It is recommended that the existing skill development initiatives through the Sector Skill Council should be appropriately scaled up in partnership with the industry.

- a) It is recommended that fee paid by textile and apparel sector companies to professional agencies for skill development should be eligible for tax relief.
- b) it is recommended that there should be universal coverage of all textile workers and handicraft artisans under Rashtriya Swasthya Beema Yojana (RSBY) within next 5 years

- Promoting Innovation and R&D

- a) Creation of global brands should be supported by Ministry of Textiles financially.
- b) It is recommended that FDI in single and multi-brand retail for Indian apparel brands only may be permitted in the automatic route.

Source: Report on Vision, Strategy and Action Plan for Indian Textile and Apparel Sector, Ministry of Textiles.

KEY DEMAND DRIVERS



1. Rising Demand in Exports

- The total value of textile products exported from India was estimated at US\$ 40 billion in FY 2013.
- India has overtaken Italy and Germany, and is now the second largest textile exporter in the world.
- India was the third-largest supplier of textiles and clothing to the US in 2013, contributing about 6.01 per cent of its total imports.

Source: www.ibef.org

2. Robust demand:

- The Indian textiles industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The industry is expected to reach US\$ 220 billion by 2020, according to estimates by Alok Industries Ltd

3. Increasing investments:

- For the textiles industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers. It will also bring in greater investments along the entire value chain – from agricultural production to final manufactured goods.

4. Competitive advantage:

- Abundant availability of raw materials such as cotton, wool, silk and jute gives India advantage over other countries. India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to major textile producers

5. Policy Support

- 100% FDI in textile sector
- Government setting up Scheme for Integrated Textile Parks(SITP)
- Increasing loans under Technology Upgradation Fund Scheme.
- Launch of ‘Make In India’ campaign by The Prime Minister, Mr. Narendra Modi

6. Favourable Conditions in India

- The ready availability of a large and low-cost labour force, adequate supply of raw material and advanced spinning capacities play an important role in positioning India as a textile hub.
- The presence of state-of-the-art manufacturing capacity across the entire value chain (yarn, fabric, as well as garments) gives the Indian cotton industry an edge over others.
- The Indian textile industry is fast adopting best practices in benchmarking, human resource development, best management practices and quality certifications.

SUMMARY OF OUR BUSINESS

Our Company, promoted by Mr. Jugalkishore Jhavar is engaged in textile sector. Our Company was incorporated as 'Supreme (India) Impex Limited' under the Companies Act, 1956 vide Certificate of Incorporation dated August 2, 1995 bearing registration number 026968 issued by the Registrar of Companies, Ahmedabad. Our Company received Certificate for "Commencement of Business" on August 21, 1995. The corporate identity number of our Company is U51100GJ1995PLC026968. Our registered office is situated at Plot No 823/2, Road No.8, GIDC, Sachin, Surat, Gujarat- 394230.

Our Company has ventured in highly value added textile sector catering to the international market, and has successfully transformed into a textile exporter mainly comprising women's clothing. SIIL offers value-added work such as handwork, sequencing and embroidery on fabrics. We have recently diversified its presence into Multi Ply Yarn which is used in making home furnishing items like Carpets, terry towels, fashion fabrics and others. The company has secured LoP for Apparel & Garment manufacturing from GOI at its Apparel park unit

Our Company was incorporated in 1995 and in less than two decades has achieved a turnover of more than Rs. 300 crores. The Company has not only established its footings in domestic markets but also explored international markets. This has been possible through efficient production capacity, marketing of our products and our ability to incorporate new design in its range.

The Company has secured an ISO Certification - ISO 9001:2008 in 2010-2011. The growth of the Company has been fuelled by the volume of its activities that span across various textile segments—fabrics, apparels, garments, dress materials etc.

OUR MANUFACTURING FACILITY AND BUSINESS PROCESS

Our manufacturing plant is situated at Supreme House, 823/2, Road No. 8, GIDC, Sachin, Surat. Our Company is having the infrastructural facilities admeasuring on land of 2881 sq. mtrs. with power connection and a skilled work force and labour force. The group is having managerial team consisting inter alia of second generation management as well as technical experts.

Our manufacturing plant is equipped with the below mentioned machinery:

1. Schiffli Machines
2. Yarn Doubling & Twisting Machines

OUR SPECTRUM OF PRODUCTS

Sarees



Our range of sarees include designer sarees, ethnic sarees, embroidered sarees, printed sarees, silk sarees, and handloom sarees. Our team of designers offer tailor-made products as per customer specification. Special attention to customer requirements and designs portrays a reflection of Indian culture in our products.

Salwaar Suits

Our salwaar suits aims to exhibit style and authenticity. We offer our products at an affordable cost to our esteemed customers. We specialise in core areas of style and designs like decoration cuts, curves, patches, embroidery, work, thread work, sippy work, and glass work.



Fabrics



Our fabric line features an extensive range of dyed fabrics, knitted fabrics, printed fabrics and cotton fabrics covering a vast assortment of woven fabric. Our Company's Sourcing and Design Department attempts to satisfy going on customer requirements.

Embroidery Accessories

Embroidery embellishes a fabric and it has been around for generations. Hand-embroidery and Eyelet embroideries were done in the past. As technology took over human lifestyle, embroidery has come within easy reach of a common man. Embroidery is done on a range of casual and high fashion fabrics in cotton, silk, polyester, viscose, linen, tulle, net and organza. We use embroidery thread manufactured from cotton, novelty yarns, silk, etc. besides accessories right from trendy casuals to elaborate bridal wear.



Yarn Doubling & Twisting



Yarn doubling & twisting has been recently started by us. Our Company purchases yarn; doubles and twists it as per the customer specific requirements. Doubled and twisted yarns are manufactured and generally exported to foreign countries. Thread is doubled to make warp, and it is invariably used for the manufacture of knitting yarn, crochet yarn and sewing yarn.

OUR STRENGTHS

Customer focus, designs, marketing strategies and adherence to fair practices have always been the cornerstone of the Company's philosophy.



1. **Customer Focus:** Our Company's efforts have been directed towards highest levels of customer satisfaction. The progress achieved by us is largely due to our ability to address customer satisfaction. Our Company has always believed in assessing the changing consumer preferences from time to time and redesigning our products accordingly by continuously acquiring new skills and technical know-how. The management of the Company is well acquainted with European, African, South Asian Markets including Indonesia, Singapore, Hong Kong, with a thrust on the African continent resulting in increase in turnover over the years.
2. **Creativity:** Our Company has always been driven by the quest to develop something new and constantly strives to develop better products which appeal to our constantly growing customer base. This spirit has helped us to evolve as a trendsetter in our field of operations. Our Company's forte lies in its ability to translate its vision into realities using , technology and personnel who successfully supervise each new venture undertaken.
3. **Integrity:** Our Company has always ensured adherence to fair trade practices and high levels of integrity. We believe in ethical behavior with all our customers, employees and external dealings. The inner zeal and hard-core efforts of the management puts the Group as a forerunner in the field of textile export business.
4. **Growth:** Our Company believes in sustained growth with stability. We aspire to develop such a business strategy that shall propel growth along with increased market presence both in national and international markets. The aim is to make 'Supreme' a dynamic, successful and highly competent business house and a force to reckon with in the industry.
5. **Leveraging the experience of our Promoter:** Our Promoter Mr Jugalkishore Jhavar has more than 25 years of experience in the field of apparels, garments and textile which has contributed significantly to the growth of our Company

6. **Economies of Scale:** We have been registering consistent growth in volumes leading to higher economies of scale. Our Company was awarded Three Star Export House Status by Ministry of Commerce.
7. **Technology:** Our Company has invested significant resources in technological capabilities and has developed a scalable technology system.
8. **Quality of Service:** Our Company has been accredited with “ISO 9001:2008” Certification for quality system by SG Certification Private Limited for manufacturing and export of fabrics. We adhere to quality standards as prescribed by our customers; hence we get repetitive orders from our buyers, as we are capable of meeting their quality standards, which enables us to maintain our brand image in the market.

SUMMARY OF OUR FINANCIAL STATEMENTS
STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED
(Rs. in Lacs)

SR. NO .	PARTICULARS	AS AT MARCH 31,					AS AT SEPTEMBER 30TH, 2014
		2010	2011	2012	2013	2014	
1)	Equity & Liabilities						
	Shareholders Funds						
	a. Share Capital	245.54	299.27	312.87	317.53	357.53	357.53
	b. Reserves & Surplus	1,457.93	2,327.08	2,772.35	3,201.52	4,120.34	4,393.87
2)	Share Application money pending allotment	-	-	-	-	16.99	-
3)	Non Current Liabilities	-	-	-	-	-	-
	a. Long Term Borrowings	457.65	299.27	180.08	337.36	281.07	521.91
	b. Deferred Tax Liabilities	76.97	97.51	113.20	123.78	136.24	130.79
	c. Long Term Provisions	6.19	8.82	12.44	16.70	19.80	22.49
4)	Current Liabilities	-	-	-	-	-	-
	a. Short Term Borrowings	5,593.00	7,191.28	10,025.82	13,386.96	16,481.44	17,152.25
	b. Trade Payables	565.26	1,262.48	939.82	725.85	2,899.10	8,409.31
	c. Other Current Liabilities	151.76	170.48	158.50	169.51	209.94	366.88
	d. Short Term Provisions	83.36	98.70	107.63	95.46	86.43	137.70
	T O T A L (1+2+3+4)	8,637.64	11,754.91	14,622.71	18,374.66	24,608.88	31,492.73
5)	Non Current Assets						
	a. Fixed Assets						
	i. Tangible Assets	1,366.18	1,517.57	1,524.48	1,526.40	1,699.19	1,804.07
	ii. Intangible Assets	2.12	2.37	2.50	3.47	3.47	3.47
	Less: Depreciation	125.08	205.26	281.17	359.15	429.95	559.55
	Net Block	1,243.22	1,314.69	1,245.82	1,170.72	1,272.71	1,248.00
	iii. Capital Work In Progress	-	-	-	-	-	1.69
	a. Non Current Investment	0.42	0.42	0.42	0.42	1.34	1.34
	b. Long Term Loans & Adv.	369.16	514.92	679.89	1,117.56	1,062.40	1,008.45
	c. Other Non Current Assets	-	-	-	-	-	1.61
6)	Current Assets	-	-	-	-	-	-
	a. Current Investments	-	-	-	-	1,051.05	1,051.05
	b. Inventories	1,593.91	2,052.01	2,699.55	2,373.04	2,529.73	4,952.53
	c. Trade Receivables	4,581.76	7,155.18	8,959.88	12,134.00	17,858.82	22,024.52
	d. Cash and Cash Equivalents	840.33	689.08	950.48	1,495.14	749.37	1,004.51
	e. Short Term Loans & Adv.	2.00	12.70	12.71	14.97	14.14	171.16
	f. Other Current Assets	6.85	15.91	73.97	68.81	69.31	27.87
	T O T A L (5+6)	8,637.64	11,754.91	14,622.71	18,374.66	24,608.88	31,492.73

STANDALONE SUMMARY STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs. In Lacs)

SR · N O.	PARTICULARS	FOR THE YEAR ENDED MARCH 31,					FOR THE PERIOD ENDED SEPTEMB ER 30, 2014
		2010	2011	2012	2013	2014	
A	INCOME						
	Revenue from Operations	13,926.26	17,639.22	20,535.53	27,857.43	34,175.73	18,545.48
	Other Income	11.14	1.94	78.46	162.21	22.75	324.52
	Total Income	13,937.40	17,641.15	20,613.99	28,019.64	34,198.48	18,870.00
B	EXPENDITURE	-	-	-	-	-	-
	Cost of materials consumed	11,393.89	13,944.29	17,970.18	22,728.86	30,762.47	17,429.35
	Purchase of stock-in-trade	-	-	186.89	644.74	292.00	256.14
	Changes in inventories of finished goods, traded goods and work-in-progress	227.95	842.96	(1,364.38)	1,016.17	(1,078.53)	(1,396.22)
	Employee benefit expenses	161.35	247.45	166.59	180.86	178.81	127.66
	Finance costs	474.49	618.14	902.90	1,200.04	1,341.55	886.96
	Depreciation and amortisation expense	71.74	80.18	75.91	77.98	70.80	129.62
	Other Expenses	1,344.54	1,497.41	2,160.21	1,581.82	1,886.28	1,004.22
	Total Expenses	13,673.97	17,230.43	20,098.31	27,430.47	33,453.38	18,437.73
	Profit before prior period items	263.43	410.72	515.68	589.16	745.10	432.27
	Prior period items (Net)	-	-	-	-	-	-
	Profit before exceptional, extraordinary items and tax	263.43	410.72	515.68	589.16	745.10	432.27
	Exceptional items	-	-	-	-	-	-
	Profit before extraordinary items and tax	263.43	410.72	515.68	589.16	745.10	432.27
	Extraordinary items	-	-	-	-	-	-
	Profit before tax	263.43	410.72	515.68	589.16	745.10	432.27
	Tax expense :	-	-	-	-	-	-
	(i) Current tax	(67.17)	(118.52)	(155.46)	(184.51)	(233.05)	(164.18)
	(ii) Deferred tax	(29.63)	(20.54)	(15.68)	(10.58)	(12.46)	5.44
	(iv) (Short)/Excess provision for earlier years	-	(2.94)	(3.49)	(0.03)	(0.05)	-
		(96.80)	(142.00)	(174.64)	(195.13)	(245.56)	(158.74)
	Profit for the year	166.62	268.72	341.05	394.04	499.54	273.53
	Earning per equity share(face value of Rs.10/- each): Basic and Diluted (Rs.)	8.34	10.94	11.39	12.59	15.73	7.65

STANDALONE SUMMARY STATEMENT OF CASH FLOW AS RESTATED

(Rs. In Lacs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31,					Period Ended September 2014
	2010	2011	2012	2013	2014	
1. CASH FLOW FROM OPERATING ACTIVITIES :						
Net profit before tax for the year	263.43	410.72	515.68	589.16	745.10	432.27
Adjustments for :						
Interest paid and Bank Charges	491.52	673.64	990.88	1301.38	1460.69	886.96
Interest income	(53.55)	(98.06)	(94.26)	(108.42)	(124.38)	(32.68)
Depreciation	71.74	80.18	75.91	77.98	70.80	129.60
(Profit)/ Loss on Sale of fixed assets	2.58	0.00	0.15	0.00	-1.28	0.00
Provision for Gratuity	6.44	2.85	3.68	4.08	3.62	2.71
Loss / (Gain) on Foreign Exchange	-	-	-72.75	-	-	
Dividend Income	-	-	(0.13)	(0.13)	(0.25)	0.00
Rental income	0.00	0.00	(5.58)	(11.42)	(22.50)	(15.16)
Operating profit before working capital changes	782.16	1069.32	1413.58	1852.64	2131.80	1403.70
Movements in working capital:						
Decrease / (Increase) in Trade receivables	(1267.97)	(2573.42)	(1804.70)	(3174.12)	(5724.82)	(4165.70)
Decrease / (Increase) in Inventories	(119.71)	(458.10)	(47.54)	326.51	(56.69)	(2422.80)
Increase / (Decrease) in Trade payables	(524.83)	686.20	(378.15)	(213.97)	2,197.98	5,510.21
Increase / (Decrease) in Short Term Borrowings and Provisions	-	-	9.30	(8.96)	(2.57)	826.62
Decrease / (Increase) in Loans and Advances and Other Current Assets	34.93	(118.94)	(207.90)	(434.89)	(996.49)	(65.17)
Cash generated from operations	(1,095.42)	(1,394.94)	(1,615.42)	(1,652.79)	(2,550.80)	1,086.86
Net Income Tax paid / refunded	66.19	174.54	150.31	173.53	224.22	92.14
Cash from operating activities before extra-ordinary items	(1,161.60)	(1,569.48)	(1,765.73)	(1,826.32)	(2,775.01)	994.72
Extra Ordinary Items	-	4.60	-	-	-	-
Net cash from operating activities (A)	(1,161.60)	(1,564.88)	(1,765.73)	(1,826.32)	(2,775.01)	994.72

PARTICULARS	FOR THE YEAR ENDED MARCH 31,					Period Ended September 2014
	2010	2011	2012	2013	2014	
2. <u>CASH FLOW FROM INVESTING ACTIVITIES :</u>						
Purchase of fixed assets	(290.42)	(158.25)	(64.96)	(2.89)	(225.50)	(106.57)
Sale of fixed assets	4.32	6.60	51.04	-	54.00	-
Rental income	-	-	5.58	11.42	15.38	15.16
Dividend Income	-	0.12	0.13	0.13	0.25	-
Interest income	53.55	63.32	94.26	108.42	124.38	36.23
Miscellaneous Income	-	-	-	-	7.12	-
Net cash used in investing activities (B)	(232.55)	(88.21)	86.05	117.07	(24.38)	(55.18)
3. <u>CASH FLOW FROM FINANCING ACTIVITIES :</u>						
Proceeds from issue of share capital	615.00	671.61	136.00	58.25	480.06	-
Net Increase/(Decrease) in Borrowings	1,619.24	1,515.18	2,742.79	3,515.28	3,038.20	242.39
Increase/ (Decrease) in Share Application Money	(200.00)				16.99	(16.99)
Interest paid	(491.87)	(672.68)	(923.44)	(1,301.43)	(1,460.85)	(887.41)
Dividend paid	(10.62)	(12.28)	(12.28)	(15.64)	(17.88)	(17.88)
Dividend distribution tax			(1.99)	(2.54)	(2.90)	(2.90)
Share issue expenses						(1.61)
Net cash from financing activities (C)	1,531.76	1,501.84	1,941.08	2,253.92	2,053.62	(684.40)
Net increase in cash and cash equivalents (A+B+C)	137.60	(151.25)	261.40	544.67	(745.77)	255.13
Cash and cash equivalents at the beginning of the period	702.73	840.33	689.08	950.48	1,495.14	749.37
Cash and cash equivalents at the end of the period	840.33	689.08	950.48	1,495.14	749.37	1,004.51

**CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS
RESTATED**

(Rs. In Lacs)

Sr. No.	Particulars	As at March 31, 2014	As at September 30, 2014
1)	Equity & Liabilities	-	-
	Shareholders Funds	-	-
	a. Share Capital	357.53	357.53
	b. Reserves & Surplus	4,147.39	4,417.43
		-	-
2)	Share Application money pending allotment	16.99	-
		-	-
3)	Non Current Liabilities	-	-
	a. Long Term Borrowings	407.58	521.91
	b. Deferred Tax Liabilities	137.71	131.77
	c. Long Term Provisions	19.80	22.49
		-	-
4)	Current Liabilities	-	-
	a. Short Term Borrowings	16,481.44	17,152.25
	b. Trade Payables	2,899.10	8,409.31
	c. Other Current Liabilities	210.39	367.48
	d. Short Term Provisions	86.43	137.70
		-	-
	TOTAL (1+2+3+4)	24,764.36	31,517.87
		-	-
5)	Non Current Assets	-	-
	a. Fixed Assets	-	-
	i. Tangible Assets	1,961.28	2,066.17
	ii. Intangible Assets	916.92	916.92
	Less: Depreciation	442.42	574.43
	<i>Net Block</i>	2,435.78	2,408.65
	ii. Capital Work In Progress	-	1.69
	iii. Intangible Assets under development	-	-
	b. Non Current Investment	1.34	1.34
	c. Long Term Loans & Advances	1,062.95	1,008.67
	d. Other Non Current Assets	-	1.61
		-	-
6)	Current Assets	-	-
	a. Inventories	2,529.73	4,952.53
	b. Trade Receivables	17,876.63	22,042.33
	c. Cash and Cash Equivalents	768.40	1,013.33
	d. Short Term Loans & Advances	19.66	59.50
	e. Other Current Assets	69.87	28.22
		-	-
	TOTAL (5+6)	24,764.36	31,517.87

CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS AS RESTATED**(Rs. In Lacs)**

Sr. No.	Particulars	For The Year Ended March 31, 2014	For the Period Ended September 30 2014
A	INCOME		
	Revenue from Operations	34,242.28	18,545.48
	Other Income	22.74	324.52
	Total Income	34,265.02	18,870.00
B		-	-
	EXPENDITURE	-	-
	Cost of materials consumed	30,790.19	17,429.35
	Purchase of stock-in-trade	292.00	256.14
	Changes in inventories of finished goods, traded goods and work-in-progress	(1,078.53)	(1,396.22)
	Employee benefit expenses	183.48	127.98
	Finance costs	1,342.85	886.97
	Depreciation and amortisation expense	71.04	132.04
	Other Expenses	1,890.76	1,005.46
	Total Expenses	33,491.79	18,441.72
	Profit before prior period items	773.23	428.28
	Prior period items (Net)	-	-
	Profit before exceptional, extraordinary items and tax	773.23	428.28
	Exceptional items	-	-
	Profit before extraordinary items and tax	773.23	428.28
	Extraordinary items	-	-
	Profit before tax	773.23	428.28
	Tax expense :	-	-
	(i) Current tax	(233.05)	(164.18)
	(ii) Deferred tax	(12.79)	5.94
	(iii) (Short)/Excess provision for earlier years	(0.80)	-
		(246.64)	(158.24)
		-	-
	Profit for the year	526.59	270.04
	Earning per equity share(face value of Rs. 10/- each): Basic and Diluted (Rs.)	16.58	7.55

CONSOLIDATED SUMMARY STATEMENT OF CASH FLOW AS RESTATED**(Rs. In Lacs)**

Particulars	Year Ended 31.03.2014	Period Ended 30.09.2014
CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax for the year	773.23	428.28
Adjustments for :	-	-
Interest paid and Bank Charges	1,461.99	886.97
Interest income	(124.38)	(32.68)
Depreciation	71.03	132.01
(Profit)/ Loss on Sale of fixed assets	(1.28)	-
Provision for Gratuity	3.62	2.71
Dividend Income	(0.25)	-
Rental income	(22.50)	(15.16)
Operating profit before working capital changes	2,161.46	1,402.13
Movements in working capital:	-	-
Decrease / (Increase) in Trade receivables	(5,638.79)	(4,165.70)
Decrease / (Increase) in Inventories	(140.71)	(2,422.80)
Increase / (Decrease) in Trade payables	2,186.98	5,510.21
Increase / (Decrease) in Short Term Borrowings and Provisions	(3.25)	826.77
Decrease / (Increase) in Loans and Advances and Other Current Assets	(864.78)	52.55
Cash generated from operations	(2,299.09)	1,203.16
Net Income Tax paid / refunded	224.22	92.14
Cash from operating activities before extra-ordinary items	(2,523.30)	1,111.02
Extra Ordinary Items	-	-
Net cash from operating activities (A)	(2,523.30)	1,111.02
CASH FLOW FROM INVESTING ACTIVITIES :	-	-
Purchase of fixed assets(Including capital advances)	(243.31)	(106.57)
Sale of fixed assets	54.00	-
Rental income	15.38	15.16
Dividend Income	0.25	-
Interest income	124.38	36.23
Other Income	7.12	-
Net cash used in investing activities (B)	(42.18)	(55.18)
CASH FLOW FROM FINANCING ACTIVITIES :	-	-
Proceeds from issue of share capital	480.06	-
Net Increase/(Decrease) in Borrowings	2,812.97	115.89
Increase/ (Decrease) in Share Application Money	16.99	(16.99)
Interest paid	(1,460.85)	(887.42)
Dividend paid	(17.88)	(17.88)
Dividend distribution tax	(2.90)	(2.90)
Share issue expenses	-	(1.61)
Net cash from financing activities (C)	1,828.39	(810.91)
Net increase in cash and cash equivalents (A+B+C)	(737.09)	244.93
Cash and cash equivalents at the beginning of the period	1,505.49	768.40
Cash and cash equivalents at the end of the period	768.40	1,013.33

THE ISSUE

The following table summarizes the Issue details:

Particulars	Number of Equity Shares
Issue of Equity Shares by our Company	13,12,000 Equity Shares of face value of Rs 10 each fully paid up of the Company for cash at price of Rs. 60.00 per Equity Share aggregating Rs 787.20 lacs
<i>Of which:</i>	
Market Maker Reservation Portion	72,000 Equity Shares of face value of Rs 10 each fully paid up of the Company for cash at price of Rs. 60 per Equity Share aggregating to Rs 43.20 lacs
Net Issue to the Public	12,40,000 Equity Shares of face value of Rs 10 each fully paid up of the Company for cash at price of Rs. 60 per Equity Share aggregating to Rs 744.00 lacs
	<i>Of which:</i>
	6,20,000 Equity Shares of face value of Rs 10 each fully paid up of the Company for cash at price of Rs. 60 per Equity Share aggregating Rs 372.00 lacs will be available for allocation to Retail investors
	6,20,000 Equity Shares of face value of Rs 10 each fully paid up of the Company for cash at price of Rs. 60 per Equity Share aggregating Rs 372.00 lacs will be available for allocation to other than Retail Investors
Equity Shares outstanding prior to the Issue	35,75,319 Equity Shares of face value of Rs 10 each
Equity Shares outstanding after the Issue	48,87,319 Equity Shares of face value of Rs 10 each
Use of Proceeds	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 82 of this Prospectus for information on use of Issue Proceeds

Notes

- This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, as amended from time to time. For further details please refer to “Issue Structure” on page 294 of this Prospectus.
- The Issue is being made through the Fixed Price method and hence, as per sub-regulation (4) of Regulation 43, of SEBI (ICDR) Regulations allocation in the net offer to public category shall be made as follows:
 - Minimum fifty percent to retail individual investors; and
 - Remaining to
 - Individual applicants other than retail individual investors; and
 - Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
 - The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.
- The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on July 28, 2014 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62 (1) (c) of the Companies Act, 2013 at the EGM held on August 19, 2014.

GENERAL INFORMATION

Our Company was incorporated as ‘Supreme (India) Impex Limited’ under the Companies Act, 1956 pursuant to a Certificate of Incorporation dated August 2, 1995, bearing registration number 026968 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Our Company received Certificate of Commencement of Business dated August 21, 1995 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Our Company is having corporate identification number U51100GJ1995PLC026968.

REGISTERED OFFICE OF OUR COMPANY

Supreme (India) Impex Limited

Plot No.823/2, Road No.8,

GIDC, Sachin,

Surat - 394230,

Gujarat, India.

Tel: +91 261 2399355

Fax: +91 261 2398398

Email: ipo@supremeexports.com

Website: www.supremeexports.com

REGISTRAR OF COMPANIES

Registrar of Companies, Ahmedabad, Gujarat

ROC Bhavan , Opp Rupal Park Society,

Behind Ankur Bus Stop,

Naranpura, Ahmedabad-380013,

Gujarat, India.

DESIGNATED STOCK EXCHANGE

SME Platform of NSE

Exchange Plaza,

Plot no. C/1, G Block,

Bandra-Kurla Complex

Bandra (E), Mumbai - 400 051.

For details of change in the name and Registered Office of our Company, please refer to the chapter titled “Our History and Other Certain Corporate Matters” beginning on page 152 of this Prospectus.

OUR BOARD OF DIRECTORS

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

Sr. No	Name	Age (years)	DIN	Address	Designation
1.	Jugalkishore Jhavar	52	00121630	E - 209, 2 nd Floor, Ashirwad Palace, Bhatar Road, Surat, 395002, Gujarat, India	Managing Director
2.	Saritadevi Jhavar	49	00473794	E - 209, 2 nd Floor, Ashirwad Palace, Bhatar Road, Surat, 395002, Gujarat, India	Non Executive Director

Sr. No	Name	Age (years)	DIN	Address	Designation
3.	Bhanwaridevi Jhavar	79	00473881	E - 209, 2 nd Floor, Ashirwad Palace,,Bhatar Road, Surat, 395002, Gujarat, India	Non Executive Director
4.	Tansukhraj Lalchand Jain	44	00171418	A-503, Karyashiromani Apartments, Dafnala Road, Shahibaug, Camp Road, Ahmedabad, 380004, Gujarat, India	Independent Director (Non Executive)
5.	Ajay Buddhiprakash Dalmia	44	06941106	B-603, Next View, Near Sai Rudra Apartment, Althan Bhimrad Canal Road, Althan, Surat-395007, Gujarat, India	Independent Director (Non Executive)
6.	Vikas Choradia	26	06952580	K-902, Jolly Residency,, Opp. Agam Arcade,, Surat, 395007, Gujarat, INDIA	Independent Director (Non Executive)

For detailed profile of our Managing Director and other Directors, refer to chapters titled “*Our Management*” and “*Our Promoter and Promoter Group*” beginning on pages 159 and 172 respectively of this Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Deepika Karnani

Supreme (India) Impex Limited

Plot No.823/2, Road No.8,

GIDC, Sachin,

Surat Gujarat-394230,

India.

Tel: +91 261 2399355

Fax: +91 261 2398398

Email: cs@supremeexports.com

CHIEF FINANCIAL OFFICER

Rajesh Jivanani

Supreme (India) Impex Limited

Plot No.823/2, Road No.8,

GIDC, Sachin,

Surat Gujarat-394230,

India.

Tel: +91 261 2399355

Fax: +91 261 2398398

Email: cfo@supremeexports.com

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Lead Manager i.e. Pantomath Capital Advisors Private Limited, in case of

any pre-Issue or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

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

LEAD MANAGER TO THE ISSUE

Pantomath Capital Advisors Private Limited

108, Madhava Premises Co-operative Housing Society Limited

Bandra Kurla Complex

Bandra East

Mumbai - 400051

Tel: +91-22 2659 8687

Fax: +91-22 2659 8690

Website: www.pantomathgroup.com

Investor Grievance Email Id: ipo@pantomathgroup.com

Contact Person: Mr. Mahavir Lunawat

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

BIGSHARE SERVICES PRIVATE LIMITED

E/2, Ansa Industrial Estate Saki Vihar Road,

Saki Naka Andheri (East), Mumbai 400 072

Maharashtra, India.

Tel: +91 22 4043 0200

Fax: +91 22-2847 5207

Website: www.bigshareonline.com

Investor Grievance Id: ipo@bigshareonline.com

Contact Person: Mr. Ashok Shetty

SEBI Registration No: INR000001385

LEGAL ADVISORS TO THE ISSUE

Kanga & Co. Advocates & Solicitors

Ready money Mansion,

43, Veer Nariman Road, Fort,

Mumbai - 400 001, Maharashtra, India

Tel: +91-22-6623 0000

Tel: +91-22-2204 2288

Fax No.: +91-22- 6633 9656 / 57

Contact Person: Mr. Chetan Thakkar

Email: chetan.thakkar@kangacompany.com

Web: www.kangacompany.com

STATUTORY AUDITORS OF OUR COMPANY

M/s. Soni Surana & Co.

8012, World Trade Centre,

Ring Road, Surat-395002

Gujarat, India.

Tel: +91-0261-2336716, 2341303

Fax: +91-261-2341303

E-mail: sudhirsurana@rediffmail.com

Contact Person: Mr. Sudhir Surana

Firm Registration number: 115781W

Membership number: 75120

PEER REVIEW AUDITOR OF OUR COMPANY

M/s. R. T. Jain & Co.

2nd Floor, Lotus Building,

59, Mohammed Ali Road,

Mumbai-400 003,

Maharashtra, India.

Tel: + 91 22 23465218

Fax: + 91 22 23464955

E-mail: rtjain_ca@yahoo.co.in

Contact Person: Mr. R. T. Jain

Firm Registration No.: 103961

M/s. R.T Jain & Co holds a peer reviewed certificate dated September 20, 2011 issued by the Institute of Chartered Accountants of India

BANKERS TO OUR COMPANY

Canara Bank Limited

Overseas Branch, Surat Vankar Sangh Building,

Ring Road, Surat- 395 003,

Gujarat, India.

Tel: +91 261 2331 826

Fax: +91 261 2328913

Website: www.canarabank.in

E-mail: managercb2542@canarabank.com

Contact Person: C S Gayakvad

Dena Bank Limited

Burhanpuri Bhagol Branch,
Kotsafil Road, Surat- 395 003,
Gujarat, India.

Tel: +91 261- 2439052

Fax: +91 261 2428747

Website: www.denabank.co.in

E-mail: bursur@denabank.co.in

Contact Person: Keshab Sharan

Bank of India

Surat (Main) Branch

Lalgate, Post Box No. 226,

Surat-395003

Gujarat India

Tel: +91 261- 2592763

Fax: +91 261 2592102

Website: www.bankofindia.co.in

E-mail: surat.vadodara@bankofindia.co.in

Contact Person: H.M.Malik

ESCROW COLLECTION BANKS

IndusInd Bank Limited

IndusInd Bank, PNA House, 4th Floor
Plot No 57 & 57/1, Road No. 17
Near SRL, MIDC Andheri East
Mumbai – 400093

Tel: -(91) 022 61069248

Fax: (91) 022 66238021

Email: suresh.esaki@indusindbank.com

Contact Person: Suresh Esaki

SEBI Registration No.: INBI00000002

ICICI Bank Limited

Capital Market Division
1st Floor, Mistry Bhavan
Dinshaw Vachha Road,
Next to KC College,
Churchgate, Mumbai-400200

Tel: -(91) 022 22859923

Fax:(91) 022 22611138

Email:rishav.bagrecha@icicibank.com

Contact Person: Mr. Rishav Bagrecha

SEBI Registration No.: INBI000000004

REFUND BANKER

ICICI Bank Limited

Capital Market Division

1st Floor, Mistry Bhavan

Dinshaw Vachha Road,

Near KC College

Churchgate, Mumbai-400020

Tel: (91) 022 22859923

Fax: (91) 022 22611138

Email:rishav.bagrecha@icicibank.com

Contact Person: Mr. Rishav Bagrecha

SEBI Registration No.: INBI000000004

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognition-Intermediaries>. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.

STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

CREDIT RATING

This being an issue of Equity Shares, there is no requirement of credit rating for the Issue.

IPO GRADING

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

EXPERT OPINION

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

Our Company has received written consent from the Peer Reviewed Auditor, M/s. R.T. Jain & Co., Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 in this Prospectus in relation to the report dated February 24, 2015 on the restated audited financial statements of our Company and the statement of tax benefits dated February 24, 2015 included in this Prospectus and such consent has not been withdrawn up to the time of delivery of this Prospectus.

DEBENTURE TRUSTEE

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

APPRAISAL AND MONITORING AGENCY

The objects of the Issue have not been appraised by any agency. The Objects of the Issue and means of finance, therefore, are based on internal estimates of our Company. As the net proceeds of the Issue will be less than Rs 50,000 Lacs, under the sub-regulation (1) of Regulation 16 of SEBI (ICDR) Regulations, it is not required that a monitoring agency be appointed by our Company.

However, as per the Clause 52 of the SME Listing Agreement to be entered into with the Stock Exchange upon listing of the Equity Shares and in accordance with the corporate governance requirements, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

Issue Period:

ISSUE OPENS ON	March 16, 2015
ISSUE CLOSES ON	March 18, 2015

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated February 24, 2015. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are subject to certain conditions specified therein. The Underwriter has indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, address and contact information of the Underwriter	Number of Equity Shares Underwritten	Amount Underwritten (Rs in lacs)	% of the Total Issue Size Underwritten
Pantomath Capital Advisors Private Limited 108, Madhava Premises CHS Ltd, Bandra Kurla Complex, Bandra East, Mumbai 400051 Tel: +91 22 2659 8687 Fax: +91 22 2659 8690 Email: ipo@pantomathgroup.com Website: www.pantomathgroup.com Contact Person: Mr. Mahavir Lunawat SEBI Registration. No.: INM000012110	13,12,000	787.20	100

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

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated February 24, 2015 with the following Market Maker, duly registered with NSE Limited to fulfill the obligations of Market Making:

Choice Equity Broking Private Limited

Shree Shakambhari Corporate Park

Plot No. 156 – 158,

Chakravarti Ashok Society, J. B. Nagar

Andheri (E), Mumbai – 400099

Tel: +91 22 67079999

Fax: +91 22 67079898

E-mail: mahavir.toshniwal@choiceindia.com

Contact Person: Mahavir Toshniwal

SEBI Registration No.: INB231377335

Market Maker Registration No. (SME Segment of NSE): 13773

Choice Equity Broking Private Limited, 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 from time to time 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 exchange 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. 60, the minimum lot size is 2,000 Equity Shares thus minimum depth of the quote shall be Rs. 60 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 quote if the shares of Market Maker in our Company reaches to 25% of Issue Size (including the Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of issue size would not be taken into consideration of computing the threshold of 25% of Issue Size. 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, Choice Equity Broking Private Limited is acting as the sole Market Maker.

7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker shall have the right to terminate said arrangement by giving a one 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, 2009. Further our Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 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:** NSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

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 Rs25,000 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 spread (in % to sale price)
1	Up to 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

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

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

No.	Particulars	Amount (in Rs)	
		Aggregate nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	50,00,000 Equity Shares	5,00,00,000	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	35,75,319 Equity Shares	3,57,53,190	
C.	Present Issue in terms of this Prospectus		
	Public Issue of 13,12,000 Equity Shares of face value Rs 10 each	1,31,20,000	7,87,20,000
	<i>Which comprises:</i>		
	Reservation for Market Maker(s) – 72,000 Equity Shares of face value of Rs 10 each reserved as Market Maker portion at a price of Rs 60 per Equity Share	7,20,000	43,20,000
	Net Issue to the Public of 12,40,000 Equity Shares of face value of Rs 10 each at a price of Rs 60 per Equity Share	1,24,00,000	7,44,00,000
	<i>Which comprises</i>		
	Allocation to Retail Individual Investors- 6,20,000 Equity Shares of face value of Rs 10 each at a price of Rs 60 per Equity Share	62,00,000	3,72,00,000
	Allocation to Other than Retail Individual Investors- 6,20,000 Equity Shares of face value of Rs 10 each at a price of Rs 60 per Equity Share	62,00,000	3,72,00,000
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	48,87,319 Equity Shares of face value of Rs 10 each	4,88,73,190	
E.	Securities Premium Account		
	Before the Issue		22,36,39,940
	After the Issue		28,92,39,940

As on the date of the Prospectus, there are no partly paid-up Equity Shares of our Company and there is no share application money pending for allotment.

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on July 28, 2014 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the EGM held on August 19, 2014

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

NOTES TO THE CAPITAL STRUCTURE

Our Company was incorporated as a public limited company on August 2, 1995 under the provisions of the Companies Act, 1956. A fire occurred at the Company office and certain statutory records of the Company were destroyed. Our Company could not retrieve copies of all the RoC forms filed by it from the date of its incorporation till March 26, 2006. Hence certain information with respect to share capital is not available.

1. Details of increase in authorised Share Capital:

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

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
From	To		
Rs 50,00,000 consisting of 5,00,000 Equity Shares of Rs 10 each.	Rs 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs 10 each	March 27, 2006	EGM
Rs 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs 10 each.	Rs 2,25,00,000 consisting of 22,50,000 Equity Shares of Rs 10 each	October 01, 2009	EGM
Rs 2,25,00,000 consisting of 22,50,000 Equity Shares of Rs 10 each	Rs 2,50,00,000 consisting of 25,00,000 Equity Shares of Rs 10 each	March 25, 2010	EGM
Rs 2,50,00,000 consisting of 25,00,000 Equity Shares of Rs 10 each	Rs 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs 10 each	March 28, 2011	EGM
Rs 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs 10 each	Rs 3,25,00,000 consisting of 32,50,000 Equity Shares of Rs 10 each	March 26, 2012	EGM
Rs 3,25,00,000 consisting of 32,50,000 Equity Shares of Rs 10 each	Rs 3,60,00,000 consisting of 36,00,000 Equity Shares of Rs 10 each	March 29, 2014	EGM
Rs 3,60,00,000 consisting of 36,00,000 Equity Shares of Rs 10 each.	Rs 5,00,00,000 consisting of 50,00,000 Equity Shares of Rs 10 each	August 11, 2014	EGM

2. History of Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. Of Equity Shares allotted	Face value (Rs)	Issue Price (Rs)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid –up Capital (Rs)
May 30, 1995	7,000	10	10	Cash	Subscription to Memorandum of Association (1)	7,000	70,000
April 15, 1997	1,05,000	10	10	Cash	Preferential Allotment (2)	112,0000	1,120,000
March 25, 1998	60,000	10	10	Cash	Preferential Allotment (3)	1,72,000	17,20,000
March 31,	2,80,000	10	10	Cash	Preferential	4,52,000	45,20,000

Date of Allotment / Fully Paid-up	No. Of Equity Shares allotted	Face value (Rs)	Issue Price (Rs)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid –up Capital (Rs)
2002					Allotment ⁽⁴⁾		
March 31, 2006	9,04,000	10	0	capitalisation of reserves	Bonus Issue (in the ratio of 2:1) ⁽⁵⁾	13,56,000	1,35,60,000
March 31, 2007	75,000	10	80	Cash	Preferential Allotment ⁽⁶⁾	14,31,000	1,43,10,000
March 25, 2008	43,880	10	75	Cash	Preferential Allotment ⁽⁷⁾	14,74,880	1,47,48,800
March 31, 2008	2,20,000	10	80	Cash	Preferential Allotment ⁽⁸⁾	16,94,880	1,69,48,800
March 31, 2009	228,500	10	100	Cash	Preferential Allotment ⁽⁹⁾	19,23,380	1,92,33,800
November 19, 2009b	2,00,000	10	100	Cash	Preferential Allotment ⁽¹⁰⁾	21,23,380	2,12,33,800
March 31, 2010	3,32,000	10	125	Cash	Preferential Allotment ⁽¹¹⁾	24,55,380	2,45,53,800
March 31, 2011	5,37,290	10	125	Cash	Preferential Allotment ⁽¹²⁾	29,92,670	2,99,26,700
March 31, 2012	1,09,000	10	100	Cash	Preferential Allotment ⁽¹³⁾	31,01,670	3,10,16,700
March 31, 2012	27,000	10	100	Other than cash	Against Unsecured Loan ⁽¹⁴⁾	31,28,670	3,12,86,700
March 31, 2013	46,600	10	125	Cash	Preferential Allotment ⁽¹⁵⁾	31,75,270	3,17,52,700
March 31, 2014	4,00,049	10	120	Cash	Preferential Allotment ⁽¹⁶⁾	35,75,319	35,753,190

- (1) Initial allotment of 7,000 Equity Shares of face value of Rs. 10 each at par to the subscribers of Memorandum of Association as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Nandkishore Jhavar	1,000
2.	Manish Jhavar	1,000
3.	Kamladevi Jhavar	1,000
4.	Chaganlal Jhavar	1,000
5.	Saritadevi Jhavar	1,000
6.	Jugalkishore Jhavar	1,000
7.	Narayanprasad Jhavar.	1,000
	Total	7,000

- (2) Our Company allotted 1,05,000 Equity Shares of face value of Rs 10/-each at par as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Chaganlal Jhavar	15,000
2.	Nandkishore Jhavar	15,000
3.	Narayanprasad Jhavar	15,000
4.	Jugalkishore Jhavar	15,000
5.	Bhanwaridevi Jhavar	15,000

Sr. No.	Name of the Person	Number of Equity Shares allotted
6.	Kamladevi Jhavar	15,000
7.	Saritadevi Jhavar	15,000
	Total	1,05,000

- (3) Our Company allotted 60,000 Equity Shares of Face value of Rs 10/- each at par as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Chaganlal Jhavar	1,500
2.	Chaganlal Jhavar HUF	1,500
3.	Jugalkishore Jhavar	1,500
4.	Nandkishor Jhavar	1,500
5.	Manish Jhavar	1,700
6.	Narayanprasad Jhavar	1,500
7.	Kamladevi Jhavar	16,000
8.	Bhanwaridevi Jhavar	21,800
9.	Jhavar Biotech Private Limited	10,000
10.	Nandkishor Jhavar HUF	1,500
11.	Jugalkishore Jhavar HUF	1,500
	Total	60,000

- (4) Our Company allotted 2,80,000 Equity Shares of face value of Rs 10/-each at par as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Jugalkishore Jhavar	2,80,000
	Total	2,80,000

- (5) Our Company issued Bonus of 9,04,000 Equity Shares of face value of Rs 10/-each at a ratio of 2 bonus equity shares for every share held as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Nandkishor Jhavar	35,000
2.	Manish Jhavar	5,400
3.	Kamladevi Jhavar	99,000
4.	Saritadevi Jhavar	32,000
5.	Jugalkishore Jhavar	5,95,000
6.	Narayanprasad Jhavar	65,000
7.	Bhanwaridevi Jhavar	43,600
8.	Chaganlal Jhavar HUF	3,000
9.	Jhavar Biotech Private Limited	20,000
10.	Nandkishor Jhavar HUF	3,000
11.	Jugalkishore Jhavar HUF	3,000
	Total	9,04,000

- (6) Our Company allotted 75,000 Equity Shares of face value of Rs 10/-each at premium of Rs 70/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Rachna Jhavar	43,750
2.	Bhanwaridevi Jhavar	31,250
	Total	75,000

- (7) Our Company allotted 43,880 Equity Shares of face value of Rs10/-each at premium of Rs 65/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Jugalkishore Jhawar	38,480
2.	Saritadevi Jhawar	5,400
	Total	43,880

- ⁽⁸⁾ Our Company allotted 2,20,000 Equity Shares of face value of Rs 10/-each at premium of Rs 70/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Angel Goods Private Limited	2,20,000
	Total	2,20,000

- ⁽⁹⁾ Our Company allotted 2,28,500 Equity Shares of face value of Rs 10/-each at premium of Rs 90/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Angel Goods Private Limited	1,09,000
2.	Sky High Trading Private Limited	1,19,500
	Total	2,28,500

- ⁽¹⁰⁾ Our Company allotted 2,00,000 Equity Shares of face value of Rs 10/-each at premium of Rs 90/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Sky High Trading Private Limited	2,00,000
	Total	2,00,000

- ⁽¹¹⁾ Our Company allotted 3,32,000 Equity Shares of face value of Rs10/-each at premium of Rs 115/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Nandkishor Jhawar	24,000
2.	Kamladevi Jhawar	24,000
3.	Saritadevi Jhawar	1,04,000
4.	Jugalkishore Jhawar	1,04,000
5.	Narayanprasad Jhawar	24,000
6.	Bhanwaridevi Jhawar	24,000
7.	Variety Barter Private Limited	28,000
	Total	3,32,000

- ⁽¹²⁾ Our Company allotted 5,37,290 Equity Shares of face value of Rs 10/-each at premium of Rs 115/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Saritadevi Jhawar	56,000
2.	Jugalkishore Jhawar	32,000
3.	Jhawar Biotech Private Limited	42,152
4.	Angel Goods Private Limited	516
5.	Sky High Trading Private Limited	478
6.	Variety Barter Private Limited	3,45,880
7.	Avinash Jhawar	10,704
8.	Supreme Fine Fab Private Limited	43,200
9.	Vamatex India Limited	6,360
	Total	5,37,290

- ⁽¹³⁾ Our Company allotted 1,09,000 Equity Shares of face value of Rs 10/-each at premium of Rs 90/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Jhawar Biotech Private Limited	32,500
2.	Saritadevi Jugalkishore Jhawar	25,000
3.	Sky High Trading Private Limited	1,500
4.	Slow and Sound Electronics Private Limited	25,000
5.	Variety Barter Private Limited	25,000
	Total	1,09,000

- (14) Our Company allotted 27,000 Equity Shares of face value of Rs 10/-each at premium of Rs 90/- against unsecured loans as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Jugalkishore Jhawar	27,000
	Total	27,000

- (15) Our Company allotted 46,600 Equity Shares of face value of Rs 10/-each at premium of Rs 115/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Abhishek Jhawar	21,000
2.	Jaykishan Jhawar	800
3.	Jhawar Biotech Private Limited	24,800
	Total	46,600

- (16) Our Company allotted 4,00,049 Equity Shares of face value of Rs 10/- each at premium of Rs 120/- as per the details given below:

Sr. No.	Name of the Person	Number of Equity Shares allotted
1.	Abhishek Jhawar	32,650
2.	Jugalkishore Jhawar	45,858
3.	Saritadevi Jhawar	75,000
4.	Angel Goods Private Limited	3,250
5.	Variety Barter Private Limited	1,625
6.	Hamsafar Vyapar Private Limited	62,500
7.	Appu Marketing and Manufacturing Limited	18,333
8.	Multifold Plastic Marketing Private Limited	15,000
9.	Ranjit Distributors Private Limited	62,500
10.	Quest Financial Services Limited	83,333
	Total	400,049

3. Except as stated below, none of the Equity Shares have been issued for consideration other than cash by our Company:

Date of Allotment	No. of Equity Shares allotted	Face value (Rs)	Issue Price (Rs)	Nature of consideration	Nature of Allotment	Name of Allottee	Number of shares allotted
March 31, 2006*	9,04,000	10	Nil	Other than cash	Bonus issue of Equity Shares in the ratio of 2:1 by capitalizing the free reserves	Nandkishore Jhawar	35,000
						Manish Jhawar	5,400
						Kamladevi Jhawar	99,000
						Saritadevi Jhawar	32,000

Date of Allotment	No. of Equity Shares allotted	Face value (Rs)	Issue Price (Rs)	Nature of consideration	Nature of Allotment	Name of Allottee	Number of shares allotted
						Jugalkishore Jhawar	5,95,000
						Narayanprasad Jhawar	65,000
						Bhanwaridevi Jhawar	43,600
						Chaganlal Jhawar HUF	3,000
						Jhawar Biotech Private Limited	20,000
						Nandkishore Jhawar HUF	3,000
						Jugalkishore Jhawar HUF	3,000
March 31, 2012 [#]	27,000	10	100	Other than cash	Against Unsecured Loan	Jugalkishore Jhawar	27,000

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

[#]The Company has accrued benefit to the extent of premium amount received i.e. Rs. 90 /- per share.

- We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act.
- No shares have been issued at price below Issue Price within last one year from the date of this Prospectus.

6. Details of shareholding of our Promoter

Date of transaction	Nature of transaction	No. of Equity Shares	F.V per Share (Rs)	Issue /Acquisition Transfer price (Rs)	Pre issue shareholding %	Post issue Shareholding %	Lock in period	No of Shares Pledged	% of Shares Pledged	Source of promoter Contribution
May 30, 1995	Subscription to MoA	1,000	10	10	0.03%	0.02%	3 years	Nil	Nil	Income/ Savings
April 15, 1997	Preferential Allotment	15,000	10	10	0.42%	0.31%	3 years	Nil	Nil	Income/ Savings
March 25, 1998	Preferential Allotment	1,500	10	10	0.04%	0.03%	3 years	Nil	Nil	Income/ Savings

Date of transaction	Nature of transaction	No. of Equity Shares	F.V per Share (Rs)	Issue /Acquisition Transfer price (Rs)	Pre issue shareholding %	Post issue Shareholding %	Lock in period	No of Shares Pledged	% of Shares Pledged	Source of promoter Contribution
	t									
March 31, 2002	Preferential Allotment	2,80,000	10	10	7.83%	5.73%	3 years	Nil	Nil	Income/Savings
March 31, 2006	Bonus Issue	5,95,000	10	-	16.64%	12.17%	3 years	Nil	Nil	-
March 25, 2008	Preferential Allotment	38,480	10	75	1.08%	0.79%	3 years	Nil	Nil	Income/Savings
March 31, 2010	Preferential Allotment	1,04,000	10	125	2.91%	2.13%	3 years	Nil	Nil	Income/Savings
March 31, 2011	Preferential Allotment	32,000	10	125	0.90%	0.65%	1 year	Nil	Nil	Income/Savings
March 31, 2012	Against unsecured loans	27,000	10	100	0.76%	0.55%	1 year	Nil	Nil	Loan was given from Income/Saving
March 31, 2014	Preferential Allotment	45,858	10	120	1.28%	0.94%	1 year	Nil	Nil	Income/Savings
August 23, 2014	Transfer	43,750	10	134.2	1.22%	0.90%	1 year	Nil	Nil	Income/Savings
Total		11,83,588			33.10%	24.22%				

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

Date of Issue/Transfer	Name of the transferor	Name of Transferee	No. of Equity Shares	Issue Price (Rs)
August 23, 2014	Rachna Jhawar	Jugalkishore Jhawar	43,750	134.2
February 23, 2015	Multifold Plastic Marketing Pvt. Ltd.	Sonia Jhawar	15,000	134.00
February 23, 2015	Hamsafar Vyapaar Pvt. Ltd.	Sonia Jhawar	62,500	134.00

Date of Issue/Transfer	Name of the transferor	Name of Transferee	No. of Equity Shares	Issue Price (Rs)
February 23, 2015	Appu Marketing & Mfg. Ltd.	Sonia Jhawar	18,333	134.00
February 23, 2015	Quest financial Services Ltd.	Sarita Jhawar	83,333	134.00
February 23, 2015	Ranjit Distributors Pvt. Ltd.	Sarita Jhawar	62,500	134.00

8. There are no financing arrangements whereby the Promoter, Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the Issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing this Prospectus with the Stock Exchange.
9. Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations, an aggregate of 21.18% of the post-Issue capital held by our Promoter shall be considered as Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment in the public issue. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoter have granted consent to include such number of Equity Shares held by them as may constitute 21.18 % of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above.

Mr. Jugalkishore Jhawar

Date of Allotment / acquisition / transaction and when made fully paid up	Nature of acquisition (Allotment/ transfer)	Number of Equity Shares	Face value per Equity Share (in Rs)	Issue / transfer price per Equity Share (in Rs)	Consideration (cash / other than cash)	% of post issue Shareholding	Lock in Period
May 30, 1995	Subscription to MoA	1,000	10	10	Cash	0.02	3 years
April 15, 1997	Preferential Allotment	15,000	10	10	Cash	0.31	3 years
March 25, 1998	Preferential Allotment	1,500	10	10	Cash	0.03	3 years
March 31, 2002	Preferential Allotment	2,80,000	10	10	Cash	5.73	3 years
March 31, 2006	Bonus Issue	5,95,000	10	-	Other than cash	12.17	3 years
March 25, 2008	Preferential Allotment	38,480	10	75	Cash	0.79	3 years
March 31, 2010	Preferential Allotment	1,04,000	10	125	Cash	2.13	3 years
Total		10,34,980				21.18	3 years

We further confirm that the aforesaid minimum Promoter Contribution of 21.18% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired in preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.

- The Equity Shares held by the Promoter and offered for minimum Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

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

In terms of the applicable provisions of SEBI (ICDR) Regulations the Equity Shares held by our Promoter may be transferred to and among the Promoter Group or to new Promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

We further confirm that our Promoter's Contribution of 21.18% of the post Issue Equity does not include any contribution from Alternative Investment Fund.

10. Promoters' contribution has been brought into the extent of not less than the specified minimum lot and from the persons defined as promoters under the SEBI (ICDR) Regulations.
11. Details of share capital locked in for one year

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

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

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

A. Shareholding Pattern

Category	Category of shareholder	No. of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)		(VII)	
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/Hindu Undivided Family	7	1921954	1921954	53.76	53.76	NIL	NIL
(b)	Central Government/State Government(s)	0	0		0	0	NIL	NIL
(c)	Bodies Corporate	5	1252401	1252401	35.03	35.03	NIL	NIL
(d)	Financial Institutions/Banks	0	0		0	0	NIL	NIL
(e)	Any other (Specify)	0	0		0	0	NIL	NIL
	SUB TOTAL (A) (1)	12	3174355	3174355	88.79	88.79	NIL	NIL
(2)	Foreign	0	0		0	0	NIL	NIL
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0		0	0	NIL	NIL
(b)	Bodies Corporate	0	0		0	0	NIL	NIL
(c)	Institutions/FPI	0	0		0	0	NIL	NIL
(d)	Any other (Specify)	0	0		0	0	NIL	NIL
	SUB TOTAL (A)(2)	0	0		0	0	NIL	NIL
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	12	3174355	3174355	88.79	88.79	NIL	NIL

Category	Category of shareholder	No. of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(B)	Public shareholding							
(1)	Institutions	0	0		0	0	NIL	NIL
(a)	Mutual Funds/UTI	0	0		0	0	NIL	NIL
(b)	Financial Institutions/Banks	0	0		0	0	NIL	NIL
(c)	Central Government/State Government(s)	0	0		0	0	NIL	NIL
(d)	Venture Capital Fund	0	0		0	0	NIL	NIL
(e)	Insurance Companies	0	0		0	0	NIL	NIL
(f)	Foreign Portfolio Investors	0	0		0	0	NIL	NIL
(g)	Foreign Venture Capital Investors	0	0		0	0	NIL	NIL
(h)	Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations)	0	0		0	0	NIL	NIL
(i)	Market Makers	0	0		0	0	NIL	NIL
(j)	Any other (Specify)	0	0		0	0	NIL	NIL
	SUB TOTAL (B) (1)	0	0	0	0	0	NIL	NIL
(2)	Non-Institutions							
(a)	Bodies Corporate	1	6360	0	0.18	0.18	NIL	NIL
(b)	Individuals -						NIL	NIL
	i) Individual shareholders holding nominal share Capital up to Rs.1 lacs	3	13400	8900	10.66	10.66	NIL	NIL
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lacs	3	381204	121500	0.37	0.37	NIL	NIL

Category	Category of shareholder	No. of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(c)	Any other (Specify)Individual (Non-Resident individuals)	0			0	0	NIL	NIL
	SUB TOTAL (B) (2)	7	400964	130400	11.21	11.21	NIL	NIL
	Total Public Shareholding (B)=(B)(1) (B)(2)	7	400964	130400	11.21	11.21	NIL	NIL
	TOTAL (A)+(B)	19	3575319	3304755	100.00	100.00	NIL	NIL
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0		0	0	NIL	NIL
	GRAND TOTAL (A)+(B)+(C)	19	3575319	3304755	100.00	100.00	NIL	NIL

** Mr. Nand Kishore Jhawar comes under purview of promoter group under regulation 2(1)(zb) of SEBI (ICDR) as brother of Mr. Jugalkishore Jhawar. However due to family understanding and restructuring neither Mr. Nand Kishore Jhawar nor the entities promoted by him are included in the promoter group due family understanding and restructuring and declaration of the same is also undertaken. Further Mr. Jugalkishore Jhawar and his group has given a declaration that the amount if any paid by him and his group as an interim measure, pending family settlement may be called back/refunded/adjusted/appropriated towards any other payment obligation(s) towards Mr. Nandkishore Jhawar and his group, as per their written instructions.*

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialised prior to application for listing. Our Company will file the shareholding pattern of our Company, in the form prescribed under clause 37 of the Listing Agreement, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of NSE before commencement of trading of such Equity Shares.

B. Shareholding of our Promoter and Promoter Group

The table below presents the current shareholding pattern of our Promoter and Promoter Group

Sr. No.	Name of the Shareholder	Pre- Issue		Post-Issue	
		Number of Equity Shares	% of Pre-Issue Capital	Number of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1.	Jugalkishore Jhawar	11,83,588	33.10	11,83,588	24.22
	Promoter Group				
1.	Sarita Devi Jugalkishore Jhawar	4,59,233	12.84	4,59,233	9.40
2.	Variety Barter Pvt. Ltd.	4,00,505	11.20	4,00,505	8.19
3.	Skyhigh Trading Pvt. Ltd.	3,46,478	9.69	3,46,478	7.09
4.	Angel Goods Pvt. Ltd.	3,32,766	9.31	3,32,766	6.81
5.	Jhawar Biotech P Ltd	1,29,452	3.62	1,29,452	2.65
6.	Bhanwari Devi Chhagan Lal Jhawar	1,20,650	3.37	1,20,650	2.47
7.	Sonia Jhawar	95,833	2.68	95,833	1.96
8.	Abhishek Jhawar	53,650	1.50	53,650	1.10
9.	Supreme Fine Fab Pvt. Ltd.	43,200	1.21	43,200	0.88
10.	Chhagan Lal Jhawar HUF	4,500	0.13	4,500	0.09
11.	Jugal Kishore Jhawar HUF	4,500	0.13	4,500	0.09
	Total	31,74,355	88.79	31,74,355	64.95

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Jugalkishore Jhawar	11,83,588	31.21

14. Public shareholders holding more than 1% of the pre-Issue paid-up capital of our Company:

The details of the public shareholders holding more than 1% of the pre-Issue paid-up capital of our Company and their pre-Issue and post-Issue shareholding are set forth in the table below:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Posts-Issue Capital
1	Kamla Devi Nand Kishore Jhawar	1,72,500	4.82	1,72,500	3.53
2	Narayan Prasad Govind Rao	1,21,500	3.40	1,21,500	2.49
3	Nand Kishore Chhagan Lal Jhawar	87,204	2.44	87,204	1.78
	Total	3,81,204	10.66	3,81,204	7.80

15. Equity Shares held by top ten shareholders

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Jugal Kishore Jhawar	11,83,588	33.10
2.	Saritadevi Jhawar	4,59,233	12.84
3.	Variety Barter Pvt. Ltd.	4,00,505	11.20
4.	Skyhigh Trading Pvt. Ltd.	3,46,478	9.69
5.	Angel Goods Pvt. Ltd.	3,32,766	9.31

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
6.	Kamladevi Jhavar	1,72,500	4.82
7.	Jhavar Biotech Pvt. Ltd.	1,29,452	3.62
8.	Narayan Prasad Govind Ram Jhavar	1,21,500	3.40
9.	Bhavaridevi Chhagan Lal Jhavar	1,20,650	3.37
10.	Sonia Jhavar	95,833	2.68
	Total	33,62,505	94.05

*Our Company has 19 shareholders as on date of this Prospectus

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Jugal Kishore Jhavar	11,83,588	33.10
2.	Saritadevi Jhavar	4,59,233	12.84
3.	Variety Barter Pvt. Ltd.	4,00,505	11.20
4.	Skyhigh Trading Pvt. Ltd.	3,46,478	9.69
5.	Angel Goods Pvt. Ltd.	3,32,766	9.31
6.	Kamladevi Jhavar	1,72,500	4.82
7.	Jhavar Biotech Pvt. Ltd.	1,29,452	3.62
8.	Narayan Prasad Govind Ram Jhavar	1,21,500	3.40
9.	Bhavaridevi Chhagan Lal Jhavar	1,20,650	3.37
10.	Sonia Jhavar	95,833	2.68
	Total	33,62,505	94.05

*Our Company had 19 shareholders ten days prior to the date of this Prospectus

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

Sr.No	Name of shareholder	No. of Shares	% age of then existing capital
1.	Jugalkishore Jhavar	10,93,980	34.97%
2.	Variety Barter Pvt. Ltd	3,98,880	12.75%
3.	Angel Goods Pvt. Ltd	3,29,516	10.53%
4.	Sky High Trading Pvt. Ltd.	3,21,478	10.28%
5.	Saritadevi Jhavar	2,38,400	7.62%
6.	Kamladevi Jhavar	1,72,500	5.51%
7.	Narayan Prasad Jhavar	1,21,500	3.88%
8.	Bhanwaridevi Jhavar	1,20,650	3.86%
9.	Jhavar Biotech Pvt. Ltd.	1,04,652	3.34%
10.	Nandkishore Jhavar	76,500	2.45%
	Total	29,78,056	95.19

*Our Company had 20 shareholders two years prior to the date of this Prospectus

16. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoter/Directors/Lead Manager for purchase of Equity Shares offered through this Prospectus.
17. The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.

18. As on the date of this Prospectus, none of the shares held by our Promoter/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
19. Except as otherwise disclosed in the chapter titled “Objects of the Issue” beginning on page 82 of this Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
20. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Basis of Allotment" under the chapter title “Issue Procedure” beginning on page 297 of this Prospectus.
21. The Equity Shares Issued pursuant to this Issue shall be made fully paid-up or maybe forfeited for non-payment of calls within twelve months from the date of allotment of equity shares.
22. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
23. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and SME Platform of NSE.
24. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
25. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
26. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
27. The Issue is being made through Fixed Price method.
28. As on date of filing of this Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up.
29. On the date of filing this Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
30. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
31. Lead Manager to the Issue viz. Pantomath Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
32. Our Company has not revalued its assets since incorporation.
33. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
34. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
35. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
36. Our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares.

However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

37. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
38. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
39. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.

OBJECTS OF THE ISSUE

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

The objects of the Issue are:-

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

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

FUND REQUIREMENTS

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

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

S. No.	Particulars	Amount (in Rs. Lacs)	Percentage of total Issue (%)
1.	Working Capital Requirement	700.00	88.92
2.	*Issue Expenses	45.00	5.72
3.	General Corporate Purpose	42.20	5.36
	Total	787.20	100

**As on January 21, 2015, Company has incurred Rs. 4.82 Lacs towards Issue Expenses.*

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

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

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

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt.

While we intend to utilise the Net Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements. In case of variations in the actual utilisation of funds earmarked for the purposes set

forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. In the event of any shortfall in the Net Proceeds, we will bridge the fund requirements from internal accruals or debt/equity financing.

Details of Utilization of Issue Proceeds

Working Capital

Our business is working capital intensive. We finance our working capital requirements from various banks / financial institutions and from our internal accruals. As on date of this Prospectus, the Company's working capital funding sanctioned from bank is of Rs 18000.00 Lacs. Total incremental working capital requirements for the financial year 2014-15 are estimated to be Rs 3,308 Lacs. Since the working capital requirement is staggered over the financial year 2014-15, we propose to deploy the amount as working capital margin for the purpose of bank funding or for payment of trade payables or for purchase of raw material or for any other working capital purpose as may be determined by the management of the Company.

Basis of estimation of working capital requirement and estimated working capital requirement:

(Rs. in Lacs)

Particulars	Holding levels (days)	2013-14 (Audited)	Holding levels (days)	2014-15 (Estimated)	Holding levels (days)	2015-16 (Estimated)
Current Assets						
Inventories						
a) Raw materials	10	855.90	27	2,175.00	22	2,200.00
b) Finished goods	19	1,657.00	19	1,583.00	16	1,647.50
Trade Receivables	207	17,858.82	220	19,350.00	192	20,245.00
Other Current Assets		2,962.71		3,027.77		3,101.08
Total (A)		23,334.43		26,135.77		27,194.08
Current Liabilities						
Trade Payables	30	2,541.65	24	1,975.00	20	2,020.00
Other Current Liabilities		504.20		564.19		585.74
Total (B)		3,045.85		2,539.19		2,605.74
Net Working Capital (A)-(B)		20,288.58		23,596.58		24,588.34
Incremental Working Capital		4,016.22		3,308.00		991.76
Sources Of Incremental Working Capital						
Fund based borrowings *		3,094.48		1,518.56		--
Internal sources		921.74		770.44		991.76
Unsecured borrowings				319.00		--
IPO Proceeds				700.00		--

*As on date of the Prospectus, our Company has been sanctioned working capital facilities consisting of an aggregate limit of Rs. 18000.00 Lacs. For further details regarding our working facilities kindly refer to the Chapter titled "Financial Indebtedness" beginning on page 234 of this Prospectus. Incremental Working Capital is calculated by subtracting current year net working capital from previous year working capital.

Schedule of Implementation/Utilization of Net Proceeds

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the Financial Year 2014-2015. For details of the estimated schedule of deployment of funds, kindly refer to “Basis of Estimation” on page 84 of this Prospectus.

Basis of Estimation

The incremental long term working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2014-15 considering the growth in activities of our Company and in line with norms accepted by our banker(s). Our Company has assumed inventory of 27 days for raw materials and 19 days for finished goods for the Financial Year 2014-2015.

Our Debtors cycle is of about 207 days in 2013-14. We have assumed that our debtor’s cycle will be 220 days for Financial Year 2014-15. Similarly we have estimated advance to suppliers, other current assets and current liabilities in line with working capital employed in Financial Year 2014-2015.

Justification for “Holding Period” levels

Inventories	In FY 2014-15 the raw material inventory holding days is expected to go up from 10 days in FY 2013-14 to 27 days and shall remain in range of 20-25 days as our company is exploring opportunity of sales in other geographical countries. Further the Finished Goods holding days have been around the same level as last year.
Debtors	In FY 2014-15 the trade receivable holding days are expected to go up to 220 days against 207 days in FY 2013-14 as there was slowdown in textile market due to fall in crude price as there was expectation that the textile products prices would also fall. Hence higher Credit period was offered.
Creditors	Our Company expects that suppliers for the raw material will be paid on a marginally shorter cycle as compared to the present cycle in order to get better pricing.

Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 45 Lacs.

Expenses	Expenses (Rs. in Lacs)	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers etc.	35.00	77.78	4.45
Regulatory fees	5.00	11.11	0.64
Marketing and Other Expenses	5.00	11.11	0.64
Total estimated Issue expenses	45.00	100.00	5.72

General Corporate Purpose

Our Company intends to deploy the balance Issue proceeds aggregating Rs. 42.20 Lacs, towards the general corporate purposes, including but not restricted to strategic initiatives, entering into strategic alliances, partnerships, joint ventures etc. and meeting exigencies and contingencies for the project,

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

Our management, in response to the fluctuations in the textile industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Issue Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue. For further details in relation to our borrowing arrangements, kindly refer to the Chapter titled “*Financial Indebtedness*” beginning on page 234 of this Prospectus.

DEPLOYMENT OF FUNDS

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

(Rs. in Lacs)

Particulars	Total Funds required	Amount incurred till January 21, 2015	Balance Deployment during Financial Year 2014-15
Working Capital Requirement	700.00	--	700.00
Issue Expenses	45.00	4.82	40.18
General Corporate Purpose	42.20	--	42.20
Total	787.20	4.82	782.38

M/s. Soni Surana and Co, Chartered Accountants have *vide* certificate dated January 22, 2015, confirmed that as on January 21, 2015 following funds were deployed for the proposed Objects of the Issue:

(Rs. in Lacs)

Particulars	Amount
Internal Accruals	4.82
Total	4.82

APPRAISAL BY APPRAISING AGENCY

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

INTERIM USE OF FUNDS

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

MONITORING UTILIZATION OF FUNDS

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

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

VARIATION IN OBJECTS

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the rules framed thereunder, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through a 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. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the registered office of our Company is situated. The shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders, at a price as may be prescribed by SEBI in this regard.

OTHER CONFIRMATIONS

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

BASIS FOR ISSUE PRICE

The Issue Price of Rs. 60/- per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs. 60/- per Equity Share and is 6 times the face value.

QUALITATIVE FACTORS

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

- Constantly striving to develop creative products
- Customer oriented business
- Approx. 2.5 decades of experience of Mr. Jugalkishore Jhawar, our Promoter
- Economies of scale

For further details, refer to heading '*Our Strengths*' under chapter titled '*Our Business*' beginning on page 114 of this Prospectus.

QUANTITATIVE FACTORS

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

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

Year ended	Restated Standalone Basic and Diluted EPS (Rs. per Equity Share)	Weight
March 31, 2014	15.73	3
March 31, 2013	12.59	2
March 31, 2012	11.39	1
Weighted Average	13.96	

Note:

The EPS has been computed by dividing net profit as restated, attributable to Equity Shareholders by restated weighted average number of Equity Shares outstanding during the year. Restated weighted average number of Equity Shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-

The basic and diluted EPS on standalone basis for Six month period ended September 30, 2014 was Rs. 7.65 (not annualised)

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 60/- per Equity Share of Rs. 10/- each.

Particulars	Standalone
P/E ratio based on Basic EPS for FY 2013-14	3.82
P/E ratio based on Weighted Average EPS	4.30
Industry P/E	
Highest	283.3
Lowest	2.6
Composite	27.7

*P/E based on for the entire Textiles-Products Sector (Source: Capital Market Magazine Vol. XXIX/23 dated Jan 05-18, 2015 (Industry: Textile-Products))

3. Average Return on Net worth (RoNW)

Return on Net Worth (“RoNW”) as per restated standalone financial statements

Year ended	Standalone (%)	Weight
March 31, 2014	11.16	3
March 31, 2013	11.20	2
March 31, 2012	11.05	1
Weighted Average	11.15	

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

The Return on Networth on standalone basis for six month period ended September 30, 2014 was 5.76% (not annualised)

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS on standalone basis for the year ended March 31, 2014.

A. Based on basic and diluted standalone earnings per share:

At the Issue Price – 14.60% based on audited and restated standalone financial statements

5. Net Asset Value (NAV)

Year ended	Standalone (Rs.)
March 31, 2014	140.97
March 31, 2013	112.47
March 31, 2012	103.08
NAV after the Issue	107.73
Issue Price	60.00

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

NAV per Equity share on standalone basis as at September 30, 2014: Rs. 132.89

6. Comparison with other listed companies

Companies	CMP	EPS	PE Ratio	RONW	NAV (Per Share)	Face Value	Sales (In Crores)
Supreme (India) Impex	60	15.73	3.82	11.16%	140.97	10	341.98
Pioneer Embroideries Limited	20.60	(3.91)	(5.27)	(5.21)%	59.99	10	281.60
Shekhawati Poly-Yarn Limited	1.12	0.32	3.50	9.58%	3.34	1	352.21

*Source: Annual report of the respective Company taken from BSE Website www.bseindia.com

Notes:

- The figures for Supreme (India) Impex Limited are based on the standalone restated results for the year ended March 31, 2014.
- The figures for the peer group are based on standalone audited results for the respective year ended as indicated in the table.
- Current Market Price (CMP) is the closing prices of respective scripts as on February 24, 2015 on BSE website.

The Issue Price of Rs. 60/- per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

The Company has acquired the shares of subsidiary Company ie Utlity Agrotech Industries Private Limited (Formerly known as Utility Acquatech Private Limited) on January 23, 2014. The Subsidiary Company has not started its operation post acquisition and also 12 month financial year is not completed post acquisition. Hence Consolidated parameters have not been considered

For further details refer to “Risk Factors” on page 14 and the financials of the Company including profitability and return ratios, as set out in the “Financial Statements” beginning on page 182 of this Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors,
Supreme (India) Impex Limited
GIDC, Sachin
Surat -394230, Gujarat

Dear Sirs,

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

We hereby confirm that the enclosed annexure, prepared by the Management of Supreme (India) Impex Limited ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), Wealth Tax Act, 1957, and state VAT Legislation presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfil.

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

We do not express any opinion or provide any assurance as to whether:

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

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

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

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

For R T Jain & Co.

Chartered Accountants

Firm Registration No.103961W

(CA Bankim Jain)

Partner

Membership No. 139447

Date: February 24, 2015

Place: Mumbai

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO SUPREME (INDIA) IMPEX LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2014-15.

BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

1. General tax benefits

A. Business Income

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

B. MAT Credit

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

C. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company

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

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

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by -:
 1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
 2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

D. Securities Transaction Tax

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

E. Dividends

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.
However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

BENEFITS TO THE RESIDENT MEMBERS / SHAREHOLDERS OF THE COMPANY UNDER THE ACT**A. Dividends exempt under section 10(34) of the Act**

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company

distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

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

B. Capital Gains

(i) Computation of capital gains

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

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

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

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

C. Tax Treaty Benefits

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

D. Non-Resident Taxation

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

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.

- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS') UNDER THE ACT

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

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

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

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

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

C. Capital Gains

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB & certain securities & government Bonds as mentioned in section 194LD) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Interest on certain securities & government bonds as mentioned in section 194LD is taxable @5% only.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

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

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

D. Securities Transaction Tax

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

E. Tax Treaty benefits

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

BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT**a) Dividend income**

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

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

BENEFITS UNDER THE WEALTH TAX ACT, 1957

Wealth Tax Act, 1957

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

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

For R T Jain & Co.

Chartered Accountants

Firm Registration No.103961 W

(CA Bankim Jain)

Partner

Membership No.139447

Date: February 24, 2015

Place: Mumbai

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

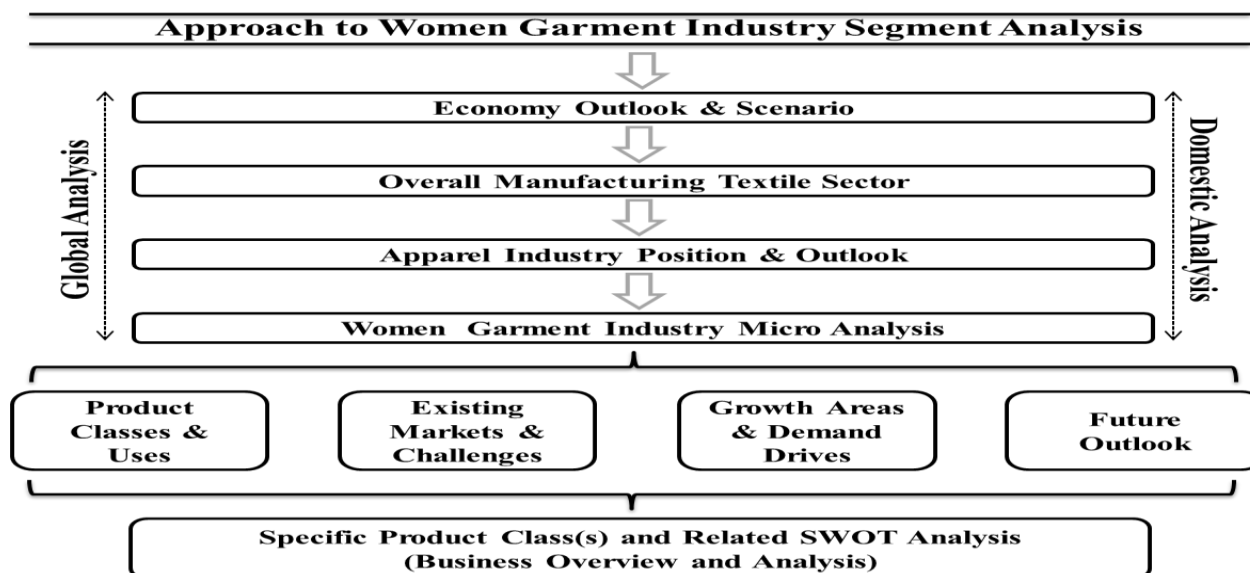
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 14 and 182 respectively of this Prospectus before deciding to invest in our Equity Shares.

APPROACH TO WOMEN GARMENT INDUSTRY SEGMENT ANALYSIS

Analysis of apparel industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Apparel industry forms part of textile sector at a macro level. Hence, broad picture of textile sector should be at preface while analyzing the apparel industry. If the entire textile sector is likely to be impacted by a specific set of factors, so would, most likely, be the apparel industry as well.

Textile sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall textile sector is ‘apparel industry’, which in turn encompasses various components one of them being ‘Women Garment Industry’.

Thus, women garment industry segment should be analyzed in the light of ‘apparel industry’. An appropriate view on women garment segment industry, thus, calls for the overall economy outlook, performance and expectations of manufacturing sector especially textile sector, position of apparel industry and micro analysis.

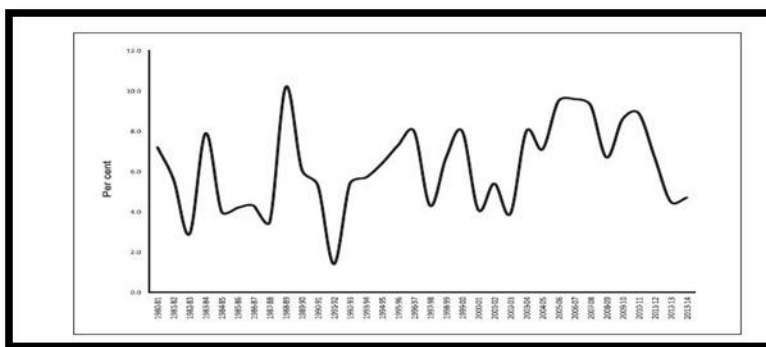


INDIAN ECONOMY

India is the fourth largest economy in the world, after the United States of America, European Union and China. (Source: CIA World Factbook, 2013 - <https://www.cia.gov/library/publications/the-worldfactbook/rankorder/2001rank.html>). As per the advance estimates released by the Central Statistics Office (CSO), the Indian economy is estimated to have registered a growth rate of 4.7% in 2013-14 (in terms of GDP at factor cost at constant prices). (Source: Macro-Economic Framework Statement, 2014-15, <http://indiabudget.nic.in/ub2014-15/frbm/frbm1.pdf>). A moderate recovery of the Indian economy is expected to set in during 2014-2015 broadly in line with the Reserve Bank of India's (RBI) indicated projections in January 2014. The pace of recovery, nevertheless, is likely to be modest. The recovery is likely to be supported by investment activity picking up due to part resolution of stalled projects and improved business and consumer confidence. In addition, external demand is expected to improve further during 2014-15 stemming from encouraging prospects for global growth, notwithstanding some recent loss in export growth momentum. (Source: Macro-economic and Monetary Developments 2014-15 (An Update), Reserve Bank of India).

In 2014-15, the Indian economy is poised to overcome the sub-5 per cent growth of gross domestic product (GDP) witnessed over the last two years. The growth slowdown in the last two years was broad based, affecting in particular the industry sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilization front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

Growth in Real GDP (per cent) Source – Economic Survey 2013-2014



OUTLOOK FOR 2014-15

The descent into the present phase of sub-5 per cent growth has been rather sharp. The interplay of structural constraints alongside delays in project implementation, subdued domestic sentiments, and an uncertain global milieu led to general growth slowdown while rendering macroeconomic stabilization particularly challenging. Inflation also remained at elevated levels. These factors triggered risk-aversion and injected considerable uncertainty in investment activity. The current macroeconomic situation precludes fiscal stimulus to kick-start activity. Similarly, the task of monetary policy calibration for growth revival has been made difficult by persistent inflation and further complicated by uncertainty in international financial conditions and, until recently, by rupee depreciation. Targeted measures by the government and RBI have improved the external economic situation significantly, even as India remains exposed to risk on/off sentiments of investors and to

policy shifts in advanced economies. Regaining growth momentum requires restoration of domestic macroeconomic balance and enhancing efficiency. To this end, the emphasis of policy would have to remain on fiscal consolidation and removal of structural constraints. Though some measures have been initiated to this end, reversion to a growth rate of around 7-8 per cent can only occur beyond the ongoing and the next fiscal.

Global economic activity is expected to strengthen in 2014-15 on the back of some recovery in advanced economies. The Euro area is also expected to register a growth rate of above 1 per cent as against contraction witnessed in 2012 and 2013 (IMF, WEO, April 2014). The European Central Bank's monetary policy measures, most significantly introduction of the negative deposit facility interest rate are expected to boost economic activity in Europe. In addition, the performance of the real sector in the US (that is likely affect the pace of taper) is a major factor that would impact the global economic situation in 2014-15. The growth outlook for emerging Asian economies is generally benign with some grappling with inflation, structural bottlenecks, and external imbalances. The slowdown in emerging economies comes at an inopportune juncture.

Downward movement along with heightened volatility, witnessed, for example, in fixed investment post 2008-09 in India, often tends to magnify the impact and transmission channels of shocks (e.g. below-normal monsoons and/or upshot in oil prices) and hampers build-up of positive expectations. Under such circumstances, the Indian economy can recover only gradually with the GDP at factor cost at constant prices expected to grow in the range of 5.4 – 5.9 per cent in 2014-15. This assumes the revival of growth in the industrial sector witnessed in April 2014 to continue for the rest of the year, the generally benign outlook on oil prices (notwithstanding the uncertainty on account of recent developments in the Middle East), and the absence of pronounced destabilizing shocks (including below-normal monsoons). Growth in the above range implies a pick-up, aided by an improved external economic situation characterized by a stable current account and steady capital inflows, improved fiscal situation and, on the supply side, robust electricity generation and some recovery in manufacturing and non-government services.

Growth in 2014-15 is expected to remain more on the lower side of the range given above, for the following reasons: (i) steps undertaken to restart the investment cycle (including project clearances and incentives given to industry) are perceived to be playing out only gradually; (ii) the benign growth outlook in some Asian economies, particularly China; (iii) still elevated levels of inflation that limit the scope of the RBI to reduce policy rates; and (iv) expectation of below-normal monsoons. Downside risk also emerges from prolonging of the geo-political tensions. On the upside, such factors as institutional reform to quicken implementation of large projects and a stronger-than-expected recovery in major advanced economies would help the Indian economy clock a higher rate of growth.

Source: Economic Survey 2013-14

GLOBAL ECONOMIC GROWTH

The IMF World Economic Outlook (WEO), released in October 2014, highlights that despite setback, an uneven global recovery continues. Largely due to weaker-than-expected global activity in the first half of 2014, the growth forecast for the world economy has been revised downward to 3.3 percent for this year, 0.4 percent point lower than in the April 2014 World Economic Outlook(WEO). The global growth projection for 2015 was lowered to 3.8 percent.

Downside risks have increased since the spring. Shortterm risks include a worsening of geopolitical tensions and a reversal of recent risk spread and volatility compression in financial markets. Medium term risks include stagnation and low potential growth in advanced economies and a decline in potential growth in emerging markets.

Given these increased risks, raising actual and potential growth must remain a priority. In advanced economies, this will require continued support from monetary policy and fiscal adjustment attuned in pace and composition to supporting both the recovery and longterm growth. In a number of economies, an increased in public infrastructure investment can also provide support to demand in the short term and help boost potential output in the medium term. In emerging markets, the scope of

macroeconomic policies to support growth if needed varies across countries and regions, but space is limited in countries with external vulnerabilities. And in advanced economies as well as emerging market and developing economies, there is a general, urgent need for structural reforms to strengthen growth potential or make growth more sustainable

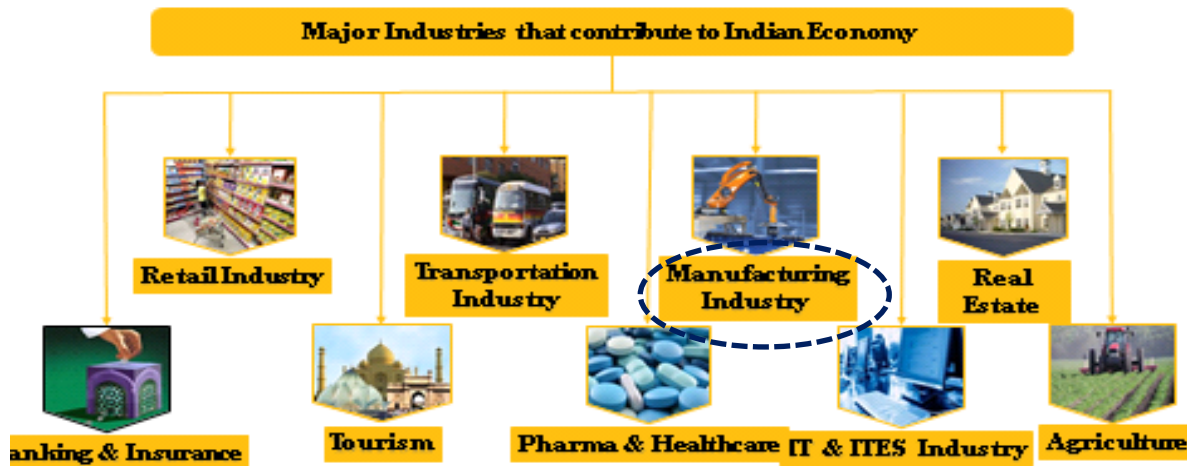
The data on advanced world economies shows that growth in United States is expected to be 2.8 per cent in 2014, up from 1.9 per cent in 2013 with expansion and improvement in final domestic demand, reduction in fiscal drag. The forecast for 2015 is marked at 3 per cent. The projection for Euro Area is marked at 1per cent and 1.4 per cent for 2014 and 2015. With exports further contributing to growth, high debt and financial fragmentation is expected to affect domestic demand. The annual growth is expected to remain broadly unchanged for Japan at 1.7 per cent in 2014, before moderating to 1 per cent in 2015.

The growth in EMDEs is expected to increase to 5.1 per cent in 2014 and 5.4 per cent for 2015. China is projected to grow at the rate of 7.5 per cent and 7.3 per cent for 2014 and 2015. The growth in China rebounded in second half of 2013 due to improvement in investment. Growth in India picked up after a favourable monsoon and export growth and is expected to firm further on stronger structural policies supporting investment. The projection for India is 5.4 per cent and 6.4 per cent for 2014 and 2015 respectively which is a 0.2 per cent

The tightening of global liquidity has increased external pressures and heightened the focus on India's macroeconomic imbalances (high inflation, large current account and fiscal deficits) and structural weaknesses (particularly supply bottlenecks in infrastructure, power and mining).

Source-Statements of activities 2013-14-Ministry of Commerce & Industry Department of Commerce

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



INDIAN MANUFACTURING INDUSTRY

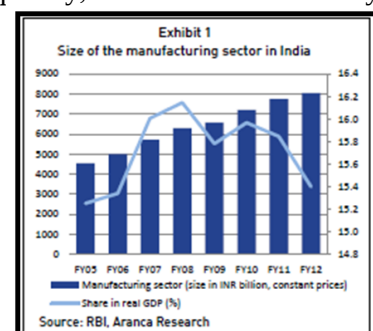
India has undoubtedly become one of the fastest growing economies in the world over the last two decades wherein the manufacturing sector has contributed significantly. India's manufacturing sector, which accounts for around 16 per cent of the country's gross domestic product (GDP), is a very vital component of the development model while ensuring sustainability of the entire economy as it facilitates adequate employment. India's share in the global manufacturing pie is around 1.8 per cent.

With the passage of time post 1990-economic liberalization era, India has well realized the importance of manufacturing for the overall development. the Government has also been very proactive, especially during the last decade.

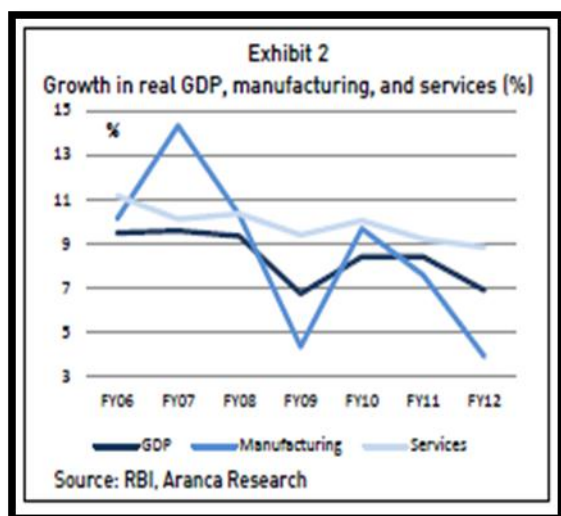
Business conditions in the Indian manufacturing sector continued to improve in October, 2014 fuelled by accelerated growth of output and new orders according to the HSBC India Manufacturing Purchasing Managers' Index (PMI) data. According to the PMI, manufacturing operating conditions in India rebounded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

Manufacturing holds a key position in the Indian economy, accounting for nearly 16 per cent of real GDP in FY12 and employing about 12.0 per cent of India's labour force. Growth in the sector had been matching the strong pace in overall GDP growth over the past few years. For example, while real GDP expanded at a CAGR of 8.4 per cent over FY05-FY12, growth in the manufacturing sector was marginally higher at around 8.5 per cent over the same period. Consequently, its share in the economy has marginally increased during this time to 15.4 per cent from 15.3 per cent. Growth however has remained below that of services, an issue that has not escaped the attention of policy makers in the country.

Strong growth has been accompanied by a change in the nature of the sector – evolving from a public sector dominated set-up to a more private enterprise driven one with global ambitions. In fact, according to UNIDO, India (with the exception of China) is currently the largest producer of textiles, chemical products,



pharmaceuticals, basic metals, general machinery and equipment, and electrical machinery. In the coming year, the sector's importance to the domestic and global economy is set to increase even further as a combination of supply-side advantages, policy initiatives, and private sector efforts set India on the path to a global manufacturing hub.



India's expanding economy offers domestic entrepreneurs and international players alike, opportunities to invest. The Government of India knowing the importance of the sector to the country's industrial development has taken a number of steps to further encourage investment and improve the economy.

India was ranked the fourth most competitive manufacturing nation in Deloitte's global index for 38 nations (2013). The country's economy witnessed significant expansion in the period 2006–2011, achieving a five-year compound annual growth rate (CAGR) of 7.8 per cent.

Source: www.ibef.org

India's manufacturing sector could reach US\$ 1 trillion by 2025, as per a study by global management consulting firm McKinsey and Company. This could be achieved on the back of the continually growing demand in the country and the inclination of multinational corporations to establish low-cost plants in India. Up to 90 million domestic jobs could be created by 2025, with the manufacturing sector contributing to about 25–30 per cent of India's gross domestic product (GDP)

FICCI's latest quarterly survey gauges the expectations of manufacturers for Q-3 (October–December 2014–15) for thirteen major sectors namely textiles, capital goods, metals, chemicals, cement and ceramics, electronics, auto components, leather & footwear, machine tools, Food processing, paper, tyre, textiles machinery. Responses have been drawn from 392 manufacturing units from both large and SME segments with a combined annual turnover of over Rs 4 lac crore.

Capacity Addition & Utilization: In terms of investment, it remains subdued in manufacturing sector as was the case for previous quarters also. For Q-3 2014–15, 74% respondents as against 71% respondents in Q2 and 69% respondents in Q-1 2014–15 reported that they don't have any plans for capacity additions for the next six months. Large unutilized capacity is the major reason for not many fresh investments proposals. In many sectors, average capacity utilization has almost remained same in Q-2 of 2014–15 as was in Q-1 of 2014–15. These are sectors like metals, tyre, textile machinery, capital goods. On the other hand capacity utilization has slightly improved in Q-2 in sectors like cement and ceramics, chemicals, textiles and food. The current average capacity utilization as reported in the survey is around 76% for Q-2 which is same as the capacity utilizations of previous two quarters i.e. Q-1 2014–15 and Q-4 2013–14.

Sector	Average Capacity Utilisation (%) in Q-2 2013-14	Average Capacity Utilisation (%) in Q-3 2013-14	Average Capacity Utilisation (%) in Q-4 2013-14	Average Capacity Utilisation (%) in Q-1 2014-15	Average Capacity Utilisation (%) in Q-2 2014-15
Auto	60	70	73	74	70
Capital Goods	70	70	70	70	70
Cement	73	65	72	71	80
Chemicals & Fertilizers	78	79	80	72	76
Textiles	78	83	79	81	82
Electronics & Electricals	60	60	75	75	70
Food & FMCG	86	80	78	78	82
Leather & Footwear	71	80	80	70	65
Metals	70	70	70	75	75
Textiles Machinery	60	60	60	60	60
Tyre	60	60	80	80	80
Miscellaneous	NA	NA	NA	70	NA

Source: FICCI Quarterly Survey on Indian Manufacturing Sector – November 2014

Sectorial Growth

Based on expectations in different sectors, the Survey pointed out that four out of thirteen sectors were likely to witness low growth (less than 5%). Four sectors namely, paper, ceramics, machine tools and leather and footwear are expected to have a strong growth of over 10% in October – December 2014-15 and rest all the sectors likely to witness moderate growth.

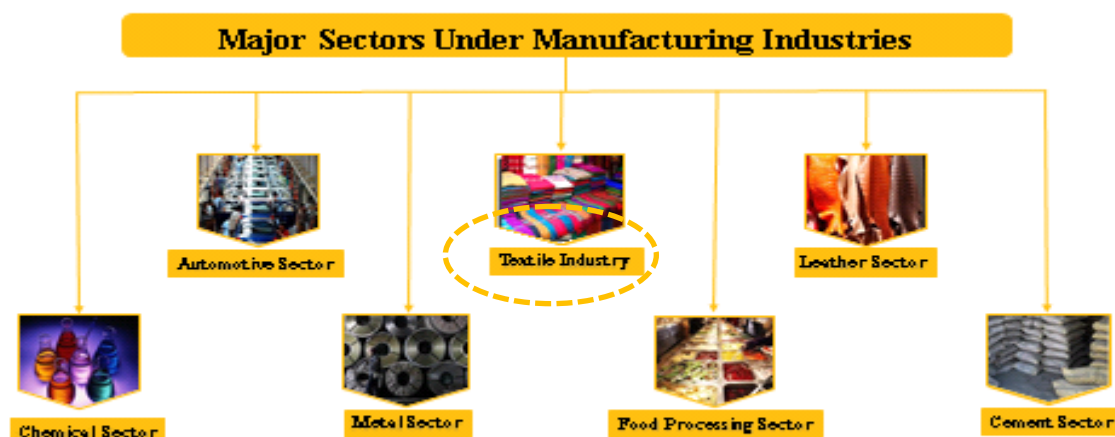
Source: FICCI Quarterly Survey on Indian Manufacturing Sector – November 2014

Table : Growth expectations for Q-3 2014-15 compared with Q-3 2013-14

Sector	Growth Expectation
Capital Goods	Low
Textiles Machinery	Low
Textiles	Low
Electronics & Electricals	Low
Auto Components	Moderate
Metals & Metal Products	Moderate
Tyre	Moderate
Chemicals	Moderate
Food Products	Moderate
Cement and Ceramics	Strong
Machine Tools	Strong
Paper	Strong
Leather & footwear	Strong

Note: Strong > 10%; 5% < Moderate < 10%; Low < 5% (Source: FICCI Survey)

The major sectors that contribute to Manufacturing Industry are as shown in the below chart:



OVERVIEW OF INDIAN TEXTILE INDUSTRY

Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country. It contributes about 14% to the industrial production, 4% to the GDP and 11% to the country's export earnings. The textile sector is the second largest provider of employment after agriculture. Textile sector in India provides direct employment to over 45 million people and holds the second position after the agriculture sector in providing employment.

Growing at a rapid pace, the Indian Market is being flocked by foreign investors exploring investment purposes and with an increasing trend in the demand for textile products in the country, a number of new companies and joint ventures are being set up in the country to capture new opportunities in the market

Source www.ibef.org

The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during the Twelfth Five Year Plan (2012-17) puts India's exports of textiles and clothing at US\$ 64.41 billion by the end of March 2017. In global clothing exports, India ranked ninth as per World Trade Organization (WTO) data 2012 (latest), with China, the EU, and Hong Kong occupying the first three slots. In global textile exports, India ranked third, trailing China and the EU. The import content of India's textile exports is very low, limited to certain specialty fibers and accessories.

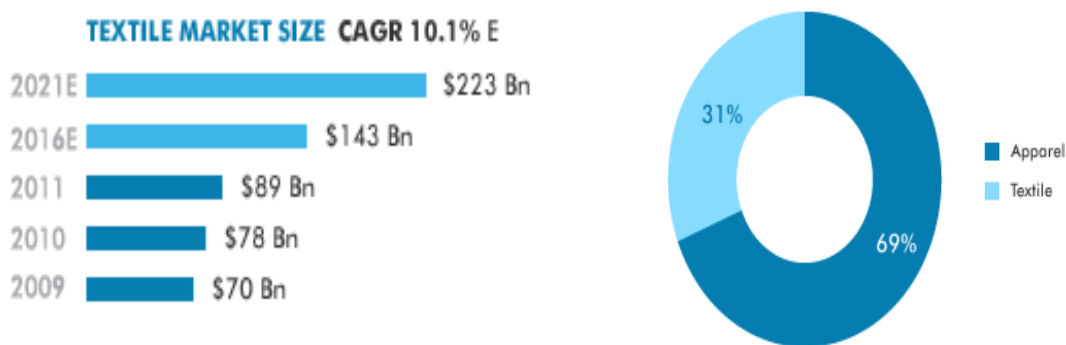
The Indian textiles industry is extremely varied, with the hand-spun and hand-woven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other. The decentralized power looms / hosiery and knitting sector form the largest section of the Textiles Sector. The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison with the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

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

The Indian textile industry is vertically integrated from raw material to finished products, i.e. fiber to retail. The government has been providing liberal assistance to the sector under the Technology Upgradation Fund Scheme (TUFS). Under TUFS, since inception till 31 March 2014 investment of more than Rs.2,50,000 crore has been made in the sector and Rs.18,579.40 crore has been released towards subsidy. The Scheme for Integrated Textile Parks (SITP) is a strategic initiative to help set up integrated parks equipped with world-class infrastructure facilities in industrial clusters/locations with high growth potential. The proposal for continuation of the SITP Scheme in the Twelfth Five Year Plan with an allocation of Rs.1900 crore, which includes an additional grant for apparel-manufacturing units under the SITP, has been approved by the Cabinet Committee on Economic Affairs (CCEA). An allocation of Rs300 crore was made in 2013-14, later revised to Rs.140 crore, of which Rs.111 crore was disbursed.

Source: Annual Report 2013-2014, Ministry of Textiles and Economic Survey 2013-2014.

The size of India's textile market is expected to expand at a CAGR of 10.1 per cent over 2009-21. In 2012, apparel had a share of 69 per cent of the overall market; textiles contributed the remaining 31 per cent.



Market Size

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. Abundant availability of raw materials such as cotton, wool, silk and jute and skilled workforce has made India a sourcing hub.

India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to eight per cent and reach US\$ 80 billion by 2020.

Textile exports in FY15 are expected to grow by 25 per cent to US\$ 50 billion, according to Mr Santosh Kumar Gangwar, Minister of State with Independent Charge for Textiles, Government of India.

The most significant change in the Indian textile industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. MMF production increased by 9 per cent during April 2014. Cotton yarn production increased by 2 per cent during April 2014. Cloth production by mill sector and powerloom sector increased by 5 per cent and 6 per cent respectively during April 2014. Total cloth production increased by about 2 per cent during the same month.

Further, the Government of India plans to launch US\$ 44.21 million missions for promotion of technical textiles, while the Ministry of Finance has cleared setting up of four new research centres for the industry, which include products such as mosquito and fishing nets, shoe laces and medical gloves.

The global technical industry is estimated at US\$ 127 billion and its size in India is pegged at US\$ 11 billion.

Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted foreign direct investment (FDI) worth Rs 6,985.86 crore (US\$ 1.15 billion) during April 2000 to June 2014.

Some of the major investments in the Indian textiles industry are as follows:

- Private equity (PE) funds have planned to invest in ethnic wear firms, having observed Mr Kishore Biyani earn a 22-fold return on his investments in ethnic apparel major Biba.
- Kumar Mangalam Birla plans to purchase 16 per cent stake in cement to garments maker, Century Textiles and Industries.
- Reliance Industries (RIL) has commissioned a polyester filament yarn (PFY) facility at Silvassa, Dadra and Nagar Haveli, giving boost to its position as the world's largest producer of polyester fibre and yarn.
- Arvind Ltd and Japan-based OG Corporation has inaugurated manufacturing facilities of their joint venture (JV)-Arvind OG Nonwovens Pvt Ltd-near Ahmedabad, Gujarat, at an investment of about Rs 50 crore (US\$ 8.26 million).
- Private Equity (PE) firm Everstone plans to invest Rs 100 crore (US\$ 16.53 million) for an undisclosed minority stake in the fashion label of designer Ritu Kumar.

Government Initiatives

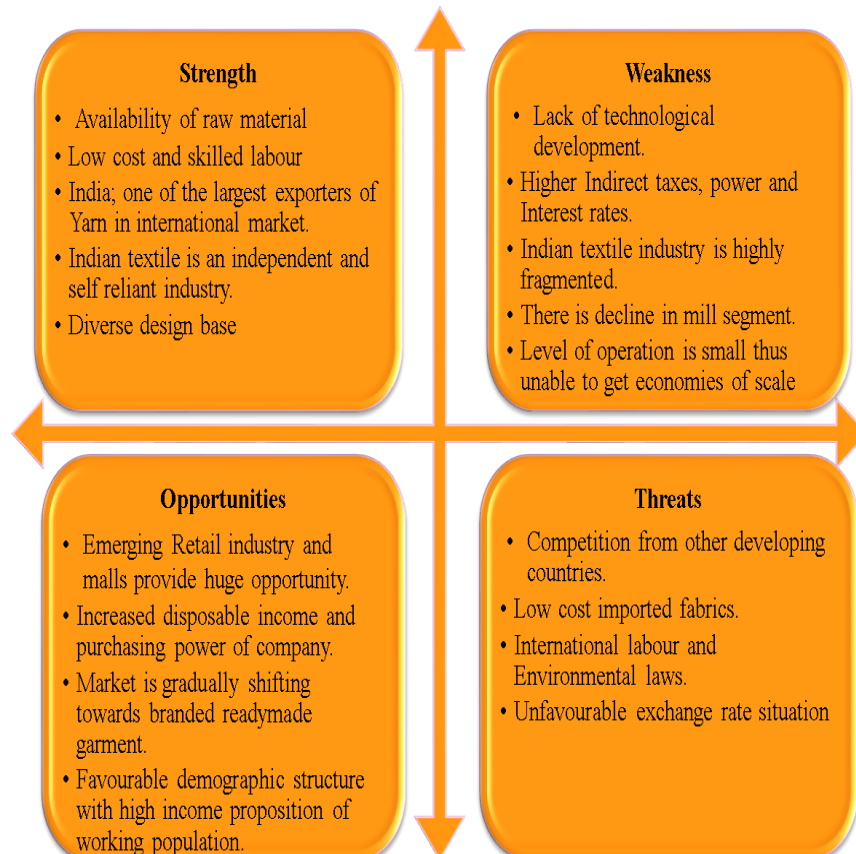
Some of initiatives taken by the government to further promote the industry are as under:

- Encouraged by turnaround in the textile exports, the Government of India plans to set up a US\$ 60 billion target for the next financial year, a jump of over 30 per cent from the current financial year. For the current fiscal year, the government has set a target of US\$ 43 billion.
- As per the 12th Five Year Plan, the Integrated Skill Development Scheme aims to train over 2,675,000 people within the next 5 years (this would cover over 270,000 people during the first two years and the rest during the remaining three years). This scheme would cover all sub-sectors of the textile sector, such as textiles and apparel, handicrafts, handlooms, jute and sericulture.
- The Government of Odisha plans to set up at least two textile parks under the Scheme for Integrated Textile Parks (SITP) of Union government during the 12th Five Year Plan.
- The Government of India plans to set up a Rs 100 crore (US\$ 16.53 million) venture capital fund to provide equity support to start-ups in the textiles sector, in order to encourage innovative ideas in this export intensive sector.
- The Government of India has allotted Rs 700 crore (US\$ 115.74 million) in the 12th Five Year Plan for the development of technical textiles. In 2012-13, the technical textiles industry reached Rs 7.48 trillion (US\$ 123.68 billion) at an annual growth rate of 3.5 per cent.
- Make In India Campaign
 - I. 'Make in India' campaign was launched in Sep, 2014 by the Honorable Prime Minister 'Shri. Narendra Modi'
 - II. Textile amongst the 25 thrust sectors that have been identified under this campaign
 - III. Low overheads compared to other industries, lean manufacturing practices, and the sector having the youngest machinery will work in favour of the sector
 - IV. Significant step to displace imports with exports. Exports have already thrived. India can look at exploiting this advantage further.

- Technology Upgradation Fund Scheme (TUFS)
 - I. Government gives interest and capital subsidy for new investments across the textile value chain
 - II. Total investments around Rs 2,40,000 Cr have been attracted through the TUFS
- Scheme for Integrated Textiles Parks (SITP)
 - I. Government's Scheme for Integrated Textile Park has attracted investments worth Rs 18,425 Cr across 40 textile parks sanctioned
- Other schemes
 - I. Cluster development
 - II. Skill development
 - III. 100% FDI through automatic route.
 - IV. Power loom schemes etc.

Source: www.ibef.org_textile_industry_August2014

SWOT ANALYSIS: OF INDIAN TEXTILE INDUSTRY



LONG-TERM OUTLOOK

Vision 2024-25

- Over the last 10 years, India's textile and apparel exports have grown at the rate of 11%. After the phasing out of export quotas in 2005 India's export performance has been below expectations.
- There is no reason why India, provided it takes the necessary steps, cannot achieve 20% growth in exports over the next decade. In the domestic market, sustaining an annual growth rate of 12% should not be difficult.
- This implies that with a 12% CAGR in domestic sales the industry should reach a production level of US\$ 350 billion by 2024-25 from the current level of about US\$ 100 billion for the domestic market.
- With a 20% CAGR in exports India would be exporting about US\$ 300 billion of textile and apparel by 2024-25. India should by then have a market share of 20% of the global textile and apparel trade from the present level of 5%.
- During this period India should attempt a structural transformation whereby it exports only finished products. This would imply that growth rates in exports of fibre and yarn start declining and growth rates of apparel, homes furnishing, technical textiles and other finished products should grow very rapidly. This would maximise employment generation and value creation within the country. In the process, investment of about US\$ 120 billion would take place and about 35 million additional jobs would get created.

Strategy

- Achieving Scale across the Value Chain
 - a) It would be necessary to attract large scale investment to establish world class manufacturing set-ups at each level of the value chain. The advent of large manufacturing set ups which will be able to realize economies of scale will help India in achieving global competency. Large scale capacity additions will enable India to achieve the targets of higher global trade share and generate significant employment opportunities in the sector.
- Attract Investment into the Sector
 - a) The sector needs to get US\$ 120 billion investment for achieving the size of US\$ 650 billion by 2024-25. This is a formidable challenge. Attracting new entry, both through start-ups and FDI is essential and would need to be given focussed attention
- Skill, Quality and Productivity
 - a) The Ministry of Textiles needs to evolve a credible mechanism for tracking improvements in quality and productivity across the value chain as well as across individual enterprises. A program for assisting individual firms in improving on both parameters needs to be implemented.
- Promoting Innovation and R&D
 - a) The Indian textile and apparel sector is known for its traditional products. India is yet to make its presence felt on the global stage with brands, chains, products and processes. Without innovation and R&D this would not happen. Government and industry need to work in partnership for this transformation. Business process innovation, in terms of, building brands and creating designs should be the immediate priority.

- Partnership with State Government
 - a) To achieve full potential the schemes and programmes of the Ministry of Textiles need the cooperation and support of the State Governments. The initiatives of the Central and State Governments need to complement each other for the attainment of the shared national objective

Action Plan

- Attract Investment into the Sector.
 - a) Cluster specific SPVs should be promoted in partnership with the State Governments. The SPVs for this purpose should be not-for-profit institutions which may get seed money from the Ministry of Textiles. The SPV could also choose to operate in the PPP mode. SPVs will purchase latest technology machines and lease them to weavers or knitters. The SPVs through bulk purchases should be able to get reasonable discounts from the machine manufacturers. Being promoted by the Ministry of Textile and the State Government, the SPVs should be able to raise debt at attractive rates for their operations. If necessary their debt could be guaranteed jointly by the Central and State Governments in the initial phase of operations till the track record would warrant the withdrawal the Government guarantees. To the extent feasible, new work-sheds may also be created for which land would need to be arranged for the SPVs by the State Government. The real income of the weaver after paying for the EMI to the SPV should increase adequately for the Scheme to be a real success. 4 to 5 pilot projects of this nature should be taken up initially. Accordingly the interest subsidy subvention would need to be calibrated. After the learning of few pilot projects, a robust delivery mechanism should be in place over the next 2 years. Thereafter, the programme should be scaled up to ensure complete replacement of old looms with modern shuttleless looms over the next 5 to 7 year.
- Skill, Quality and Productivity
 - a) It is necessary to ensure that in the next 3 years, the entire new workforce entering the sector is formally trained and certified. It is recommended that the existing skill development initiatives through the Sector Skill Council should be appropriately scaled up in partnership with the industry.
 - b) It is recommended that fee paid by textile and apparel sector companies to professional agencies for skill development should be eligible for tax relief.
 - c) it is recommended that there should be universal coverage of all textile workers and handicraft artisans under Rashtriya Swasthya Beema Yojana (RSBY) within next 5 years
- Promoting Innovation and R&D
 - a) Creation of global brands should be supported by Ministry of Textiles financially.
 - b) It is recommended that FDI in single and multi-brand retail for Indian apparel brands only may be permitted in the automatic route.

Source: Report on Vision, Strategy and Action Plan for Indian Textile and Apparel Sector, Ministry of Textiles.

KEY DEMAND DRIVERS



1. Rising Demand in Exports

- The total value of textile products exported from India was estimated at US\$ 40 billion in FY 2013.
- India has overtaken Italy and Germany, and is now the second largest textile exporter in the world.
- India was the third-largest supplier of textiles and clothing to the US in 2013, contributing about 6.01 per cent of its total imports.

Source: www.ibef.org

2. Robust demand:

- The Indian textiles industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The industry is expected to reach US\$ 220 billion by 2020, according to estimates by Alok Industries Ltd

3. Increasing investments:

- For the textiles industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers. It will also bring in greater investments along the entire value chain – from agricultural production to final manufactured goods.

4. Competitive advantage:

- Abundant availability of raw materials such as cotton, wool, silk and jute gives India advantage over other countries. India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to major textile producers

5. Policy Support

- 100% FDI in textile sector
- Government setting up Scheme for Integrated Textile Parks(SITP)

- Increasing loans under Technology Upgradation Fund Scheme.
- Launch of ‘Make In India’ campaign by The Prime Minister, Mr. Narendra Modi

6. Favourable Conditions in India

- The ready availability of a large and low-cost labour force, adequate supply of raw material and advanced spinning capacities play an important role in positioning India as a textile hub.
- The presence of state-of-the-art manufacturing capacity across the entire value chain (yarn, fabric, as well as garments) gives the Indian cotton industry an edge over others.
- The Indian textile industry is fast adopting best practices in benchmarking, human resource development, best management practices and quality certifications.

OUR BUSINESS

Our Company, promoted by Mr.Jugalkishore Jhavar is engaged in textile sector. Our Company was incorporated as ‘Supreme (India) Impex Limited’ under the Companies Act, 1956 *vide* Certificate of Incorporation dated August 2, 1995 bearing registration number 026968 issued by the Registrar of Companies, Ahmedabad. Our Company received Certificate for “Commencement of Business” on August 21, 1995. The corporate identity number of our Company is U51100GJ1995PLC026968. Our registered office is situated at Plot No 823/2, Road No.8, GIDC, Sachin, Surat, Gujarat- 394230.

Our Company has ventured in highly value added textile sector catering to the international market, and has successfully transformed into a textile exporter mainly comprising women’s clothing. SIIL offers value-added work such as handwork, sequencing and embroidery on fabrics. It has recently diversified its presence into Multi Ply Yarn which is used in making home furnishing items like Carpets, terry towels, fashion fabrics and others. The company has secured LoP for Apparel & Garment manufacturing from GOI at its Apparel park unit

Our Company was incorporated in 1995 and in less than two decades has achieved a turnover of more than Rs. 300 crores. The Company has not only established its footings in domestic markets but also explored international markets. This has been possible through efficient production capacity, marketing of our products and our ability to incorporate new design in its range.

The Company has secured an ISO Certification -ISO 9001:2008 in 2010-2011. The growth of the Company has been fuelled by the volume of its activities that span across various textile segments—fabrics, apparels, garments, dress materials etc.

OUR MANUFACTURING FACILITY AND BUSINESS PROCESS

Our manufacturing plant is situated at Supreme House, 823/2, Road No. 8, GIDC, Sachin, Surat. Our Company is having the infrastructural facilities admeasuring on land of 2881 sq. mtrs. with power connection and a skilled work force and labour force. The group is having managerial team consisting inter alia of second generation management as well as technical experts.

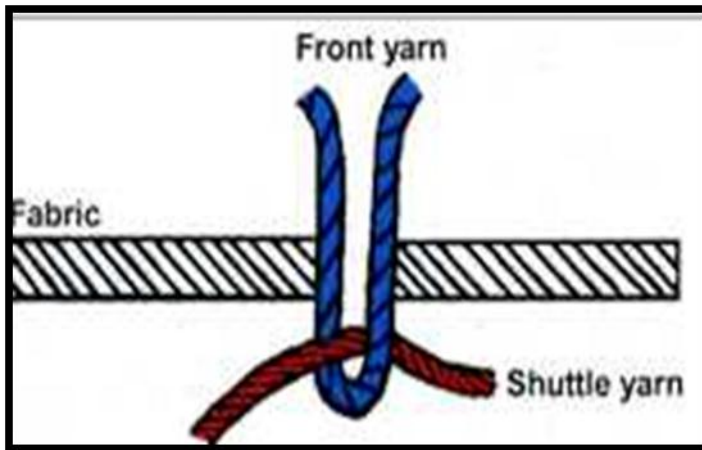
Our manufacturing plant is equipped with the below mentioned machinery:

1. Schiffli Machines
2. Yarn Doubling & Twisting Machines

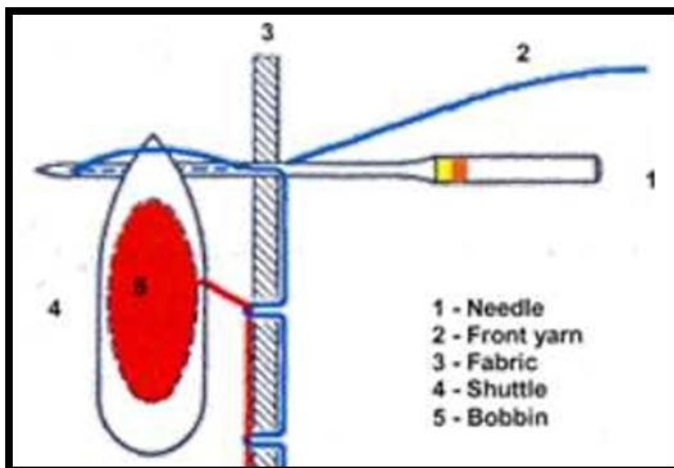
SCHIFFLI MACHINES

WORKING OF SCHIFFLI MACHINES

The Schiffli machine is a variation of the sewing machine. It embroiders with a front thread and bobbin thread (yarn at the back of the cloth) which together forms a lock stitch, similar to that of a sewing machine.

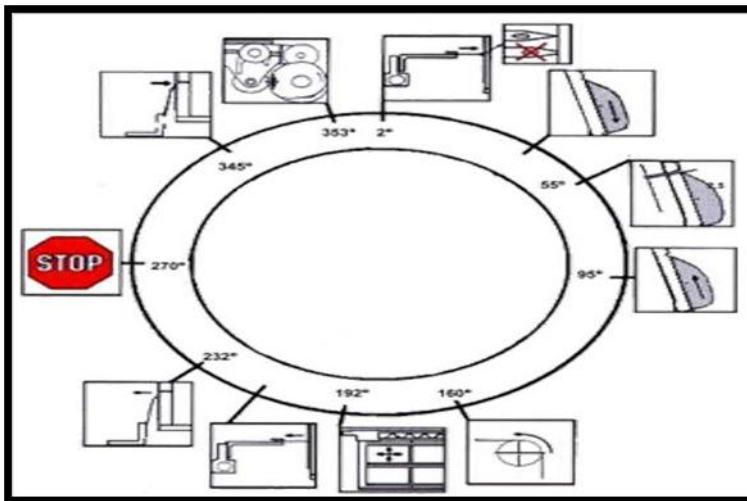


The front yarn is treated in a needle which passes through the fabric to a predetermined point. It is then retracted slightly, and the friction of fabric holds the thread, forcing a loop to be formed. A shuttle containing the yarn which is attached to the previous stitch in the back of the goods is driven through this loop, and the needle is driven again slightly further into the fabric, to allow enough thread for the shuttle to pass through the loop.

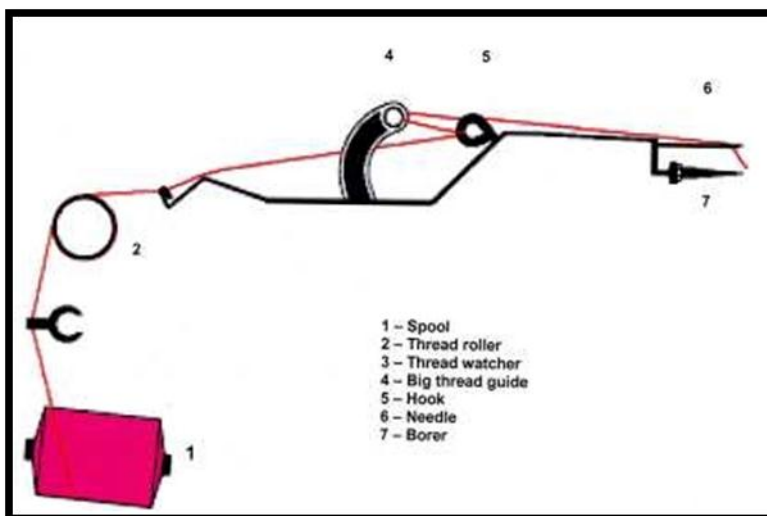


The needle is retracted while the shuttle is at its highest point and the shuttle returns to the bottom of the box. As the needle retracts, tension is applied as the big thread guide tightens the stitch thus formed. The loop is closed with the bobbin thread locked inside. Each stitch forms in the same manner. Between each of these stitches the frame is moved, stopped for the stitch and moved again, thus forming the embroidery design.

SCHIFFLI MACHINE FRAME MOVEMENT



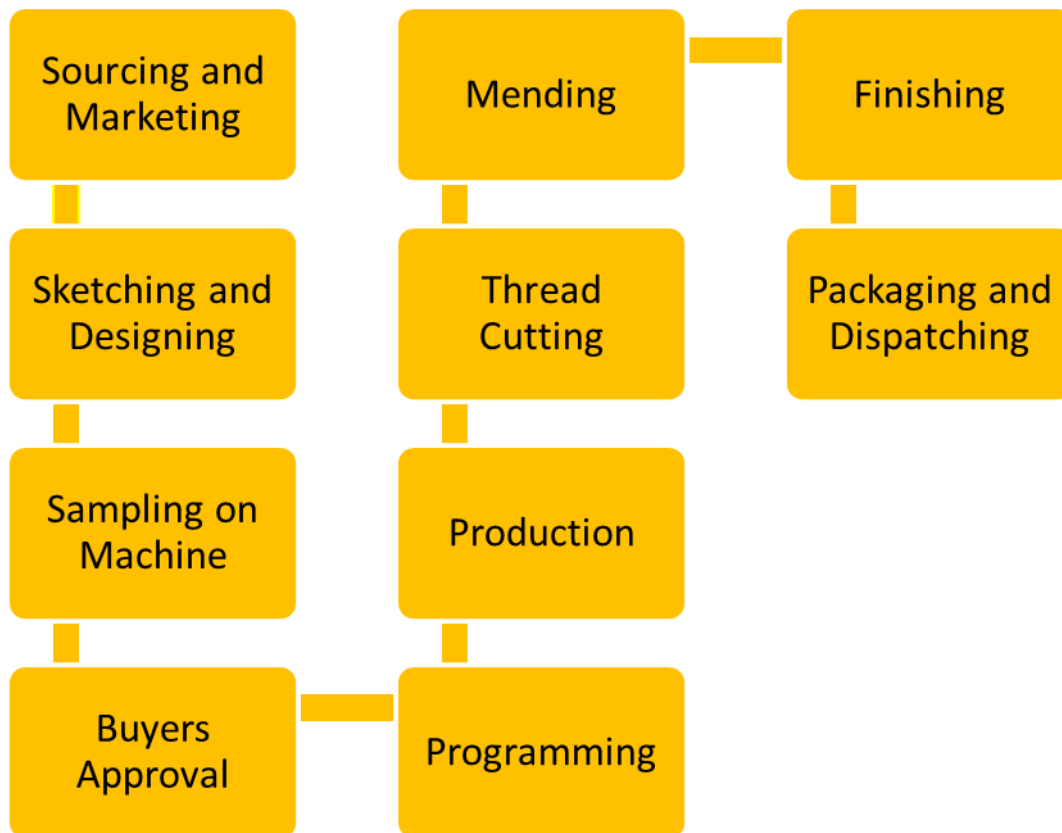
The spool used for a Schiffli machine is mounted on a shaft to hold a large quantity of yarn. It is placed on an angular spindle; the yarn is drawn off its right side. This way yarn can be prevented from being stuck. The winding off the yarn from full and heavy spools can be facilitated by using metal attachments which are placed in the middle of the tubes of the spools in order to allow a constant front yarn tension.



Sometimes cones are used for big order of one design, when the spool would not hold enough yarn for a long run without constant changing. In such cases the yarn is drawn from the top end through the middle of the cone, which might be placed on the floor or might be fixed on the cone holder device. Unlike spools, cones are fixed on the cone holder device and can therefore not be turned.

PROCESS FLOW CHART

The following is the process of making women garments through use of Schiffli machines



- **Sourcing & Marketing**

Our marketing department discusses with customers the design and fabric to be used as per their demand and requirements. On understanding the demands and requirement of the customers, our marketing department gives inputs to the sketching and designing department.

- **Sketching & Designing**

On understanding the requirements of the customers as explained by marketing department the sketchers design on paper and the design is then approved by senior designer(s). The approved designs are, then, uploaded on the “**Wilcom Software**”. Once these designs are uploaded on the software they are made ready to run on machines.

- **Sampling on Machine**

The new designs which are being uploaded on the “**Wilcom Software**” is used on sample fabric for sampling purpose and on completion, the same is forwarded to marketing department for verification.

- **Buyers Approval**

On receiving samples from the designing department, our marketing executive shares the samples with buyers and takes approval for programming.

- **Programming**

On receiving the approval, the production manager sets the programme as per the final design, colour and required metres.

- **Production**

As per the order requirement, fabric is mounted on machine for making embroidery designs.

- **Thread Cutting**

The ready embroidery fabric; that is the output produced, is sent for yarn cutting to the thread cutting department.

- **Mending**

Once the fabric is out from thread cutting department the fabric is checked by workers to find any errors or mistakes and the same is corrected by them in the mending department.

- **Finishing**

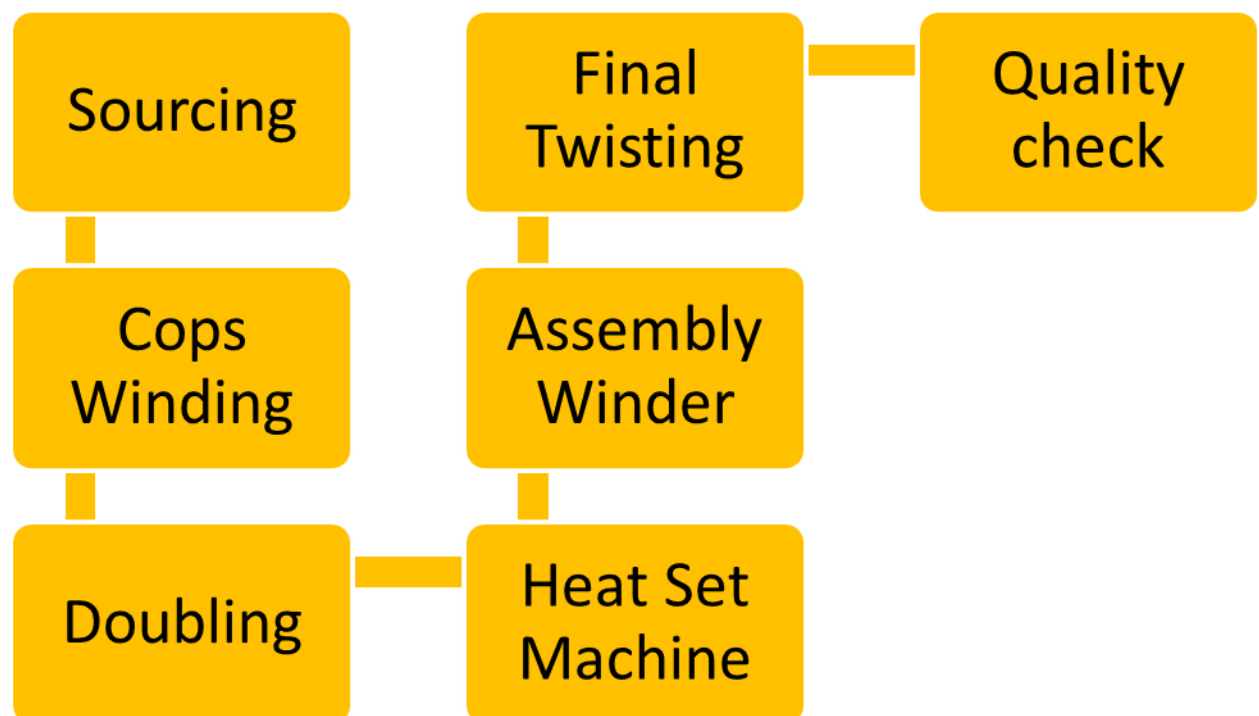
On finalization from the mending department, approval is taken from quality control in-charge and then sent for ironing.

- **Packing & Dispatching**

On completion of ironing, the product is packed and dispatched to buyers

PROCESS OF YARN DOUBLING & TWISTING

The following is the process of Yarn Doubling & Twisting -



- **Sourcing**

Firstly yarn is procured from different well-known spinners in India

- **Cops winding**

Once yarn is sourced cops winding is done, in which 1 kg bobbin of fully drawn yarn is placed by cops winder machine.

- **Doubling**

Now these 1 kg bobbins are placed in twisting machine in which primary twisting is done and the two twisted fully drawn yarn is parallel together and then again the two fully drawn yarn is twisted together, thus doubling is achieved.

- **Heat Set Machine**

Now these Yarns are placed in Boiler and these heat setting of yarns can be done at about 95 degree of temperature for about 50 minutes to remove shrinkage.

- **Assembly Winder**

These doubled yarns are kept parallel together in a machine called assembly winder depending upon requirements

- **Final Twisting**

Final Twisting is done through twisting machine to give a twist to the doubled yarns and the desired product is achieved.

- **Quality Check**

A quality test is run and if product passes the test the product is packed and dispatched

OUR SPECTRUM OF PRODUCTS

Sarees



Our range of sarees include designer sarees, ethnic sarees, embroidered sarees, printed sarees, silk sarees, and handloom sarees. Our team of designers offer tailor-made products as per customer specification. Special attention to customer requirements and designs portrays a reflection of Indian culture in our products.

Salwaar Suits

Our salwaar suits aims to exhibit style and authenticity . We offer our products at an affordable cost to our esteemed customers. We specialise in core areas of style and designs like decoration cuts, curves, patches, embroidery, work, thread work, sippy work, and glass work.



Fabrics



Our fabric line features an extensive range of dyed fabrics, knitted fabrics, printed fabrics and cotton fabrics covering a vast assortment of woven fabric. Our Company's Sourcing and Design Department attempts to satisfy going on customer requirements.

Embroidery Accessories

Embroidery embellishes a fabric and it has been around for generations. Hand-embroidery and Eyelet embroideries were done in the past. As technology took over human lifestyle, embroidery has come within easy reach of a common man. Embroidery is done on a range of casual and high fashion fabrics in cotton, silk, polyester, viscose, linen, tulle, net and organza. We use embroidery thread manufactured from cotton, novelty yarns, silk, etc. besides accessories right from trendy casuals to elaborate bridal wear.



Yarn Doubling & Twisting



Yarn doubling & twisting has been recently started by us. Our Company purchases yarn; doubles and twists it as per the customer specific requirements. Doubled and twisted yarns are manufactured and generally exported to foreign countries. Thread is doubled to make warp, and it is invariably used for the manufacture of knitting yarn, crochet yarn and sewing yarn.

OUR STRENGTHS

Customer focus, designs, marketing strategies and adherence to fair practices have always been the cornerstone of the Company's philosophy.



1. **Customer Focus:** Our Company's efforts have been directed towards highest levels of customer satisfaction. The progress achieved by us is largely due to our ability to address customer satisfaction. Our Company has always believed in assessing the changing consumer preferences from time to time and redesigning our products accordingly by continuously acquiring new skills and technical know-how. The management of the Company is well acquainted with European/African/ South Asian Markets, including Indonesia, Singapore, Hong Kong, with a thrust on the African continent resulting in increase in turnover over the years.
2. **Creativity:** Our Company has always been driven by the quest to develop something new and constantly strives to develop better products which appeal to our constantly growing customer base. This spirit has helped us to evolve as a trendsetter in our field of operations. Our Company's forte lies in its ability to translate its vision into realities using , technology and personnel who successfully supervise each new venture undertaken.
3. **Integrity:** Our Company has always ensured adherence to fair trade practices and high levels of integrity. We believe in ethical behaviour with all our customers, employees and external dealings. The inner zeal and hard-core efforts of the management puts the Group as a forerunner in the field of textile export business.
4. **Growth:** Our Company believes in sustained growth with stability. We aspire to develop such a business strategy that shall propel growth along with increased market presence both in national and international markets. The aim is to make 'Supreme' a dynamic, successful and highly competent business house and a force to reckon with in the industry.

5. **Leveraging the experience of our Promoter:** Our Promoter Mr Jugalkishore Jhawar has more than 25 years of experience in the field of apparels, garments and textile which has contributed significantly to the growth of our Company
6. **Economies of Scale:** We have been registering consistent growth in volumes leading to higher economies of scale. Our Company was awarded Three Star Export House Status by Ministry of Commerce.
7. **Technology:** Our Company has invested significant resources in technological capabilities and has developed a scalable technology system.
8. **Quality of Service:** Our Company has been accredited with “ISO 9001:2008” Certification for quality system by SG Certification Private Limited for manufacturing and export of fabrics. We adhere to quality standards as prescribed by our customers; hence we get repetitive orders from our buyers, as we are capable of meeting their quality standards, which enables us to maintain our brand image in the market.

DETAILS REGARDING MANUFACTURING CAPACITY AND PRODUCTION

It is difficult to calculate the exact capacity utilisation for making each product as schiffly machines are used to design fabrics and thereafter these fabrics is utilised for sarees, salwars etc depending upon the requirements of the customers. However, the machinewise manufacturing capacity is mentioned below and its actual utilization will also depend on the design and type of product. Yarn Doubling & Twisting Machine was installed in last year and its utilization has recently started.

Year	Particulars	Manufacturing Capacity (of complete set of machines)
2013-14	For Schiffily Swiss Lasser Schiffily Machines (3 no.s)	19,44,000 stitches per day
	*For Yarn All set of Machines comprises 264/176, 88, 98, 32, 432 Position. (20 +2 no.s)	180 tons per month
2012-13	For Schiffily Swiss Lasser Schiffily Machines (3 no.s)	19,44,000 stitches per day
2011-12	For Schiffily Swiss Lasser Schiffily Machines (3 no.s)	19,44,000 stitches per day

*Installed in the year 2013-14

Projected Capacity

The Projected capacity of the machines for the next three years cannot be estimated as the production depends upon demand along with type & design of the products.

PLANT & MACHINERY

Sr. No.	Description/Name of Machinery	Unit (in No.)
1	Swiss Lasser Schiffily Machines	3
2	Yarn Doubling & Twisting Machines	20+2

COLLABORATIONS

We have not entered into any technical or other collaboration

UTILITIES & INFRASTRUCTURE FACILITIES

Raw Material

Our major raw material is grey fabric which is generally cotton and polyester and the same is, sourced from domestic Indian market only. For Yarn doubling & Twisting our material is thin yarn which is also sourced from domestic markets.

Infrastructure Facilities

Our registered office is well equipped with computer systems, internet connectivity, other communication equipment's, security and other facilities, which are required for our business operations to function smoothly.

Power

Power requirements are met through state electricity boards and back-up diesel generator sets. Given that electricity is critical for running the machines, our back-up diesel generators are crucial to our operations in case of power failures.

Water

Water, while not critical to our operations, is generally sourced from state water boards and / or borewells.

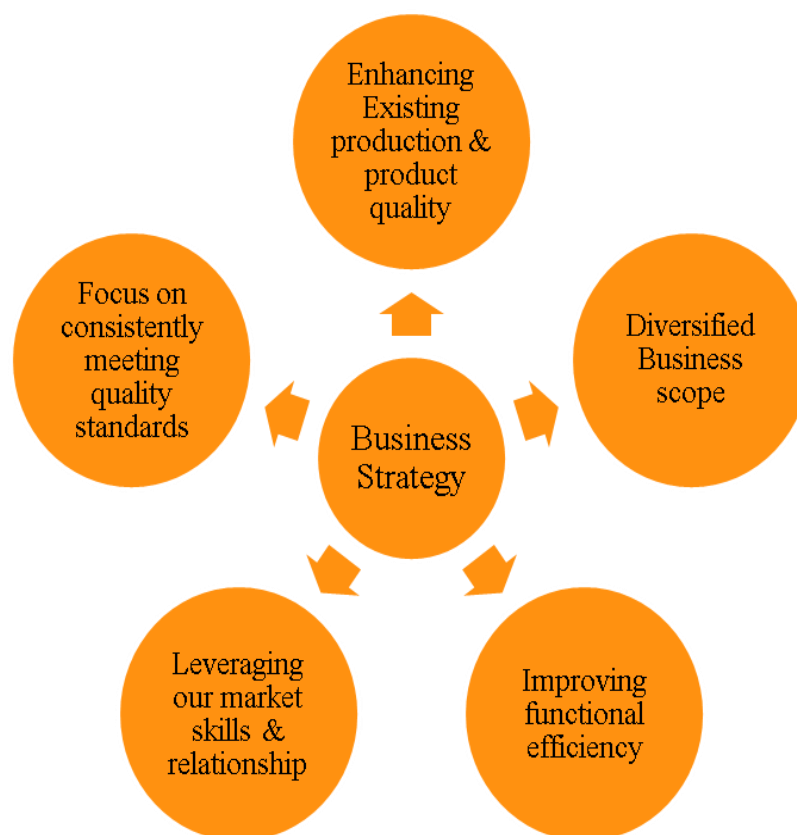
HUMAN RESOURCE

As on September 30, 2014 our Company has 50 employees. Detailed break up of the employees department wise is as follows

Department	Nos
Export Marketing	7
Accounts & Finance	5
Export Documentation & Packing	5
Admin & Internal Control	8
Production (Yarn Division)	7
Production & Maintenance	11
Sourcing & Development	7
Total	50

BUSINESS STRATEGY

Our Strategy is to become a leader in the sector in which we operate. The diagram below represents our continuous growth philosophy being implemented:



1. Enhancing existing production and product quality

We believe that quality service and products of standards is of utmost importance for customer retention and repeat-order flow. We intend to have close interaction with our customers to strengthen our relationships with them. We train our employees to consistently design and deliver client focused solutions.

2. Diversified business scope

We intend to diversify our business by focusing on opportunities across a range of areas and not solely on manufacturing textile and exporting of garments but also by penetrating into the field of accessories and yarn doubling & Twisting with an aim of diversifying and satisfying total requirements of our clients.

3. Improving functional efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

4. Leveraging Market skills and Relationship

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

5. Focus on consistently meeting quality standards

Our Company strives to consistently meet quality standards to the customer satisfaction. This is necessary so as to make sure that we get repeat business from our existing customers. This will also aid us in enhancing our brand value.

COMPETITION

The industry in which we operate is unorganized and fragmented with many small and medium-sized companies. Textile being a global industry, we face competition from various domestic and international players. We compete with other service provider on the basis of service quality, price and reliability. While these factors are key parameters in customer's decisions matrix in availing our product's, we attempt to offer the best quality product at economical price

Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis competitors.

FUTURE PROSPECTS

Export Obligations

As on the date on the Prospectus, our Company under the EPCG Scheme, in terms of which, capital goods may be imported at a concessional rate of custom duty has an Export obligation as follows.

S r N o	Details	License No	Issue Authorisation date	Duty saved(Rs)	Total Export Obligation	Export Obligation completed	Balance export obligation to be completed	Period upto which Export obligation to be completed
1	EPCG	5230011254/3/11/00	February 21, 2013	59,69,332	864337.66 USD	248421.09 USD	162083.33 USD	8 years

MARKETING

The efficiency of the marketing and sales network is critical success factor of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our marketing team through their vast experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our marketing team, which comprises people with vast experience regularly interacts with them and focuses on gaining an insight into the additional needs of our customers.

INSURANCE

We maintain insurance for standard fire and special perils policy, which provides insurance cover against loss or damage by fire and earthquake which we believe, is in accordance with customary industry practices.

PROPERTY**Land & Property Owned By The Company**

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
1	Freehold Property	Shop No 1425, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
2	Freehold Property	Shop No 1426, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
3	Freehold Property	Shop No 1427, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
4	Freehold Property	Shop No 1428, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
5	Freehold Property	Shop No 1429, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
6	Freehold Property	Shop No 1478, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
7	Freehold Property	Shop No 1479, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
8	Freehold Property	Shop No 1480, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
9	Freehold Property	Shop No 1481, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear
10	Freehold Property	Shop No 1482, Ground floor - D wing Raghukul Market – Surat	170 Sq. ft.	Raghukul Market Co-operative Society Ltd. & Rachna Organizers	1,08,000	May 28, 2007	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
11	Freehold Property	Shop No. 25, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
12	Freehold Property	Shop No. 26, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
13	Freehold Property	Shop No. 27, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
14	Freehold Property	Shop No. 28, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Dena Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
15	Freehold Property	Shop No. 39, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Dena Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
16	Freehold Property	Shop No. 40, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Dena Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
17	Freehold Property	Shop No. 41, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
18	Freehold Property	Shop No. 42, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
19	Freehold Property	Shop No. 52, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
20	Freehold Property	Shop No. 53, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
21	Freehold Property	Shop No. 54, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under, the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
22	Freehold Property	Shop No. 128, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
23	Freehold Property	Shop No. 129, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
24	Freehold Property	Shop No. 130, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
25	Freehold Property	Shop No. 131, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
26	Freehold Property	Shop No. 132, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
27	Freehold Property	Shop No.133, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Dena Bank Lakshmi Building Ashram Road, Ahmedabad, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	6,24,545	August 24, 2009	Clear
28	Freehold Property	Shop No. 56, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
29	Freehold Property	Shop No.57, Block No. A, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
30	Freehold Property	Shop No.33, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
31	Freehold Property	Shop No.34, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
32	Freehold Property	Shop No.35, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
33	Freehold Property	Shop No.36, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
34	Freehold Property	Shop No.37, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
35	Freehold Property	Shop No.38, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
36	Freehold Property	Shop No.134, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
37	Freehold Property	Shop No.135, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
38	Freehold Property	Shop No.136, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
39	Freehold Property	Shop No.137, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
40	Freehold Property	Shop No.114, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
41	Freehold Property	Shop No.115, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear

Sr.No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration (Rs.)	Date of Purchase	Title
42	Freehold Property	Shop No.116, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
43	Freehold Property	Shop No.117, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear
44	Freehold Property	Shop No.118, Block No. B, Lower ground floor, Kohinoor Textile Market, Ring Road, Surat	170 Sq. ft.	Bank of India Surat Main Branch, Lalgate, Post Box No. 226, Surat, under the Securitisation and Reconstruction of Financial assets & Enforcement of Security Interest Act, 2001 and the Security Interest (Enforcement) Rules, 2002	4,35,900	Aug, 12, 2009	Clear

Property Sr. no 11 to 44 have been purchased vide various Indentures of Conveyance (“Indentures”) from the Dena Bank and the Bank of India (“Banks”). The Banks had acquired the said Properties by virtue of the exercise of their rights as lender/mortgagee bank under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFESI Act”), consequent to the borrowers’ default and failure in discharge of their respective liabilities towards the Banks. Due to inadvertence, the Indentures in respect of the said Properties have been registered in the names of our directors, Mr. Jugalkishore Jhawar and Mrs. Saritadevi Jugalkishore Jhawar. However, our Company holds all free and irrevocable rights including the beneficial right, title and interest in the said Properties. Our directors, Mr. Jugal Kishore Chhaganlal Jhawar and Mrs. Saritadevi Jugalkishore Jhawar will continue to do such acts, deeds, matters and things as are necessary with respect to the said Properties, for and on behalf of the Company, in accordance with the directions of the Board of Directors and subject to applicable laws. In this regard, Mr. Jugalkishore Jhawar and Mrs. Saritadevi Jugalkishore Jhawar have executed a Declaration-cum-Undertaking dated February 24, 2015.

Land and Properties Taken On Lease By The Company

Sr. No	Location of the property	Document and Date	Licensor/Lessor	Lease Rent/ License Fee	Lease/License period		Purpose
					From	To	
1*	Plot No. 823/2 Road No. 8, GIDC Sachin, Surat – 394230, Gujarat.	July 3, 2007	Gujarat Industrial Development Corporation	NIL	June 8, 1990	7 June. 2089	Registered office & Factory
2**	Plot No. 15 Surat Apparel Park - Special Economic Zone, Village Yanz, Sachin, Surat	June 03, 2005 License Agreement	Gujarat Industrial Development Corporation	NIL	June 03, 2005	January 29, 2033	New Factory
3***	“C 1” Type Shed No.1 GIDC Sachin	April 28, 2011 Supplemental Agreement	Gujarat Industrial Development Corporation	Nil	--	--	Factory Shed

*The said property was assigned from M/s Parag Fibres Private Limited to M/s Supreme (India) Impex Limited by executing a Deed of Assignment on April 5, 2007 against a consideration of Rs. 72,00,000 (Rupees Seventy Two Lacs) which was registered on April 5, 2007. Subsequently, a Supplementary Deed was executed on July 3, 2007 between Gujarat Industrial Development Corporation, M/s Parag Fibres Private Limited & M/s Supreme (India) Impex Limited. The plot was transferred on July 3, 2007 which was confirmed by office of the Regional Manager, Surat vide Letter No. GIDC /R.M./SRT./4035 dated July 04, 2007.

**The said property was allotted vide possession letter dated July 11, 2005. However the Property was into the dispute in the Honourable High Court of Gujarat. Further Ministry of Commerce & Industry Office of the Development Commissioner Kandla Special Economic Zone vide letter dated February 06, 2015 had considered our application for setting up of the unit. For further details please refer Chapter titled “Outstanding Litigation and Material Developments” beginning on page 252 of this Prospectus

***Our Company had purchased plot of land No. 487 admeasuring 799.20 Sq. Mtr. “C 1” Type Shed No.1 vide supplemental deed dated April 28, 2011 and approval of GIDC vide letter dated May 2, 2011 from Smt. Kiran Sampat Jain. Currently the Company has sold the plot and has received the consideration for the same but the approval of GIDC is pending for transfer of the Land.

INTELLECTUAL PROPERTY

We have applied for various trademarks under the Trademark Act and our application is in process. The details of applications for trademark are as follows:

Sr. No.	Trademark Name	Provisional Regn No.	Class	Date of application	Current Status
1.	SIIL	2908306	22	February 23, 2015	Formalities Chk Pass
2.	SIIL	2908308	23	February 23, 2015	Formalities Chk Pass
3.	SIIL	2908309	24	February 23, 2015	Formalities Chk Pass
4.	SIIL	2908310	25	February 23, 2015	Formalities Chk Pass
5.	SIIL	2908312	26	February 23, 2015	Formalities Chk Pass
6.	SIIL	2908315	27	February 23, 2015	Formalities Chk Pass
7.	SIIL	2908317	35	February 23, 2015	Formalities Chk Pass
8.	SIIL	2908320	36	February 23, 2015	Formalities Chk Pass
9.	SIIL	2908324	40	February 23, 2015	Formalities Chk Pass
10.	SIIL	2908326	42	February 23, 2015	Formalities Chk Pass



Our logo and word mark “Bestex”, “Trendz” and “High Choice” is not registered with the Trademark Authorities.

Our logo and wordmark are not yet registered with Trademark Authorities. However, we are in process of making the application for registration of our logo under the Trademark Act.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to the Company being a part of the textile/apparel industry. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see “Government and other Statutory Approvals”.

A. INDUSTRY-SPECIFIC REGULATIONS

1. National Textile Policy – 2000 (“NTxP – 2000”)

The Government of India in November 2000 announced the National Textile Policy – 2000, thereby replacing the previous Textile Policy of 1985. The main objective of the NTxP – 2000 was to enable the industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. It aimed at achieving textiles and apparel exports of upto \$ 50 billion by 2010 from the present \$ 11 billion. It also dereserved the garments sector from the SSI reservation list and lifted the foreign direct investment cap of 24 per cent. The NTxP – 2000 took note of the new challenges and opportunities presented by the changing global environment, particularly the initiation of the process of gradual phasing out of quantitative restrictions on imports and the lowering of tariff levels for an integration of the world textile and clothing markets by the end of 2004.

The objectives of the NTxP – 2000 are:

- Facilitate the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing;
- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Liberalise controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment;
- Enable the textile industry to build world class state-of-the-art manufacturing capabilities in conformity with environmental standards, and for this purpose to encourage both Foreign Direct Investment as well as research and development in the sector;
- Develop a strong multi-fibre base with thrust on product upgradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralised sectors of the textile industry; and for this purpose to revitalise the Institutional structure;
- Expand productive employment by enabling the growth of the textile industry, with particular effort directed to enhancing the benefits to the north east region;
- Make Information Technology (IT), an integral part of the entire value chain of textile production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing and;
- Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organisations in the fulfilment of these objectives.

Vide the NTxP – 2000 the Government has conveyed its commitment towards providing a conducive environment to enable the Indian textile industry to realise its full potential, achieve global excellence, and fulfil its obligation to different sections of society.

2. Gujarat Textile Policy, 2012 (“the GTP”)

Gujarat has long been recognized as the country’s textile hub where ginning, pressing, spinning, weaving, processing, RMG etc., are the major contributors to the textile industry of the country. Gujarat is the largest producer of denim in India (65 to 70%) and the third largest in the world in the world. The policy promulgates a scheme for interest subsidy in addition to that provided by Government of India.

3. Technology Upgradation Fund Scheme (“TUFs”)

Given the significance of the textile industry to the overall health of the Indian economy, its employment potential and the huge historical backlog of technology upgradation, particularly in the context of the liberalization of the national industrial and trade policy and globalization of textile trade, it has been emphasized that in order to sustain and improve its competitiveness and overall long term viability, it is essential for the textile industry to have access to timely and adequate capital at internationally comparable rates of interest in order to upgrade its technology level.

In light of the foregoing, it has been felt necessary to make operational, a focused and time-bound TUFs which would provide a focal point for modernization efforts through the upgradation of technology in the textile industry.

The main feature of the TUFs would be a five percent reimbursement on the interest actually charged by the identified financial institutions on the sanctioned projects. The TUFs was launched from April 1, 1999 to March 31, 2007 in order to provide an impetus for the modernization of the textile and jute industry and to further enhance its viability and competitiveness in the domestic and the international markets. Technology upgradation under TUFs would ordinarily mean induction of state-of-the-art or near-state-of-the-art technology. But in the widely varying mosaic of technology obtained in the Indian textile industry, at least a significant step up from the present technology level to a substantially higher one for such trailing segments would be essential. Accordingly, technology levels are bench-marked in terms of specified machinery for each sector of the textile industry. Machinery with technology levels lower than that specified level will not be permitted for funding under the TUFs Scheme. The government has restructured the TUFs as Revised Restructured Technology Upgradation Fund Scheme (“RR-TUFs”) applicable from April 1, 2013 to March 31, 2017. RR-TUFs provides for subsidies for garment manufacturing machinery.

4. Textiles Committee Act, 1963 (“the TCS”)

The TCS came into force on August 22, 1964. The TCS calls for constitution of a Textiles Committee by the Central Government. The said Textiles Committee shall ensure a standard quality of textiles both for internal marketing and export purposes and the manufacture and use of standard types of textile machinery, assisting and encouraging scientific, technological and economic research in the textile industry and textile machinery. The Textiles Committee shall also promote export of textiles and textile machinery and carry on propaganda for that purpose. The TCS also imposes a duty of excise on textiles and textile machinery manufactured in India at such rate, not exceeding one per cent ad valorem as the Central Government may, by notification in the Official Gazette, fix. Provided that, no such cess shall be levied on textiles manufactured out of the handloom or power loom industry. However, the Central Government may exempt any variety of textiles or textiles machinery if it is required to do so in the public interest.

The Textiles Committee recognizes standard specifications for textiles and packing materials used in the packing of textiles or textile machinery, for the purposes of export and for internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials.

5. **Textile (Development and Regulation) Order, 2001 (“Textile Order”)**

The Textile Order was brought into force by the Central Government under section 3 of the Essential Commodities Act, 1955 and repealed the Textile (Development and Regulation) Order, 1993. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner.

The Textile Order further prescribes filing of an Information Memorandum as per the requisite form with the Textile Commissioner, Mumbai in the event of :-

- installation of textile machinery for the manufacture of textiles within thirty days of the installation of such machinery;
- relocation, selling, transferring or otherwise disposing of any textile machinery referred to above, within thirty days from the date of such re-location, sale, transfer or disposal; and
- modernization of a textile unit.

The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to that effect under the Trade and Merchandise Marks Act, 1958, except under and limited to the extent of specific authorisation by the holder of or applicant for such brand or trade name.

6. **Textile Workers’ Rehabilitation Fund Scheme (“the TWRFS”)**

The incidence of sickness and closure in the organized textile industry has been a matter of concern. One main reason of sickness is the structural transformation resulting in the composite units in the organized sector losing ground to power looms in the decentralized sector, on account of the latter’s greater cost effectiveness. The other causes of sickness/closure of the industry include low productivity due to lack of modernization, stagnation in demand and inability of some units to expand in the export market, increase in the cost of inputs, difficulties in getting timely and adequate working capital, etc.

In order to protect the interests of the workers of closed mills, the TWRFS came into force with the objective of providing interim relief to textile workers rendered unemployed as a consequence of the permanent closure of any particular portion of, or the entire textile unit. The assistance under TWRFS is available to eligible workers only for the purpose of enabling them to settle in other gainful employment and is available only for three years on a tapering basis, but would not extend beyond the date of super-annuation of any worker. The worker is entitled to get relief:

- to the extent of 75% of the wage equivalent in the first year of the closure of the unit;
- to the extent of 50% of the wage equivalent in the second year; and
- to the extent of 25% of the wage equivalent in the third year.

7. **Scheme for Integrated Textiles Parks (“SITP”)**

The SITP was launched in August, 2005, by merging the Apparel Parks for Export Scheme (APE) and the Textile Centre Infrastructure Development Scheme (TCIDS). The primary objective of the SITP is to provide the industry with world-class infrastructure facilities for setting up of textile units in clusters.

The SITP envisages creation of 25 new textile parks of international standards in potential growth centres before 2007-08.

The SITP is being implemented through Special Purpose Vehicles (SPVs). Industry Associations/Groups would be the main promoter of the Integrated Textile Parks (ITPs). The Infrastructure Leasing & Financial Services (ILF&S) has been appointed as the Project Management

Consultant for implementing the SITP. The Project Management Consultant will be responsible for the speedy implementation of the Project in a transparent and professional manner, so as to achieve a high degree of quality at a low cost acceptable to the members of the SPV for which a fee will be paid to the Project Management Consultant.

8. The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978

The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 provides for the levy and collection of an additional 15% of the total amount of excise duty chargeable on certain textiles and textile articles as specified in the schedule to the said Act.

B. TAX RELATED LEGISLATIONS

1. Central Sales Tax (“CST Act”)

The “CST Act” imposes sales tax on the interstate sale of goods. Pursuant to Section 7 of the CST Act, every dealer involved in the sale of interstate goods is required to procure a sales tax registration certificate from the notified authority in accordance with the Central Sales Tax (Registration and Turnover) Rules, 1957.

Initially sales tax was imposed by both the central government and the respective state governments where the dealers were located. Hence, each dealer had to procure separate sales tax registration each from the central government and state governments. However, since the introduction of value added taxation, the state sales tax acts have been repealed and replaced by the respective statutory acts relating to value added taxation.

2. Value Added Tax (“VAT”)

VAT is a system of multi-point levies 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 an indirect tax levied at each stage of the value addition chain. Any person who, for the purposes of or consequential to his engagement in or in connection with his business, buys or sells goods directly or otherwise, whether for cash or for deferred payment or for commission, remuneration or other valuable consideration is required to pay such value added taxes and has to compulsorily obtain a VAT certificate. The VAT certificate is not a centralized certificate and has to be obtained by a company from each state wherein their business is taxable. The VAT registration shall be valid until it is cancelled by the issuing authority.

3. Gujarat Value Added Tax Act, 2003 (“GVAT”)

GVAT is an act to consolidate and amend the laws relating to the levy and collection of tax on value added basis in respect of sale or purchases of goods in the State of Gujarat. GVAT applies to all the establishments in the state of Gujarat.

4. Income-tax Act, 1961 (“IT Act”)

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

5. Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to

Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

6. **Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 (“Gujarat Professional Tax Act”)

The Gujarat Professional Tax Act aims to provide for the levy and collection of a tax on professions, trades, callings and employments for the benefit of the State of Gujarat. The tax payable under the Gujarat Professional Tax Act this Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such person, be liable to pay tax on behalf of all such persons. Every employer has to obtain a certificate of registration.

7. **Central Excise Tax, 1944**

Excise duty imposes a liability on manufacturer to pay excise duty on production or manufacture of goods in India. The Central Excise Act, 1944 is the principal legislation in this respect, which provides for the levy and collection of excise and also prescribes procedure for clearances from factory once the goods have been manufactured etc. Additionally, the Central Excise Tariff Act, 1985 prescribes the rates of excise duties for various goods

C. LABOUR LAWS

1. **Factories Act, 1948**

The Factories Act seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act inter alia requires the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

Gujarat Factories Rules, 1963

The occupier or manager of every factory has to submit to the Chief Inspector an application for the registration of the factory for the grant of a licence. No manufacturing process can be carried out in any premises of a factory constructed, reconstructed or extended or in any premises which has been taken into use as a factory or part of the factory until a certificate of stability has been issued by a competent person in respect of every work of engineering construction.

2. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”)

The EPF Act provides for the institution of compulsory provident fund, pension fund and deposit linked insurance funds for the benefit of employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. A liability is placed both on the employer and the employee to make certain contributions to the funds mentioned above. Further, the employer is required to maintain records and submit periodic returns with regard to the implementation of the Act and Schemes. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes. An establishment which is governed by the EPF Act will continue to be governed by it even if the number of persons employed therein at any time falls below twenty.

3. Employees State Insurance Act, 1948 (“ESI Act”)

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto.

It applies to, inter alia, seasonal power using factories employing ten or more persons and non-power using factories employing 20 or more persons. Every factory or establishment to which the ESI Act applies is required to be registered in the manner prescribed in the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers. The ESI Act is applicable to all factories and other businesses as the Central Government may determine, unless a specific exemption has been granted. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. Section 2 (9) of the ESI Act lays down a list of the employees who can be covered by this Act.

Pursuant to the ESI Act only those employees drawing a salary below `Rs 15,000/- per month are covered under the ESI Act. However, prior to 2010, those employees drawing a salary below `Rs 7,500/- per month were covered under the ESI Act.

4. Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of ‘five year continuous service’ is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days’ wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity payout of Rs.10,00,000/- for an employee.

Gujarat Payment of Gratuity Rules, 1973

Every employee who has rendered continuous service for not less than five years shall be entitled to gratuity on his superannuation or on his retirement or resignation or on his death or disablement application can be made in Form-I. In case of seasonal establishments, gratuity shall be payable at the rate of 7 days wages for each season. The maximum gratuity payable under this Act is Rs. 3.5 Lacs.

5. The Minimum Wages Act, 1948 (“ MWA Act”)

The MWA Act was enacted to establish minimum wages for certain categories of employees. Under the MWA Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages.

Gujarat Minimum Wages Rules 1961 (“Gujarat MW Rules)

The minimum wages are fixed in Gujarat on the advice of the State level minimum wage advisory committee. This advisory committee is consisting of the members of both employers and employees and also other experts. Every employer shall pay the minimum wages for the scheduled employment under the Gujarat MW Rules. There is provision to fix hours of work overtime and wages for overtime. The claim for non-payment of minimum wages shall be filed before the concerned area Labour Court. Penalties are provided in the MW Act for violations of provision of MW Act read with Gujarat MW Rules.

6. Payment of Bonus Act, 1965(“Bonus Act”)

Pursuant to the Payment of Bonus Act, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Bonus Act by a company is punishable with imprisonment upto six months or a fine up to Rs.1,000/- or both.

7. The Payment of Wages Act, 1936 (“Wages Act”)

The Wages Act is applicable to the payment of wages to persons in factories and other establishments. Wages Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

8. The Gujarat Payment of Wages Rules, 1963

The Gujarat Payment of Wages Rules provides for instructions and directions of payment and wages to the workmen and employers. The employer is bound to maintain the register with the details of name of the employee, his wages, D.A. etc. If there is any breach of contract, the employer is not supposed to deduct the wages without any proper reason and serving a notice to the concerned employee. Any officer can visit the factory or any industrial unit for inspection as per the Act and ask for the register and other documents which are to be maintained by the employer.

9. Equal Remuneration Act, 1979

Equal Remuneration Act, 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

10. The Maternity Benefits Act, 1961(“ Maternity Benefit Act”)

The purpose of the Maternity Benefit Act is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides, among other things, for paid leave of 12 weeks, payment of maternity benefits and enacts prohibitions on dismissal, reduction of wages paid to pregnant women.

11. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“the SHWW Act”)

The SHWW Act provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to

constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/-.

12. Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 (“IDA”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the IDA have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The IDA also sets out certain requirements in relation to the termination of the services of the workman. The IDA includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

Industrial Disputes Gujarat Rules, 1966

The Act provides for investigation and settlement of industrial disputes through Conciliation, Board of Conciliation, Labour Courts, Industrial Tribunals, National Industrial Tribunals, Arbitrators, etc. Section 22 to 25 of the Act covers all aspects of strikes & lockouts. Unfair labour practices on the part of employers and employees covers under Section 25 - T & 25 - U. The industrial peace and harmony is maintained in the State of Gujarat under the provisions of the Industrial Disputes Act, 1947. The Government of Gujarat has amended The Industrial Disputes Act, 1947 and Chapter - V D for Special Economic Zones is inserted.

D. INTELLECTUAL PROPERTY LEGISLATIONS

1. Trade Marks Act, 1999 (“the Trademarks Act”)

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services 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 device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“**the Registrar**”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. 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 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee. Application for registration of a trademark is to be made to the Controller-General of Patents, Designs and Trade Marks who acts as the Registrar of Trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

E. OTHER REGULATIONS:

1. Transfer of Property Act, 1882(“the T.P Act”)

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the. T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of properties that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price, paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

2. The Registration Act, 1908(“the Registration Act”)

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

3. The Indian Stamp Act, 1899 (‘the Stamp Act’)

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Stamp Act which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state.

4. Gujarat Stamp Act, 1958 (“the Gujarat Stamp Act”)

The Gujarat Stamp Act prescribes the different rates of duties on the instruments falling within the various descriptions set-out in Schedule I of the Gujarat Stamp Act. Such instruments are chargeable with the highest of the duty prescribed. In addition, the Gujarat Stamp Act also prescribes methodology for adjudication, refund of duties, grievance processes and prosecutions. The Collector is normally vested with the power of adjudication. If a document is not stamped or adequately stamped, it is likely to be impounded.

5. The Indian Contract Act, 1872 (“the Contract Act”)

The Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

6. The Specific Relief Act, 1963 (“the Specific Relief Act”)

The Specific Relief Act is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

7. The Companies Act, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

8. The Companies Act, 2013(to the extend notified)

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

9. Customs Regulations

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

10. Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and

augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government :-(i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("EXIM") Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

Announcement of a new Foreign Trade Policy ("FTP") for the period 2004-09 on August 31, 2004, replaced the hitherto nomenclature of EXIM Policy. A vigorous export-led growth strategy of doubling India's share in global merchandise trade in the next five years, with a focus on the sectors having prospects for export expansion and potential for employment generation constitute the main plank of the policy.

11. Foreign Exchange Management Act, 1999 ("the FEMA")

Foreign investment in companies in the garment industry is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion ("DIPP"), Ministry of Commerce and Industry has issued 'Consolidated FDI Policy Circular of 2014' (the "**FDI Policy**") which consolidates the policy framework on Foreign Direct Investment ("**FDI**"), with effect from April 17, 2014. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till April 16, 2014. All the press notes, press releases, clarifications on FDI issued by DIPP till April 16, 2014 stand rescinded as on April 17, 2014.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through FIPB is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

The Consolidated FDI Policy dated April 17, 2014 issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore foreign investment up to 100% is permitted in the Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of equity Shares under this Issue. The Company will be required to make certain filings with the RBI after the completion of the Issue.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2014 which is valid till June 30, 2015. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

12. Competition Act, 2002 (“the Competition Act”)

The Competition Act, aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Corporate Profile and Brief History

Our Company was incorporated as ‘Supreme (India) Impex Limited’ under the Companies Act, 1956 pursuant to a Certificate of Incorporation dated August 2, 1995, bearing registration number 026968 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Our Company received Certificate of Commencement of Business dated August 21, 1995 issued by the Assistant Registrar of Companies, Gujarat, and Dadra & Nagar Haveli. Our Company has Corporate Identification Number U51100GJ1995PLC026968. Our Company is promoted by Jugalkishore Jhwar.

Our Company has ventured in highly value added textile sector catering to the international market, and has successfully transformed into a textile exporter mainly comprising women’s clothing. SIIL offers value-added work such as handwork, sequencing and embroidery on fabrics. We have recently diversified its presence into Multi Ply Yarn which is used in making home furnishing items like Carpets, terry towels, fashion fabrics and others. The company has secured LoP for Apparel & Garment manufacturing from GOI at its Apparel park unit

Our Company was incorporated in 1995 and in less than two decades has achieved a turnover of more than Rs. 300 crores. The Company has not only established its footings in domestic markets but also explored international markets. This has been possible through efficient production capacity, marketing of our products and our ability to incorporate new design in its range. Our Company sales majority consist of exports to its distributor majorly in Dubai and who in turn sell to other end customer in various countries

The total number of members of our Company as on the date of filing of this Prospectus is 19. For further details, please refer the chapter titled ‘*Capital Structure*’ beginning on page 65 of this Prospectus.

Changes in our Registered Office:

Our Company’s Registered Office is currently situated at Plot No.823/2, Road No.8, GIDC, Sachin, Surat-394230, Gujarat, India. The details of changes in the address of our Registered Office are set forth below:

From	To	Effective Date	Reason
13/1 ‘Supreme House’, Doctorwari, near Krishna Petrol Pump, Udhna Main Road, Surat-395008, Gujarat, India.	Shop No. E-3672 to 3674, Raghukul Textile Market, Ring Road, Surat-395002, Gujarat, India.	December 20, 2005	Administrative convenience
Shop No. E-3672 to 3674, Raghukul Textile Market, Ring Road, Surat-395002, Gujarat, India.	Plot No.823/2, Road No.8, GIDC, Sachin, Surat, Gujarat-394230 India.	November 29, 2007	Administrative convenience

Main Objects of our Company:

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

1. “To carry on the business of importing, exporting, traders, agents, manufacturers’ representatives, factors of polyester, polypropylene, silk, artificial silk, rayon, nylon, terine, stretchon, P.O.Y., man-made synthetics fibres, wool and fibrous materials and the business of and selling cloth of all types, kinds, nature and description including furnishing fabrics, tapestry,

linen and fabrics of all types, whether knitted or looped and of buying, selling and/or dealing in silk, stretchlon, rayon, nylon, khadi silk and generally to carry on the business of dealers in flex, hemp, artificial silk, synthetic cotton, staple fibres, wool and cloth merchants;

2. To carry on the business of importing, exporting, dealing in yarns of all types made from silk, art silk, rayon, nylon, man-made synthetic fibres, P.O.Y., staple fibres and other suitable materials;
3. To carry on the business of manufacturers of and dealers in and import, export, of all kinds and class of paper, board and pulp including writing paper, printing paper, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory-finish paper, coated paper, art paper, bank and bond paper, badami, buff and brown paper, bible paper, cartridge paper, cloth-lined paper, azure-laid and wove paper, cream-laid and wove paper, grease-proof paper, gummed-proof paper, carbon paper, sensitized paper, chemically treated paper, handmade paper, parchment paper, drawing paper, craft paper, manila paper, envelope paper, tracing paper, vellum paper, water-paper, litmus paper, photographic paper, glass paper, emery paper, card board, straw board, leather board, mill board, corrugated board, post-cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi-chemical pulp;
4. To carry on the business as manufacturer, importer, exporter, buyer, seller, whole seller, retailer, stockiest, indenting agent, brokers and factors in PVC Granule and other products made of PVC Granule;
5. To carry on in India or elsewhere, the business of generating, producing, refining, receiving, improving, buying, selling, reselling, acquiring, using, transmitting, accumulating, employing, distributing, developing, handling, supplying and to act as producer/grower, agent, broker, representative, consultant, collaborator, or otherwise to deal in, undertake, assist, encourage, promote, developmental, scientific, technical, engineering, research activities associated with the generation, transmission and distribution of power which is derived from conventional/non conventional methods including hydel, thermal, turbine, hydrogen, fuel cell technology, solar energy, wind energy, tidal energy, energy from bio mass or from products/by products of refining operations like petroleum coke, vacuum residue pitch, hydrogen which is produced by the company or obtained from another party or from Liquefied Natural Gas (LNG) and other petroleum products and byproducts or by manufacturing hydrogen and deal in all apparatus and 3 things required for or capable of being used in connection with generation, transmission, distribution, supply or otherwise trade in accumulation and employment of electricity, all power.
6. To carry on the business of producing, growing, processing, preparing, refining, extracting, grinding, buying, selling, exporting, importing, stocking, trading, distributing, cold storing and preserving of all types of agriculture products, dairy products, fruits, vegetables, food grains, oil seeds and all types of food products and to deal in all kinds of farming, agriculture, horticulture, animal husbandry, dairy, poultry and other allied farming activities.

Amendments to the MoA of our Company since Incorporation:

Since incorporation, the following amendments have been made to the MoA of our Company:

Date of AGM and EGM	Changes
EGM- March 27, 2006	Alteration in capital clause- Clause V Authorised share capital increased from Rs 50,00,000/- divided into 5,00,000 Equity Shares of Rs 10/- each to Rs 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs 10/- each
EGM- September 01, 2008	Alteration in object clause- Amendment of Clause III (A) and Clause III (C) by insertion of sub-clause 51 of Clause III (C) as sub-clause 3 in the Clause III (A) and insertion of new sub-clause 4 to clause III(A) and deletion of the sub-clause 51 and renumbering of sub-clauses 52, 53, 54 and 55 as 51, 52, 53, 54 to clause III (C)- New sub-clauses- 3 & 4 of Clause III (A) main object was inserted as –

Date of AGM and EGM	Changes
	3. <i>“To carry on the business of manufacturers of and dealers in and import, export, of all kinds and class of paper, board and pulp including writing paper, printing paper, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory-finish paper, coated paper, art paper, bank and bond paper, badami, buff and brown paper, bible paper, cartridge paper, cloth-lined paper, azure-laid and wove paper, cream-laid and wove paper, grease-proof paper, gummed-proof paper, carbon paper, sensitized paper, chemically treated paper, handmade paper, parchment paper, drawing paper, craft paper, manila paper, envelope paper, tracing paper, vellume paper, water-paper, litmus paper, photographic paper, glass paper, emery paper, card board, straw board, leather board, mill board, corrugated board, post-cards, visiting cards, soda pulp, mechanical pulp, sulphite pulp, semi-chemical pulp;</i> 4. <i>To carry on the business as manufacturer, importer, exporter, buyer, seller, whole seller, retailer, stockiest, indenting agent, brokers and factors in PVC Granule and other products made of PVC Granule.”</i>
EGM- October 01, 2009	Alteration in capital clause- Clause V Authorised share capital increased from Rs 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs 10/- to Rs 2,25,00,000/- divided into 22,50,000 Equity Shares of Rs 10/-
EGM- March 25, 2010	Alteration in capital clause- Clause V Authorised share capital increased from Rs 2,25,00,000/- divided into 22,50,000 Equity Shares of Rs 10/- each to Rs 2,50,00,000/- divided into 25,00,000 Equity Shares of Rs 10/-
EGM- June 10, 2010	Alteration in object clause- Amendment of Clause III (A) by insertion of new sub-clause 5 to clause III(A):- <i>“To carry on in India or elsewhere, the business of generating, producing, refining, receiving, improving, buying, selling, reselling , acquiring, using, transmitting, accumulating, employing, distributing, developing, handling, supplying and to act as producer/grower, agent, broker, representative, consultant, collaborator, or otherwise to deal in, undertake, assist, encourage, promote, developmental, scientific, technical, engineering, research activities associated with the generation, transmission and distribution of power which is derived from conventional/non conventional methods including hydel, thermal, turbine, hydrogen, fuel cell technology, solar energy, wind energy, tidal energy, energy from bio mass or from products/by products of refining operations like petroleum coke, vacuum residue pitch, hydrogen which is produced by the company or obtained from another party or from Liquefied Natural Gas (LNG) and other petroleum products and byproducts or by manufacturing hydrogen and deal in all apparatus and 3 things required for or capable of being used in connection with generation, transmission, distribution, supply or otherwise trade in accumulation and employment of electricity, all power.”</i>
EGM- March 28, 2011	Alteration in capital clause- Clause V Authorised share capital increased from Rs 2,50,00,000/- divided into 25,00,000 Equity Shares of Rs 10/- to Rs 3,00,00,000/- divided into 30,00,000 Equity Shares of Rs 10/- each
EGM- March 26, 2012	Alteration in capital clause- Clause V

Date of AGM and EGM	Changes
	Authorised share capital increased from Rs 3,00,00,000/- divided into 30,00,000 Equity Shares of Rs 10/- each to Rs 3,25,00,000/- divided into 32,50,000 Equity Shares of Rs 10/- each
EGM- January 28, 2013	Alteration in object clause- Alteration of Other Object clause [Clause III (C)] by adding the new sub clauses no 55- <i>“To develop, maintain, and operate and to carry on the business of infrastructure projects which includes surface transport systems, highways and expressways, bypasses, bridges, toll roads, toll plaza, over bridges, service roads, tunnels, road under bridges, underground roads, or any other structural or architectural work and also to do other similar construction, sideways, pedestrian subways, mass transit projects, seaports terminals, airport terminals, bulk material projects and similar infrastructural, industrial promotion and developmental projects.”</i>
EGM- March 29, 2014	Alteration in capital clause- Clause V Authorised share capital increased from Rs 3,25,00,000/- divided into 32,50,000 Equity Shares of Rs 10/- each to Rs 3,60,00,000/- divided into 36,00,000 Equity Shares of Rs 10/- each
EGM- August 11, 2014	Alteration in capital clause- Clause V Authorised share capital increased from Rs 3,60,00,000/- divided into 36,00,000 Equity Shares of Rs 10/- each to Rs 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs 10/- each
EGM – August 19, 2014	Alteration in object clause- Amendment of Clause III (A) by insertion of new sub-clause 6 to clause III(A):- <i>“To carry on the business of producing, growing, processing, preparing, refining, extracting, grinding, buying, selling, exporting, importing, stocking, trading, distributing, cold storing and preserving of all types of agriculture products, dairy products, fruits, vegetables, food grains, oil seeds and all types of food products and to deal in all kinds of farming, agriculture, horticulture, animal husbandry, dairy, poultry and other allied farming activities.”</i>

Key Events and Milestones:

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

Year	Events
1995	Incorporation of our Company and receipt of certificate of commencement of business
2012	Crossover of 200 Crores of Revenue
2013	Crossover of 300 Crores of Revenue
2014	Commission of Yarn Doubling & Twisting

Awards and achievements

The following table sets forth the awards and achievements received by our Company:-

Year	Description of awards and achievements
2010	ISO 9001:2008 certificate for manufacturing and export of fabrics.
2012	Certificate of Recognition as Trading House.

HOLDING COMPANY OF OUR COMPANY

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

SUBSIDIARY COMPANY OF OUR COMPANY

Except given **Utility Agrotech Industries Private Limited (UAIPL)** none of the companies are subsidiary to our company.

Corporate Information

UAPIL was incorporated as 'Utility Aquatech Private Limited' under the Companies Act, 1956 pursuant to a Certificate of Incorporation dated December 21, 1994, bearing registration number 023942 issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently the name was change to Utility Agrotech Industries Private Limited. The CIN of UAIPL is U01119GJ1994PTC023942.

Registered Office

The registered office of UAIPL is situated at Shop No. 120, Lower Ground Floor, Kohinoor Textile Market, Ring Road, Surat, Gujarat.

Current Nature of Business

UAIPL is currently engaged in *inter alia* in the business to produce, develop, manufacture, design, cultivate, commercial agri products viz. cotton and to carry on the business of purchase, sale, import, export, spinning, weaving, ginning, processing of cotton and other products.

Capital Structure and Shareholding Pattern

The authorized share capital of is UAIPL Rs 1,50,00,000 divided into 15,00,000 equity shares of Rs 10 each and paid-up share capital of UAIPL is Rs 1,50,00,000 divided into 15,00,000 equity shares of Rs 10 each. The shareholding pattern of UAPL as on the date of this Prospectus is as mentioned below:

Name of the Shareholder	Number of Shares	Percentage of Shareholding
Supreme (India) Impex Limited	14,99,900	99.99
Jugalkishore Jhawar nominee of Supreme (India) Impex Limited	100	0.01
Total	15,00,000	100

The Board of Directors of UAIPL as on the date of the Prospectus

Sl. No.	Name of directors
1.	Jugalkishore Jhawar
2.	Saritadevi Jhawar

Standalone Financial Performance for the last three years is as follows:

The audited standalone financial results of UAIPL for the last three years are as follows:

(Rs in lacs except per share data)

Particulars	For the period ended March 31, 2014	For the period ended March 31, 2013	For the period ended March 31, 2012
Sales	79.90	623.24	1,684.59
Total Income	79.90	623.24	1,684.86
Profit After Tax	-37.12	3.46	10.98
Equity capital	150.00	150.00	150.00
Reserves	14.65	51.83	48.37
Earnings per Share (Rs.)	-2.48	0.23	0.73
Net Asset Value per share	10.97	13.45	13.22

Further Our subsidiary has not made any public or rights issue in the last three years, has not become a sick company under the meaning of The Sick Industrial Companies (Special Provisions) Act, 1985 and is not under winding up.

PROMOTER OF OUR COMPANY

The promoter of our Company is Mr. Jugalkishore Jhawar. For details, see “Our Promoter and Promoter Group” beginning on page 172 of this Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled “Capital Structure” and “Financial Indebtedness” beginning on pages 65 and 234 respectively.

INJUNCTIONS OR RESTRAINING ORDERS

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

DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 182 of this Prospectus.

SHAREHOLDERS AGREEMENTS

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

OTHER AGREEMENTS

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

STRATEGIC/ FINANCIAL PARTNERS

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

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

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

CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Except mentioned below our company has not changed the activities of our company in the last five years.

- **Amendment of Clause III (A) by insertion of new sub-clause 5 to clause III(A):-**

“To carry on in India or elsewhere, the business of generating, producing, refining, receiving, improving, buying, selling, reselling , acquiring, using, transmitting, accumulating, employing, distributing, developing, handling, supplying and to act as producer/grower, agent, broker, representative, consultant, collaborator, or otherwise to deal in, undertake, assist, encourage, promote, developmental, scientific, technical, engineering, research activities associated with the generation, transmission and distribution of power which is derived from conventional/non conventional methods including hydel, thermal, turbine, hydrogen, fuel cell technology, solar energy, wind energy, tidal energy, energy from bio mass or from products/by products of refining operations like petroleum coke, vacuum residue pitch, hydrogen which is produced by the company or obtained from another party or from Liquefied Natural Gas (LNG) and other petroleum products and byproducts or by manufacturing hydrogen and deal in all apparatus and 3 things required for or capable of being used in connection with generation, transmission, distribution, supply or otherwise trade in accumulation and employment of electricity, all power.”

- **Alteration of Other Object clause [Clause III (C)] by adding the new sub clauses no 55-**

“To develop, maintain, and operate and to carry on the business of infrastructure projects which includes surface transport systems, highways and expressways, bypasses, bridges, toll roads, toll plaza, over bridges, service roads, tunnels, road under bridges, underground roads, or any other structural or architectural work and also to do other similar construction, sideways, pedestrian subways, mass transit projects, seaports terminals, airport terminals, bulk material projects and similar infrastructural, industrial promotion and developmental projects.”

- **Amendment of Clause III (A) by insertion of new sub-clause 6 to clause III(A):-**

“To carry on the business of producing, growing, processing, preparing, refining, extracting, grinding, buying, selling, exporting, importing, stocking, trading, distributing, cold storing and preserving of all types of agriculture products, dairy products, fruits, vegetables, food grains, oil seeds and all types of food products and to deal in all kinds of farming, agriculture, horticulture, animal husbandry, dairy, poultry and other allied farming activities.”

STRIKES AND LOCKOUTS

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

REVALUATION OF ASSETS

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

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

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

OUR MANAGEMENT

Under our Articles, our Company is required to have not less than 3 Directors and not more than 15 Directors. Our Company currently has 6 Directors on its Board. The Managing Director of our Company is an Executive Director. Further, in compliance with the requirements of clause 52 of the SME Listing Agreement, our Company has 3 Independent Directors.

OUR BOARD

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Prospectus:

Name, Father's name, Designation, Address, Nationality, Occupation and DIN	Age (years)	Date of Appointment as Director and Term	Other directorships
Jugalkishore Jhawar Father's name: Chhaganlal Jhawar Designation: Managing Director Address: E - 209, 2 nd Floor, Ashirwad Palace, Bhatar Road, Surat, 395002, Gujarat, India Nationality: Indian Occupation: Business DIN: 00121630	52	Initial date of appointment: August 2, 1995 Appointment as Managing Director: January 03, 2014 till January 02, 2019	Public Limited Companies: Nil Private Limited Companies: 1. Redolent (India) Synthetics Private Limited; 2. Advance Fibres and Fabrks Private Limited; 3. Supreme Avenues Private Limited; and 4. Utility Agrotech Industries Private Limited (Formerly Utility Aquatech Private Limited)
Saritadevi Jugalkishore Jhawar Father's name: Chhaganlal Somani Designation: Non-Executive Director Address: E - 209, 2 nd Floor, Ashirwad Palace, Bhatar Road, Surat, 395002, Gujarat, India Nationality: Indian Occupation: Business DIN: 00473794	49	Date of appointment: October 20, 2004 Term: Retire by Rotation	Public Limited Companies: Nil Private Limited Companies: 1. Utility Agrotech Industries Private Limited (Formerly Utility Aquatech Private Limited) 2. Supreme Avenues Private Limited.
Bhanwaridevi Chhaganlal Jhawar Father's name: Tikamchand Mundra Designation: Non-Executive Director	79	Date of appointment: October 20, 2004 Term: Retire by Rotation	Public Limited Companies: Nil Private Limited Companies: Nil

Name, Father's name, Designation, Address, Nationality, Occupation and DIN	Age (years)	Date of Appointment as Director and Term	Other directorships
Address: E - 209, 2 nd Floor, Ashirwad Palace, Bhatar Road, Surat, 395002, Gujarat, India Nationality: Indian Occupation: Business DIN: 00473881			
Tansukhraj Lalchand Jain Father's name: Lalchand Jain Designation: Independent Director (Non-Executive) Address: A-503, Karyashiromani Apartments, Dafnala Road, Shahibaug, Camp Road, Ahmedabad, 380004, Gujarat, India Nationality: Indian Occupation: Professional DIN: 00171418	44	Date of appointment: August 19, 2014 Term: Not liable to Retire by Rotation	Public Limited Companies: Nil Private Limited Companies: i. Infoline. In Private Limited
Ajay Buddhiprakash Dalmia Father's name: Buddhiprakash Dalmia Designation: Independent Director (Non-Executive) Address: B-603, Next View, Near Sai Rudra Apartment, Althan Bhimrad Canal Road, Althan, Surat-395007, Gujarat, India. Nationality: Indian Occupation: Professional DIN: 06941106	44	Date of appointment: August 19,2014 Term: Not liable to Retire by Rotation	Public Limited Companies: Nil Private Limited Companies: Nil
Vikas Chordia Father's name: Prakash Chand Choradia Designation: Independent Director (Non-Executive) Address: K-902, Jolly Residency,, Opp. Agam Arcade, Surat, 395007, Gujarat, India	26	Date of appointment: August 19, 2014 Term: Not liable to Retire by Rotation	Public Limited Companies: Nil Private Limited Companies: Nil

Name, Father's name, Designation, Address, Nationality, Occupation and DIN	Age (years)	Date of Appointment as Director and Term	Other directorships
Nationality: Indian Occupation: Professional DIN: 06952580			

Brief Profile of our Directors

Jugalkishore Jhavar, aged 52 years, is the Managing Director of our Company. He has been a Promoter Director in our Company since August 2, 1995. He holds a degree in commerce from Pune University. He has more than 25 years of experience in the textile and apparel industry. He monitors the marketing, financial and operational activities of the Company. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

Saritadevi Jugalkishore Jhavar, aged 49 years, is the Non-Executive Director of our Company. She has been a Director in our Company since October 20, 2004. She has experience in the field of textile industry. Her views, ideas and advice in the group's activities have played a vital role in the progress of the business.

Bhanwaridevi Chhaganlal Jhavar, aged 79 years, is the Non-Executive Director of our Company. She has been a Director in our Company since October 20, 2004. She has more than 5 decades of experience in the field of textile industry. She is a mentor and a guiding figure to the management and staff of our Company.

Tansukhraj Lalchand Jain, aged 44 years, is an Independent Director of our Company. He has been a Director in our Company since August 19, 2014.

Ajay Buddhiprakash Dalmia, aged 44 years, is an Independent Director of our Company. He has been a Director in our Company since August 19, 2014.

Vikas Chordia, aged 26 years, is an Independent Director of our Company. He has been a Director in our Company since August 19, 2014. He is a Chartered Accountant by qualification.

CONFIRMATIONS

As on the date of this Prospectus:

1. Apart from Jugalkishore Jhavar and Saritadevi Jugalkishore Jhavar who are related to each other as husband and wife, Jugalkishore Jhavar and Bhanwaridevi Chhaganlal Jhavar who are related to each other as son and mother and Saritadevi Jugalkishore Jhavar and Bhanwaridevi Chhaganlal Jhavar who are related to each other as daughter in law and mother in law and are termed as "relatives" within the meaning of Section 2 (77) of the Companies Act, 2013; none of the Directors of the Company are related to each other.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
3. None of the above mentioned Directors are on the RBI List of willful defaulters.
4. Further, none of our Directors are or were directors of any company whose shares were suspended from trading by stock exchange(s) or delisted from the stock exchanges.
5. None of the Promoter, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of

any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION OF DIRECTORS

The remuneration payable to Jugalkishore Jhawar who is appointed as Managing Director *vide* shareholders resolution dated January 03, 2014 is upto Rs. 40,000/- per month and reimbursement of dearness and other allowances

However with effect from September 1, 2014 the remuneration of Mr. Jugalkishore Jhawar was increased to Rs 40,000 to Rs 1,00,000 per month *vide* Extra Ordinary Meeting dated September 12, 2014

Non-executive and Independent Directors of the Company may be paid sitting fees, commission and any other- amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

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

Name of Director	Remuneration received in year 2013-14 (in Rs.)
Jugalkishore Jhawar	3,90,000/-

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

SHAREHOLDING OF OUR DIRECTOR IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Jugal Kishore Jhawar	11,83,588	33.10	24.22
2.	Saritadevi Jugalkishore Jhawar,	4,59,233	12.84	9.40
3.	Bhanwaridevi Chhaganlal Jhawar	1,20,650	3.37	2.47
4.	Tansukhraj Lalchand Jain	Nil	--	--
5.	Ajay Buddhiprakash Dalmia	Nil	--	--
6.	Vikas Chordia	Nil	--	--

INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed to be interested to the extent of consideration received/paid or any loan or advances provided to any body corporate including companies, firms and trusts, in which they are interested as Directors, members, partners or trustees.

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

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

Except as stated in the chapters “*Our Management*” and “*Related Party Transactions*” beginning on pages 159 and 180 respectively of this Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

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

PROPERTY INTEREST

Except as stated/referred to in the heading titled “*Property*” under Chapter “*Our Business*” beginning on page 114 of the Prospectus, our Directors have no interest in any property acquired by our Company in the preceding two years from the date of this Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company. Further our Directors do not have any interest in any immovable property proposed to be acquired by the Company.

INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in “*Related Party Transactions*” in the chapter titled “*Financial Statements*” beginning on page 182 of this Prospectus, our Directors does not have any other interests in our Company as on the date of this Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Managing Director holds 100 shares in our subsidiary as nominee of the Company. The beneficial interest in the said shares is held by our Company. Our Company does not have any associate company

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

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

Name	Date of event	Nature of event	Reason
Tansukhraj Lalchand Jain	August 19, 2014	Appointment	Appointment of Independent Director
Ajay Buddhiprakash Dalmia	August 19, 2014	Appointment	Appointment of Independent Director
Vikas Chordia	August 19, 2014	Appointment	Appointment of Independent Director
Jugalkishore Jhavar	January 03, 2014	Appointment	Reappointment as Managing Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on August 19 2014, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company’s bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs.500 crores.

CORPORATE GOVERNANCE

The provisions of the SME Listing Agreement, to be entered into by our Company with the NSE will be applicable to our Company immediately upon the listing of our Equity Shares with NSE SME

Platform. We have complied with the corporate governance code in accordance with Clause 52 (as applicable) of the SME Listing Agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of the audit committee and shareholders' / investors' grievance committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME Listing Agreement.

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

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has six directors out of which one is Executive Directors and two are Non Executive Directors and three are Non Executive Independent Director. The constitution of our Board is in compliance with the requirements of Clause 52 of the SME Listing Agreement.

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

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

A) Audit Committee

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 and Clause 52 of the SME Listing Agreement to be entered with SME, vide resolution passed at the meeting of the Board of Directors held on November 19, 2014.

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

Name of the Director	Status	Nature of Directorship
Vikas Chordia	Chairman	Independent Director
Ajay Buddhiprakash Dalmia	Member	Independent Director
Tansukhraj Lalchand Jain	Member	Independent Director

Vikas Choradia is the Chairman of Audit Committee.

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

The Audit Committee shall have following powers:

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

The Audit Committee shall mandatorily review the following information:

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

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

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

Meeting of Audit Committee and relevant Quorum

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

B) Stakeholders Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders Relationship Grievance Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on November 19, 2014.

The **Stakeholders Relationship** Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Vikas Chordia	Chairman	Independent Director
Ajay Buddhiprakash Dalmia	Member	Independent Director
Tansukhraj Lalchand Jain	Member	Independent Director

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

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

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

Quorum for Stakeholders Relationship Committee

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

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Compensation committee was approved by a Meeting of the Board of Directors held on November 19, 2014. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of Director	Designation in Committee	Nature of Directorship
Vikas Chordia	Chairman	Independent Director
Ajay Buddhiprakash Dalmia	Member	Independent Director
Tansukhraj Lalchand Jain	Member	Independent Director

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

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

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

Quorum for Nomination and Remuneration Committee

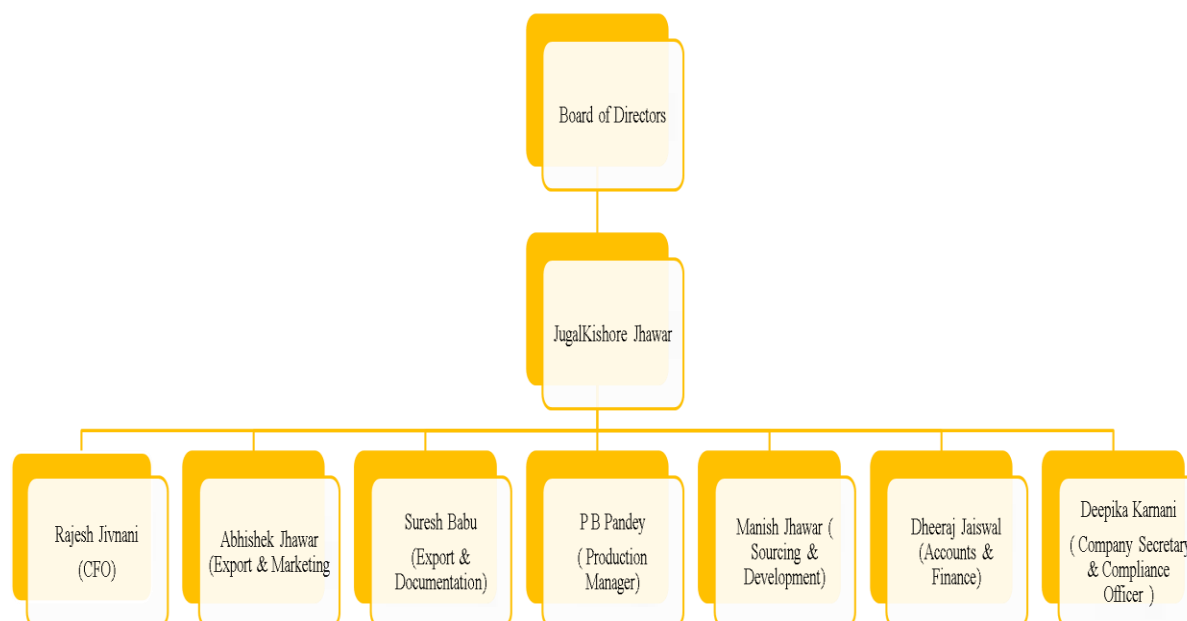
The quorum necessary for a meeting of the Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

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

Ms. Deepika Karnani, Company Secretary & Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

MANAGEMENT ORGANISATION CHART



Key Managerial Personnel

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

1. **Jugalkishore Jhawar**, aged 52 years, is the Managing Director of our Company. He has been a Promoter Director in our Company since August 2, 1995. He holds a degree in commerce from Pune University. He has more than 25 years of experience in the textile and apparel industry. He monitors the marketing, financial and operational activities of the Company. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.
2. **Dheeraj Jaiswal**, aged 32 years, is the Accounts & Finance Manager of our Company. He joined our Company on June 21, 2013. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI). He has approximately 4 years of experience in accounts and finance. Prior to joining our Company, he was working with Vatsaraj & Co., Chartered Accountants. At present, he is responsible for looking after the accounts and financial functions of our Company. For Fiscal 2014 he has been paid gross remuneration of approximately Rs. 4.68 lacs.
3. **Phoolchand Babulnath Pandey**, aged 52 years, is the Production Manager. He joined our Company on October 16, 2010. He has approximately 40 years of experience in production, maintenance and other ancillary matters in our company. At present, he is responsible for looking

after the production and maintenance matters of our Company. For Fiscal 2014, he has been paid gross remuneration of approximately Rs. 4.19 lacs.

4. **Abhishek Jhavar**, aged 26 years, is engaged in the Export and Marketing of the Company. He joined our Company on April 01, 2008. He has obtained his Bachelor's Degree in Commerce from University of Mumbai . At present, he is responsible for looking after the business development of the Company. For Fiscal 2014, he has been paid gross remuneration of approximately Rs. 3.67 lacs
5. **Suresh Babu Ramachandran.**, aged 49 years, is the Manager, Export Documentation. He joined our Company on September 1, 1995. He has experience in export documentation. At present, he is responsible for looking after the export documentation of our Company. For Fiscal 2014, he has been paid remuneration of Rs. 3.17 lacs .
6. **Manish Jhavar**, aged 27 years, is engaged in the sourcing and development of products and process. He joined our Company on April 01, 2010 . At present, he is responsible for looking after the sourcing and development of our products. For Fiscal 2014, he has been paid gross remuneration of Rs. 1.92 lacs
7. **Rajesh Avat Ram Jivanani**, aged 32 years, is the Chief Financial Officer of our Company (from September 18, 2014). He joined our Company on July 19, 2011 as Internal Auditor and Admin. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI). He has experience in the field of financial matters, administration, internal control, policy development and ancillary matters. At present, he is responsible for looking after the financial and other ancillary matters of our Company. For Fiscal 2014, he has been paid gross remuneration of approximately Rs. 5.87 lacs.
8. **Deepika Karnani**, aged 26 years, is the Company Secretary and Compliance officer of our Company. She joined our Company 1st October 2014. She is a qualified Company Secretary from the Institute of Company Secretaries of India (ICSI) and a law graduate from B.J.S. Rampuria Jain Law College, affiliated to M.G.S University, Bikaner. She is responsible for looking after the secretarial matters of our Company. No remuneration was paid to her in the Fiscal 2014 by our Company as she joined our Company on October 1, 2014.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except Mr Jugalkishore Jhavar and Abhishek Jugalkishore Jhavar are relative as Father and Son. None of the key managerial personnel are “related” to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employee of our Company.

RELATIONSHIPS OF DIRECTORS/ AND PROMOTER WITH KEY MANAGERIAL PERSONNEL

None of the key managerial personnel except Abhishek Jhavar who is related with Jugalkishore Jhavar as Son and Father, with Saritadevi Jugalkishore Jhavar as Son and Mother and with Bhanwaridevi Chhaganlal Jhavar as Grand-son and Grandmother and Mr Jugalkishore Jhavar is related with Saritadevi Jugalkishore Jhavar as Husband and Wife and with Bhanwaridevi Chhaganlal Jhavar as Son and Mother are “related” to the Promoter or Director of our Company within the meaning of Section 2 (77) of the Companies Act, 2013.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

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

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel hold any share in the company except Jugalkishore Jhawar holds 11,83,588 Equity shares and Abhishek Jhawar holds 53,650 Equity Shares as on the date of this Prospectus.

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

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

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

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

LOANS TO KEY MANAGERIAL PERSONNEL

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

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company except Jugalkishore Jhawar and Abhishek Jhawar do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them and dividend payable thereon, in our Company, if any. Abhishek Jhawar and Jugalkishore Jhawar is interested to the extent of his shareholding in the company. Certain property as stated in the paragraph titled “Land & Property owned by the Company” in our Chapter “Our Business” beginning on page no 114, the indentures have been inadvertently registered in the names of our promoter and Key Managerial Personnel, Mr. Jugal Kishore Jhawar and director Mrs. Saritadevi Jugalkishore Jhawar. However, our Company holds all free and irrevocable rights including the beneficial right, title and interest in the said Properties. Further JugalKishore Jhawar is interested to the extent of Loan provided by him to the Company.

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

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Event	Date of Event
Dheeraj Jaiswal	Manager, Accounts and Finance	Appointment	June 21, 2013
Jugalkishore Jhawar	Managing Director	Appointment	January 03, 2014
Rajesh Avat Ram Jivanani	Chief Financial Officer	Appointment	September 18, 2014
Deepika Karnani	Company Secretary and Compliance officer	Appointment	October 01, 2014

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

ESOP/ESPS SCHEME TO EMPLOYEES

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

PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements*” beginning on page 182 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter:

Our Company is promoted by JugalKishore Jhawar.

Brief profile of our Promoter:



Jugal Kishore Jhawar, aged 52 years, is the Managing Director of our Company, residing at E – 209, 2nd floor, Ashirwad Palace, Bhatar Road, Surat 395002, Gujarat, India. He has been a Promoter Director in our Company since August 2, 1995. He holds a degree in commerce from the Pune University. He has more than 25 years of experience in the field of textile and apparel industry. He monitors the marketing, financial and operational activities of the Company. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

Particulars	Details
Occupation	Business
Passport No.	Z2222063
Voter ID	DPB6388367
Driving License No.	No License

For further details relating to our Promoter, including his terms of appointment as our Managing Director and his other directorships; please refer to the chapter titled “Our Management” beginning on page 159 of this Prospectus.

OUR PROMOTER GROUP

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

Individual Promoter

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

Relationship with Promoter	Jugal Kishore Chhaganlal Jhawar
Father	Late Chhaganlal Jhawar
Mother	Bhanwaridevi Chhaganlal Jhawar
Spouse	Saritadevi Jugalkishore Jhawar
Brother*	-
Sister	Mankadevi Somani
Son	Abhishek Jhawar
Daughter	Ruchita Jhawar Nikita Jhawar
Spouse's Father	Chaganlal Somani
Spouse's Mother	Vimaladevi Somani
Spouse's Sister	Sunita Lohia
Spouse's Brother	Rajkumar Somani

**Nandkishore Jhawar comes under the purview of the term “promoter group”, under regulation 2(1)(zb) of SEBI (ICDR) as brother of Jugal Kishore Jhawar. However due to family understanding and restructuring, neither Nandkishore Jhawar nor the entities promoted by him are included in the*

promoter group .A declaration dated January 19, 2015 has been provided by Nandkishore Jhawar, in this regard .

Our Promoter Group as defined under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations, 2009 includes following entities:

Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. Utility Agrotech Industries Limited
2. Supreme Fine Fab Private Limited
3. Supreme Avenues Private Limited
4. Jhawar Bio-Tech Private Limited
5. Angel Goods Private Limited
6. Skyhigh Trading Private Limited
7. Variety Barter Private Limited
8. Worldwide Cotspin Private Limited
9. Jhawar International
10. Supreme India Overseas Corporation
11. Jugalkishore Jhawar HUF
12. Chhaganlal Jhawar HUF

Other Persons included in promoter Group

Sonia Jhawar is not relative within the meaning of regulation 2(1)(zb) of ICDR Regulations but is considered for the purpose of shareholding of the Promoter Group under Regulation 2(1)(zb)(v) of ICDR Regulations

Relationship of Promoter with our Directors

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

Names of Director	Jugal Kishore Chhaganlal Jhawar
Saritadevi Jugalkishore Jhawar	Wife
Bhanwaridevi Chhaganlal Jhawar	Mother

COMPANIES / FIRMS FROM WHICH ANY OF THE PROMOTER HAS DISASSOCIATED HIMSELF IN LAST 3 (THREE) YEARS

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

1. Redolent India Synthetics Private Ltd
2. Texorange Creation Limited
3. Advance Fibre & Fabric Private Limited
4. Vamatex Ventures Private Limited
5. Vamatex India Limited
6. Jhawar Biotech Private Limited

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of the passport, bank account number and PAN of our Promoter will be submitted to the NSE Limited, where the securities of our Company are proposed to be listed at the time of submission of Prospectus.

COMMON PURSUITS OF OUR PROMOTER

Our Promoter is not engaged in a line of business similar to that of our Company's line of business except as mentioned in the Chapter titled "Our Group Entities" on page 176 of the Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

INTEREST OF THE PROMOTER

Interest in the promotion of Our Company

Our Promoter may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by him and influencing significant control over the management and policy decisions of our Company. Our Promoter may also be deemed to be interested to the extent of any dividend payable to him and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoter may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either he is interested as a director, member or partner. In addition, Our Promoter and Director, Jugalkishore Jhawar may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable in terms of the resolution passed by the Board of Directors and under our Articles of Association.

Interest in the property of Our Company

Our Promoter does not have any interest in any property acquired by our Company within two years prior to filing of this Prospectus or proposed to be acquired by our Company. However certain property as stated in the paragraph titled "Property" in the Chapter "Our Business" beginning on page no 114, the indentures have been inadvertently registered in the names of our promoter, Mr. Jugalkishore Jhawar and director Mrs. Saritadevi Jugalkishore Jhawar. However, our Company holds all free and irrevocable rights including the beneficial right, title and interest in the said Properties

Interest as Member of our Company

Jugalkishore Jhawar holds 11,83,588 Equity Shares aggregating to 33.10 % of pre-Issue Equity Share Capital in our Company and is therefore interested to the extent of his shareholding and the dividend declared, if any, by our Company.

Interest as a creditor of our Company

As on the date of this Prospectus our Company has availed unsecured loans from the Promoter of our Company. For further information, please refer to the chapter titled "Related Party Transactions" beginning on page 180 of this Prospectus

Interest as Director of our Company

Our Promoter, Jugalkishore Jhawar, may be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to him for services rendered to us in accordance with the provisions of the Companies Act, 2013 and in terms of resolutions passed/ and the AoA of our Company. For further information, please refer to the chapter titled "Our Management" beginning on page 159 of this Prospectus

Interest in transactions involving acquisition of land

Our Promoter is not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery except as mentioned in the chapter titled "Our Business" beginning on page 114 of this Prospectus

Other Ventures of our Promoter

Save and except as disclosed in the chapter titled ‘*Our Promoter and Promoter Group*’ and ‘*Our Group Entities*’ beginning on page 172 and 176 respectively of this Prospectus, there are no other ventures of our Promoter in which he has any business interests/other interests.

Payment Amounts or Benefit to Our Promoter

No payment has been made or benefit given to our Promoter since incorporation except as mentioned / referred to in this chapter and in the section titled “*Our Management*”, “*Annexure – XIX on Related Party Transactions*” forming part of the *Financial Statement*” and “*Capital Structure*” beginning on pages 159, 182 and 65 respectively of this Prospectus. Further as on the date of this Prospectus, there is no bonus or profit sharing plan for our Promoter.

LITIGATION DETAILS PERTAINING TO OUR PROMOTER

For details on litigations and disputes pending against the Promoter and defaults made by him , please refer to the section titled “*Outstanding Litigation and Material Developments*” beginning on page 252 of this Prospectus.

CONFIRMATIONS

Our Promoter have confirmed that he has not been declared as a willful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by our Promoter in the past or are pending against him .

Our Promoter has further confirmed that neither he nor the members of our Promoter Group have not been prohibited or debarred from accessing or operating in the capital markets for any reasons, or restrained from buying, selling or dealing in securities, under any order or direction passed by SEBI or any other regulatory or governmental authority and that no action has been taken against him or any entity promoted or controlled by him by any regulatory authorities . None of our Promoter was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

RELATED PARTY TRANSACTIONS

Except as disclosed in the chapter titled “*Related Party Transactions*” beginning on page 180 of this Prospectus, our Company has not entered into any related party transactions with our Promoter.

OUR GROUP ENTITIES

Following are our Group Entities:-

1. M/s. Jhawar International;
2. M/s. Supreme (India) Overseas Corporation.
3. Jugalkishore Jhawar HUF

M/s. Jhawar International

Firm Information

M/s. Jhawar International (“**Jhawar International**”) is a partnership firm formed on October 21, 1996 under the Indian Partnership Act, 1932 with Nand Kishore Jhawar and Jugalkishore Chhaganlal Jhawar as partners.

Further, vide Deed of Reconstitution of partnership dated October 31, 2012 entered into by and between Jugalkishore Jhawar, Bhanwaridevi Chhaganlal Jhawar, Saritadevi Jugalkishore Jhawar and Narayan Prasad Jhawar (“Continuing Partners”) and Nandkishore Jhawar and Kamladevi Jhawar (“Retiring Partners”) and Ruchita Jhawar and Nikita Jhawar (“Incoming Partners”), the partnership was reconstituted wherein Nandkishore Jhawar and Kamladevi Jhawar retired as partners and Ruchita Jhawar and Nikita Jhawar was inducted as new partners.

Principal Place of Business

Jhawar International is situated at 823/2, Supreme House, Road No. 8, GIDC, Sachin, Surat, Gujarat.

Main Objects

The main object of Jhawar International is imports and exports of textile and other allied products including cloth merchants, manufacturers and commission agents of all cloth, yarns and other allied products in India and abroad. However, with mutual consent the firm may undertake the business of any merchandise or product which can be lawfully done under the prevailing laws of India.

Interest of our Promoter

Our Promoter and Promoter Group namely, Jugalkishore Jhawar, Bhanwaridevi Chhaganlal Jhawar, Saritadevi Jugalkishore Jhawar, Ruchita Jhawar and Nikita Jhawar are the five of the six partners of Jhawar International. The share in the profits or losses of Jhawar International will be apportioned to its partners, which includes our Promoter, in the following ratio

Sr. No.	Name of the Partner	Percentage share in profits
1.	Jugalkishore Jhawar	16.68 %
2.	Bhanwaridevi Chhaganlal Jhawar	16.68 %
3.	Saritadevi Jugalkishore Jhawar	16.66 %
4.	Narayan Prasad Jhawar	16.66 %
5.	Ruchita Jhawar	16.66 %
6.	Nikita Jhawar	16.66 %
	Total	100

Financial Information

(Rs in lacs)

Particulars	For the period ended March 31, 2014	For the period ended March 31, 2013	For the period ended March 31, 2012
Partner's Capital	1288.88	1012.71	756.80
Sales/ Income	7940.08	6159.67	4903.82
Profit / (Loss) after tax	106.64	91.32	85.64

M/s. Supreme (India) Overseas Corporation

Firm Information

M/s. Supreme (India) Overseas Corporation (“**Supreme Overseas**”) is a partnership firm originally formed on November 1, 1993 under the Indian Partnership Act, 1932 with seven partners namely Chhaganlal Jhawar, Nandkishore Jhawar, Narayan Prasad Jhawar, Jugalkishore Jhawar, Kamladevi Jhawar, Bhanwaridevi Chhaganlal Jhawar and Saritadevi Jugalkishore Jhawar. Further, *vide* Partnership Deed dated April 1, 1996 entered into by and between Chhaganlal Jhawar, Nandkishore Jhawar, Narayan Prasad Jhawar, Jugalkishore Jhawar, Kamladevi Jhawar, Bhanwaridevi Chhaganlal Jhawar, Saritadevi Jugalkishore Jhawar (“Continuing Partners”) and Rachna Jhawar (“Incoming Partner”), the partnership of Supreme (India) Overseas Corporation was reconstituted and Rachna Jhawar was inducted as the new partner.

Further *vide* supplementary Deed of Partnership dated April 01, 2003 entered into by and between Chhaganlal Jhawar (“Retiring partner”), Nandkishore Jhawar, Narayan Prasad Jhawar, Jugalkishore Jhawar, Kamladevi Jhawar, Bhanwaridevi Chhaganlal Jhawar, Saritadevi Jugalkishore Jhawar and Rachna Jhawar (“Continuing Partners”), the partnership of Supreme (India) Overseas Corporation was reconstituted and Chagan Lal Jhawar retired as a partner.

Further, *vide* Supplementary Deed of Partnership dated April 1, 2005 entered into by and between Nandkishore Jhawar, Jugalkishore Jhawar, Bhanwaridevi Chhaganlal Jhawar, Kamladevi Jhawar, Saritadevi Jugalkishore Jhawar, Narayan Prasad Jhawar (“Continuing Partners”) and Rachna Jhawar (“Retiring Partner”), the partnership of Supreme (India) Overseas Corporation was reconstituted wherein Rachna Jhawar retired as partner.

Principal Place of Business

Supreme Overseas is situated at 13/1. Supreme House, Doctorwadi, Near Krishna Petrol Pump, Udhna Road, Surat.

Main Objects

The main object of Supreme Overseas is imports and exports of textile and other allied products including cloth merchants, manufacturers and commission agents of all cloths, yarns and other allied products in India and abroad.

Interest of our Promoter

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

Sr. No	Name of Partner	Percentage share in profits
1.	Nandkishore Jhawar	16.66
2.	Jugalkishore Jhawar	16.67
3.	Bhavaridevi Chhaganlal Jhawar	16.67
4.	Kamla Devi Jhawar	16.67
5.	Saritadevi Jugalkishore Jhawar	16.67
6.	Narayan Prasad Jhawar	16.66
Total		100.00

Financial Information

(Rs in lacs)

Particulars	For the period ended March 31, 2014	For the period ended March 31, 2013	For the period ended March 31, 2012
Partner’s Capital	(404.37)	(407.91)	(362.13)
Sales/ Income	421.90	795.43	324.37

Particulars	For the period ended March 31, 2014	For the period ended March 31, 2013	For the period ended March 31, 2012
Profit/ Loss	(1.36)	2.20	0.26

JUGALKISHORE JHAWAR HUF

M/s Jugal Kishore Jhawar HUF was created on September 25, 1991. The Permanent Account Number (PAN) of HUF is AABHJ2091R. The records of the HUF are untraceable. The HUF has not carried out any business operations since more than five years.

Other Confirmations

Defunct / Struck-off Companies

Unless otherwise stated none of our Promoter Group or Group Entities have become defunct or struck – off since incorporation or is a sick company under the meaning of The Sick Industrial Companies (Special Provisions) Act, 1985 and none of them are under winding up. Further, all the Group Entities are unlisted companies and they have not made any public issue of securities (including rights) in the preceding three years.

Sales between Group Entities and Associate Companies

There have been no sales and purchases between Group Entities, Subsidiaries and Associate Companies when such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company except as disclosed in “Annexure XIX - Related Party Transactions” under chapter titled “Financial Statements” beginning on page 182 of this Prospectus.

Interests of our Promoter and Group Entities and Associate Companies

Our Promoter and Group Entities and Associate Companies are interested to the extent of their shareholding of Equity Shares from time to time, and in case of our Promoter, also to the extent of shares held by their relatives from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Promoter may also benefit from holding directorship in our Company. Our Promoter may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them under the Articles/ terms of appointment. As on the date of this Prospectus, our Promoter holds 11,83,588 Equity Shares of our Company. Our Promoter and Group Entities may be interested to the extent of any loan provided to the Company.

Except as stated hereinabove and as stated in “Annexure XIX - Related Party Transactions” under chapter titled “Financial Statements” beginning on page 182 of this Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoter is directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated above and as stated otherwise under the paragraph titled “Shareholding of our Directors” in the chapter titled “Our Management” beginning on page 159 of this Prospectus; in “Annexure XIX - Related Party Transactions” under chapter titled “Financial Statements” beginning on page 182 of this Prospectus, and under the paragraph titled “Interest of Directors” in the chapter titled “Our Management” beginning on page 159, paragraph titled “Our Properties” in the chapter titled “Our Business” beginning on page 114, our Promoter do not have any other interests in our Company as on the date of this Prospectus.

Further, except as disclosed above and in the audited restated consolidated and standalone financial statements of our Company under “Annexure XIX - Related Party Transactions” under chapter titled “Financial Statements” beginning on page 182 of this Prospectus, our Group Entities and associates have no business interest in our Company.

Related Party Transactions

For details on our related party transactions please refer to the paragraph titled “*Our Properties*” in chapter titled “*Our Business*” beginning on page 114 of this Prospectus, paragraph titled “*Interest of Directors*” in the chapter titled “*Our Management*” beginning on page 159 of this Prospectus and “*Annexure XIX - Related Party Transactions*” in chapter titled “*Financial Statements*” beginning on page 182 of this Prospectus and paragraph titled “*Interest of Promoter*” under this chapter and under “*Annexure XIX - Related Party Transactions*” under chapter titled “*Financial Statements*” beginning on page 182 of this Prospectus .

Common Pursuits/Conflict of interest

Our Promoter is also interested in our Group Entities , M/s. Jhawar International and M/s. Supreme Overseas which are involved in activities similar to those conducted by our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict of interest as and when it may arise. Please see the section “*Risk Factors*” beginning on page 14 of this Prospectus.

Undertaking /Confirmations

Our Promoter, Promoter Group and Group entities confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them. None of the Promoter or Promoter Group or Group Entities or persons in control of the Promoter has been

- (i) Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority or
- (ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of the Promoter is or has ever been a promoter, director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI

Litigation

For details relating to legal proceedings involving our Promoter and our Group Entities, please refer to the chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 252 of this Prospectus.

Payment or Benefit to our Group Entities

Except as stated in the section titled “*Financial Statements*” on page 182, there has been no payment of benefits to our Group Entities during the 2 years.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XIX of Restated Financial Statement under the Section titled “Financial Statements” beginning on page 182 of this Prospectus

DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has no formal dividend policy. The amounts paid as dividends in the past are not necessarily indicative of the Company's dividend policy or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of the Company or for an investment in the Equity Shares.

The dividend paid by our Company in the five Fiscals are as provided below:

(Amount in Rupees Lacs, except per share figures)

Particulars	For The Year Ended				
	2010	2011	2012	2013	2014
Face value per Equity Share (Rs)	10	10	10	10	10
Dividend (Rs)	10.62	12.28	14.97	15.64	17.88
Dividend tax (Rs)	1.64	1.99	2.43	2.54	2.90
Dividend per equity share (Rs)	0.50	0.50	0.50	0.50	0.50
Dividend rate (% to paid up capital)	5%	5%	5%	5%	5%

SECTION V – FINANCIAL STATEMENTS
STANDALONE FINANCIAL STATEMENT AS RESTATED

**Independent Auditor’s Report for the Standalone Restated Financial Statements of
Supreme India Impex Limited**

The Board of Directors,
Supreme India Impex Limited
Supreme House, Plot No. 823/2,
Road No. 8, G I D C,
Surat – 394230.

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of Supreme India Impex Limited, **(the Company)** as at September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the financial year / period ended on September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 (collectively the **”Restated Summary Statements”** or **”Restated Financial Statements”**). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) in SME Platform of NSE Limited (**”NSE”**).
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Part I of Chapter III to the Companies Act, 2013 (**”Act”**);
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (**”ICDR Regulations”**) issued by the Securities and Exchange Board of India (**”SEBI”**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company letter dated December 24th , 2013 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of NSE Limited(**”IPO”** or **”SME IPO”**); and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (**”Guidance Note”**).
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year/period ended on September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 which have been approved by the Board of Directors.
4. In accordance with the requirements of Part I of Chapter III of the Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The **”Restated Statement of Asset and Liabilities”** as set out in **Annexure I** to this report, of the Company as at September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 are prepared by the Company and

approved by the Board of Directors. These Statement of Asset and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

- (ii) The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the financial year / period ended on September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - (iii) The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the financial year / period ended on September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.
5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
 - a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
 - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
 - d) There were no qualification in the Audit Reports issued by the Statutory Auditors for the financial year / period ended on September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 which would require adjustments in this Restated Financial Statements of the Company.
 - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
6. Audit for the financial year / period ended March 31, 2010, March 31, 2011, March 31, 2012, March 31, 2013, March 31, 2014 and September 30, 2014 was conducted by M/s.Soni Surana & Co., Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. We have not carried out any audit tests or reviews and reliance has been placed by us on the figures and disclosures made in the audited financial statements.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year / period ended on

September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

Annexure of Restated Financial Statements of the Company:-

1. Details of Trade Receivables as Restated as appearing in ANNEXURE V to this report;
 2. Details of Long Term Provisions as Restated as appearing in ANNEXURE VI to this report;
 3. Details of Short Term Provisions as Restated as appearing in ANNEXURE VII to this report
 4. Details of Inventories as Restated as appearing in ANNEXURE VIII to this report;
 5. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE IX to this report;
 6. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE X to this report;
 7. Details of Other Current Assets as Restated as appearing in ANNEXURE XI to this report;
 8. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XII to this report;
 9. Details of Other Non Current Assets as Restated as appearing in ANNEXURE XIII to this report;
 10. Details of Long Term Borrowings as Restated as appearing in ANNEXURE XIV to this report
 11. Details of Short Term Borrowings as Restated as appearing in ANNEXURE XV to this report
 12. Details of Other Income as Restated as appearing in ANNEXURE XVI to this report
 13. Capitalization Statement as Restated as at September 30, 2014 as appearing in ANNEXURE XVII to this report;
 14. Statement of Tax Shelters as Restated as appearing in ANNEXURE XVIII to this report;
 15. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XIX to this report;
 16. Details of Share Capital as Restated as appearing in ANNEXURE XX to this report
 17. Details of Reserves and Surplus as Restated as appearing in ANNEXURE XXI to this report.
 18. Details of Current Investment as Restated as appearing in ANNEXURE XXII to this report.
 19. Details of Non Current Investment as Restated as appearing in ANNEXURE XXIII to this report.
 20. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXIV to this report
 21. Reconciliation of Restated Profit as appearing in ANNEXURE XXV to this report.
 22. Details of Contingent Liabilities as Restates as appearing in ANNEXURE XXVI to this report
8. We, R T Jain & 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 (“**Statutory Auditor**”).
 9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to XXVI of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For R T Jain & Co.

Chartered Accountants

Firm Registration no.103961W

(CA Bankim Jain)

Partner

Membership No.139447

Date: February 24, 2015

Place: Mumbai

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE – I

(Rs. in Lacs)

SR. NO .	PARTICULARS	AS AT MARCH 31,					AS AT SEPTEMBER 30TH, 2014
		2010	2011	2012	2013	2014	
1)	Equity & Liabilities						
	Shareholders Funds						
	a. Share Capital	245.54	299.27	312.87	317.53	357.53	357.53
	b. Reserves & Surplus	1,457.93	2,327.08	2,772.35	3,201.52	4,120.34	4,393.87
2)	Share Application money pending allotment	-	-	-	-	16.99	-
3)	Non Current Liabilities	-	-	-	-	-	-
	a. Long Term Borrowings	457.65	299.27	180.08	337.36	281.07	521.91
	b. Deferred Tax Liabilities	76.97	97.51	113.20	123.78	136.24	130.79
	c. Long Term Provisions	6.19	8.82	12.44	16.70	19.80	22.49
4)	Current Liabilities	-	-	-	-	-	-
	a. Short Term Borrowings	5,593.00	7,191.28	10,025.82	13,386.96	16,481.44	17,152.25
	b. Trade Payables	565.26	1,262.48	939.82	725.85	2,899.10	8,409.31
	c. Other Current Liabilities	151.76	170.48	158.50	169.51	209.94	366.88
	d. Short Term Provisions	83.36	98.70	107.63	95.46	86.43	137.70
	T O T A L (1+2+3+4)	8,637.64	11,754.91	14,622.71	18,374.66	24,608.88	31,492.73
5)	Non Current Assets						
	a. Fixed Assets						
	i. Tangible Assets	1,366.18	1,517.57	1,524.48	1,526.40	1,699.19	1,804.07
	ii. Intangible Assets	2.12	2.37	2.50	3.47	3.47	3.47
	Less: Depreciation	125.08	205.26	281.17	359.15	429.95	559.55
	Net Block	1,243.22	1,314.69	1,245.82	1,170.72	1,272.71	1,248.00
	iii. Capital Work In Progress	-	-	-	-	-	1.69
	a. Non Current Investment	0.42	0.42	0.42	0.42	1.34	1.34
	b. Long Term Loans & Adv.	369.16	514.92	679.89	1,117.56	1,062.40	1,008.45
	c. Other Non Current Assets	-	-	-	-	-	1.61
6)	Current Assets	-	-	-	-	-	-
	a. Current Investments	-	-	-	-	1,051.05	1,051.05
	b. Inventories	1,593.91	2,052.01	2,699.55	2,373.04	2,529.73	4,952.53
	c. Trade Receivables	4,581.76	7,155.18	8,959.88	12,134.00	17,858.82	22,024.52
	d. Cash and Cash Equivalents	840.33	689.08	950.48	1,495.14	749.37	1,004.51
	e. Short Term Loans & Adv.	2.00	12.70	12.71	14.97	14.14	171.16
	f. Other Current Assets	6.85	15.91	73.97	68.81	69.31	27.87
	T O T A L (5+6)	8,637.64	11,754.91	14,622.71	18,374.66	24,608.88	31,492.73

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE – II

(Rs. In Lacs)

SR · N O.	PARTICULARS	FOR THE YEAR ENDED MARCH 31,					FOR THE PERIOD ENDED SEPTEMBER 30, 2014
		2010	2011	2012	2013	2014	
A	INCOME						
	Revenue from Operations	13,926.26	17,639.22	20,535.53	27,857.43	34,175.73	18,545.48
	Other Income	11.14	1.94	78.46	162.21	22.75	324.52
	Total Income	13,937.40	17,641.15	20,613.99	28,019.64	34,198.48	18,870.00
B	EXPENDITURE	-	-	-	-	-	-
	Cost of materials consumed	11,393.89	13,944.29	17,970.18	22,728.86	30,762.47	17,429.35
	Purchase of stock-in-trade	-	-	186.89	644.74	292.00	256.14
	Changes in inventories of finished goods, traded goods and work-in-progress	227.95	842.96	(1,364.38)	1,016.17	(1,078.53)	(1,396.22)
	Employee benefit expenses	161.35	247.45	166.59	180.86	178.81	127.66
	Finance costs	474.49	618.14	902.90	1,200.04	1,341.55	886.96
	Depreciation and amortisation expense	71.74	80.18	75.91	77.98	70.80	129.62
	Other Expenses	1,344.54	1,497.41	2,160.21	1,581.82	1,886.28	1,004.22
	Total Expenses	13,673.97	17,230.43	20,098.31	27,430.47	33,453.38	18,437.73
	Profit before prior period items	263.43	410.72	515.68	589.16	745.10	432.27
	Prior period items (Net)	-	-	-	-	-	-
	Profit before exceptional, extraordinary items and tax	263.43	410.72	515.68	589.16	745.10	432.27
	Exceptional items	-	-	-	-	-	-
	Profit before extraordinary items and tax	263.43	410.72	515.68	589.16	745.10	432.27
	Extraordinary items	-	-	-	-	-	-
	Profit before tax	263.43	410.72	515.68	589.16	745.10	432.27
	Tax expense :	-	-	-	-	-	-
	(i) Current tax	(67.17)	(118.52)	(155.46)	(184.51)	(233.05)	(164.18)
	(ii) Deferred tax	(29.63)	(20.54)	(15.68)	(10.58)	(12.46)	5.44
	(iv) (Short)/Excess provision for earlier years	-	(2.94)	(3.49)	(0.03)	(0.05)	-
	Total	(96.80)	(142.00)	(174.64)	(195.13)	(245.56)	(158.74)
	Profit for the year	166.62	268.72	341.05	394.04	499.54	273.53
	Earning per equity share(face value of Rs.10/- each): Basic and Diluted (Rs.)	8.34	10.94	11.39	12.59	15.73	7.65

STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE - III

(Rs. In Lacs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31,					Period Ended September 2014
	2010	2011	2012	2013	2014	
4. CASH FLOW FROM OPERATING ACTIVITIES :						
Net profit before tax for the year	263.43	410.72	515.68	589.16	745.10	432.27
Adjustments for :						
Interest paid and Bank Charges	491.52	673.64	990.88	1301.38	1460.69	886.96
Interest income	(53.55)	(98.06)	(94.26)	(108.42)	(124.38)	(32.68)
Depreciation	71.74	80.18	75.91	77.98	70.80	129.60
(Profit)/ Loss on Sale of fixed assets	2.58	0.00	0.15	0.00	-1.28	0.00
Provision for Gratuity	6.44	2.85	3.68	4.08	3.62	2.71
Loss / (Gain) on Foreign Exchange	-	-	-72.75	-	-	
Dividend Income	-	-	(0.13)	(0.13)	(0.25)	0.00
Rental income	0.00	0.00	(5.58)	(11.42)	(22.50)	(15.16)
Operating profit before working capital changes	782.16	1069.32	1413.58	1852.64	2131.80	1403.70
Movements in working capital:						
Decrease / (Increase) in Trade receivables	(1267.97)	(2573.42)	(1804.70)	(3174.12)	(5724.82)	(4165.70)
Decrease / (Increase) in Inventories	(119.71)	(458.10)	(47.54)	326.51	(56.69)	(2422.80)
Increase / (Decrease) in Trade payables	(524.83)	686.20	(378.15)	(213.97)	2,197.98	5,510.21
Increase / (Decrease) in Short Term Borrowings and Provisions	-	-	9.30	(8.96)	(2.57)	826.62
Decrease / (Increase) in Loans and Advances and Other Current Assets	34.93	(118.94)	(207.90)	(434.89)	(996.49)	(65.17)
Cash generated from operations	(1,095.42)	(1,394.94)	(1,615.42)	(1,652.79)	(2,550.80)	1,086.86
Net Income Tax paid / refunded	66.19	174.54	150.31	173.53	224.22	92.14
Cash from operating activities before extra-ordinary items	(1,161.60)	(1,569.48)	(1,765.73)	(1,826.32)	(2,775.01)	994.72
Extra Ordinary Items	-	4.60	-	-	-	-
Net cash from operating activities (A)	(1,161.60)	(1,564.88)	(1,765.73)	(1,826.32)	(2,775.01)	994.72
5. CASH FLOW FROM INVESTING						

PARTICULARS	FOR THE YEAR ENDED MARCH 31,					Period Ended September 2014
	2010	2011	2012	2013	2014	
<u>ACTIVITIES :</u>						
Purchase of fixed assets	(290.42)	(158.25)	(64.96)	(2.89)	(225.50)	(106.57)
Sale of fixed assets	4.32	6.60	51.04	-	54.00	-
Rental income	-	-	5.58	11.42	15.38	15.16
Dividend Income	-	0.12	0.13	0.13	0.25	-
Interest income	53.55	63.32	94.26	108.42	124.38	36.23
Miscellaneous Income	-	-	-	-	7.12	-
Net cash used in investing activities (B)	(232.55)	(88.21)	86.05	117.07	(24.38)	(55.18)
<u>6. CASH FLOW FROM FINANCING ACTIVITIES :</u>						
Proceeds from issue of share capital	615.00	671.61	136.00	58.25	480.06	-
Net Increase/(Decrease) in Borrowings	1,619.24	1,515.18	2,742.79	3,515.28	3,038.20	242.39
Increase/ (Decrease) in Share Application Money	(200.00)				16.99	(16.99)
Interest paid	(491.87)	(672.68)	(923.44)	(1,301.43)	(1,460.85)	(887.41)
Dividend paid	(10.62)	(12.28)	(12.28)	(15.64)	(17.88)	(17.88)
Dividend distribution tax			(1.99)	(2.54)	(2.90)	(2.90)
Share issue expenses						(1.61)
Net cash from financing activities (C)	1,531.76	1,501.84	1,941.08	2,253.92	2,053.62	(684.40)
Net increase in cash and cash equivalents (A+B+C)	137.60	(151.25)	261.40	544.67	(745.77)	255.13
Cash and cash equivalents at the beginning of the period	702.73	840.33	689.08	950.48	1,495.14	749.37
Cash and cash equivalents at the end of the period	840.33	689.08	950.48	1,495.14	749.37	1,004.51

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS: ANNEXURE IV**A. SIGNIFICANT ACCOUNTING POLICY:****1. Corporate Information**

The Company was incorporated on 21.08.1995 having its principle place of business in Surat. The Company is mainly dealing in international trade and is also engaged in Embroidery & Multi Ply Yarn manufacturing activities.

2. Basis of preparation of Financial Statements:

- (a) These financial statements have been prepared and presented under historical cost convention on accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply in all material respect with all the applicable Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956 and Companies Act 2013 and other pronouncements of Institute of Chartered Accountants of India.
- (b) Financials of the entity for previous years considered for Restated Financial Statements have been reclassified wherever necessary to bring them in line with Schedule III to the Companies Act, 2013.
- (c) Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting policies.

3. Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized

4. Revenue Recognition :

Sale of goods is recognized on dispatches to customers, which coincide with the transfer of significant risks and rewards associated with ownership, net of Discount.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

5. Fixed Assets:

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in brining the assets to their working condition for their intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

6. Depreciation:

Upto 31st March 2014 depreciation on fixed assets is provided on written down value (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

W.e.f 1st April 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013. The carrying amount as on 1st April 2014 is depreciated over the balance useful life of asset.

7. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

8. Valuation of Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise, Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

9. Valuation of Inventories:

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Closing Stock is valued as under:-

- Raw Material – At cost or net realizable value whichever is less.
- Work in Progress – At cost or net realizable value whichever is less.
- Finished Goods – At cost or net realizable value whichever is less.

10. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

11. Provision for Current Tax & Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

12. Contingent Liabilities / Provisions:

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

13. Earning Per Share:

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

14. Miscellaneous Expenditure / Share Issue Expenses

The Share Issue expenses will be written off against securities premium to be received on issue of shares.

DETAILS OF TRADE RECEIVABLES AS RESTATED**ANNEXURE - V****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
<u>Unsecured, considered good</u>						
Less than six months	4,581.76	7,155.18	8,959.16	12,134.00	17,858.82	22,024.52
More than six months	-	-	0.72	-	-	-
TOTAL	4,581.76	7,155.18	8,959.88	12,134.00	17,858.82	22,024.52

DETAILS OF LONG TERM PROVISIONS AS RESTATED**ANNEXURE – VI****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
<u>Employee Benefit</u>						
Gratuity Payable	6.19	8.82	12.44	16.70	19.80	22.49
TOTAL	6.19	8.82	12.44	16.70	19.80	22.49

DETAILS OF SHORT TERM PROVISIONS AS RESTATED**ANNEXURE –VII****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
<u>Others</u>						
Provision for Income Tax	67.66	77.81	82.83	69.60	57.98	130.02
Proposed Dividend on Equity Shares	13.42	17.77	21.13	22.04	24.28	6.40
Provision for Dividend Distribution Tax	2.28	3.13	3.67	3.82	4.18	1.28
TOTAL	83.36	98.70	107.63	95.46	86.43	137.70

DETAILS OF INVENTORIES AS RESTATED**ANNEXURE - VIII****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
Raw materials	514.09	1,814.85	1,096.03	1,779.50	855.90	1,865.07
Work-in-progress	-	-	-	-	-	-
Finished goods	1,079.47	236.48	1,599.98	583.63	1,657.39	3,050.59

Consumables	0.22	0.54	2.51	8.70	10.46	27.87
Stores & Spares	0.13	0.16	1.04	1.21	5.98	9.00
TOTAL	1,593.91	2,052.01	2,699.55	2,373.04	2,529.73	4,952.53

DETAILS OF LONG TERM LOANS & ADVANCES**ANNEXURE - IX****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
<u>Unsecured considered good</u>						
Income tax	40.49	23.67	20.45	20.98	20.98	20.98
Security Deposit	1.82	1.82	5.20	49.75	12.74	24.04
Balances with Government Authorities	326.86	489.43	654.24	1,046.84	1,028.69	963.44
	-	-	-	-	-	-
TOTAL	369.16	514.92	679.89	1,117.56	1,062.40	1,008.45

DETAILS OF SHORT TERM LOANS & ADVANCES**ANNEXURE - X****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
Advance to supplier	2.00	12.70	12.71	14.97	12.60	169.70
Advance to Others	-	-	-	-	1.54	1.46
TOTAL	2.00	12.70	12.71	14.97	14.15	171.16

DETAILS OF OTHER CURRENT ASSETS AS RESTATED**ANNEXURE - XI****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
Interest Accrued on FDR	-	-	44.27	51.92	26.11	23.20
Interest Receivable	-	0.09	24.16	1.32	1.08	0.44
Prepaid Expenses	4.45	15.25	5.42	15.57	15.97	4.22
TDS Receivable	2.40	0.57	0.12	-	-	-
Exchange Gain Receivable	-	-	-	-	26.15	-
TOTAL	6.85	15.91	73.97	68.81	69.31	27.87

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**ANNEXURE - XII****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
Current maturities of long term debt	134.49	145.39	109.46	101.00	42.72	44.27
Interest accrued and due on borrowings	0.72	0.71	0.67	0.61	0.45	-
Gratuity Payable	0.25	0.46	0.52	0.35	0.86	0.89
Other payables						
Creditors for expenses	12.74	18.52	35.65	59.85	136.29	285.58
Creditors for capital goods	-	-	0.80	0.78	25.51	33.17
Statutory dues	3.56	5.40	2.86	2.34	4.10	2.97
Advance Rent Received	-	-	8.54	4.59	-	-
TOTAL	151.76	170.48	158.50	169.51	209.94	366.88

DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED**Annexure – XIII****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
Share Issue expense	-	-	-	-	-	1.61
TOTAL	-	-	-	-	-	1.61

DETAILS OF LONG TERM BORROWINGS AS RESTATED**ANNEXURE - XIV****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at Septemb er 30, 2014
<u>Secured</u>						
Vehicle Loans	3.55	17.50	10.56	4.43	-	4.68
Less : Current Maturities	(2.17)	(6.94)	(6.13)	(4.43)	-	(1.55)
Total	1.38	10.56	4.43	-	-	3.13
	-	-	-	-	-	-
Term Loan	379.39	278.66	167.16	82.51	89.71	102.12
Less : Current Maturities	(100.73)	(111.50)	(84.65)	(82.51)	(42.72)	(42.72)
Total	278.66	167.16	82.51	-	46.99	59.40
	-	-	-	-	-	-
Mortgage Loan	106.69	100.83	94.46	87.25	-	-
Less : Current Maturities	(5.86)	(6.37)	(7.21)	(8.16)	-	-
Total	100.83	94.46	87.25	79.08	-	-

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at Septemb er 30, 2014
	-	-	-	-	-	-
Unsecured	-	-	-	-	-	-
	-	-	-	-	-	-
Term Loans	63.66	37.94	17.36	5.90	-	-
Less : Current Maturities	(25.73)	(20.57)	(11.47)	(5.90)	-	-
Total	37.94	17.36	5.90	-	-	-
	-	-	-	-	-	-
Loan from Directors & Related Parties	38.84	9.73	-	258.27	234.09	342.39
Loan from Bodies Corporate	-	-	-	-	-	116.99
TOTAL	457.65	299.27	180.08	337.36	281.07	521.91

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

Nature of Security	Terms of Repayment
Car Loan amounting to Rs. 7.79 Lacs is secured against Innova Car	Loan to be repaid in 47 equal monthly installment, starting from November, 2007 and last installment due in October, 2011
Car Loan amounting to Rs. 18 Lacs is secured against Car	Loan to be repaid in 36 equal monthly installment, starting from January, 2011 and last installment due in November, 2013
Mortgage Loan amounting to Rs. 10.81 Lacs is secured by a mortgage over shop at Kohinoor Textile Market	Loan to be repaid in 120 equal monthly installments, starting from November 2009, and last installment due in May, 2020.
Term Loan from Canara Bank is secured by hypothecation of Plant & Machinery and is further secured by personal guarantee of Directors	Residual repayment period of the said loan is 50 months and ROI is 15%

DETAILS OF SHORT TERM BORROWINGS AS RESTATED**ANNEXURE – XV****(Rs. In Lacs)**

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
<u>Secured</u>						
Working Capital Loan	5,463.68	7,125.57	10,025.82	13,386.96	16,481.44	17,152.25
Bank Overdraft	129.32	65.71	-	-	-	-
	-	-	-	-	-	-
TOTAL	5,593.00	7,191.28	10,025.82	13,386.96	16,481.44	17,152.25

DETAILS OF OTHER INCOME AS RESTATED**Annexure – XVI****(Rs. In Lacs)**

PARTICULARS	For the Year Ended March 31, 2010	For the Year Ended March 31, 2011	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the period Ended September 30, 2014	Nature
Other income	11.14	1.94	78.46	162.21	22.75	324.52	-
	-	-	-	-	-	-	-
Net Profit Before Tax as Restated	263.43	410.72	515.68	589.16	745.10	432.27	-
	-	-	-	-	-	-	-
Percentage	4.23%	0.47%	15.21%	27.53%	3.05%	75.07%	
Source of Income							
Discount Received	0.26	0.62	-	-	-	1.76	Recurring and related to business activity.
Foreign Exchange Gain	5.30	-	72.75	150.66	-	274.91	Recurring and related to business activity.
Profit on Sale of Property	-	-	-	-	1.28	-	Non recurring and not related to business activity.

PARTICULARS	For the Year Ended March 31, 2010	For the Year Ended March 31, 2011	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the period Ended September 30, 2014	Nature
Profit on Sale of Shares	-	-	-	-	2.05	-	Non recurring and not related to business activity.
Rent Received	5.58	1.20	5.40	9.89	15.38	15.16	Recurring and not related to business activity.
Dividend Income	-	0.12	0.13	0.13	0.25	-	Recurring and not related to business activity.
Miscellaneous Receipts	-	-	0.19	1.53	3.78	0.01	Non recurring and not related to business activity.
Interest Income	-	-	-	-	-	32.68	Non recurring and not related to business activity.
	-	-	-	-	-	-	
Total Other income	11.14	1.94	78.46	162.21	22.75	324.52	

CAPITALISATION STATEMENT AS AT 30TH SEPTEMBER, 2014

Annexure - XVII

(Rs. In Lacs)

PARTICULARS	PRE ISSUE	POST ISSUE
Borrowings		
Short term debt (A)	17152.25	
Long Term Debt (B)	521.9111	
Total debts (C)	17674.16	
Shareholders' funds		
Equity share capital	357.53	488.73
Reserve and surplus - as restated	4393.87	5049.87
Total shareholders' funds	4751.40	5538.60
	-	-
Long term debt / shareholders funds	0.11	
Total debt / shareholders funds	3.72	

STATEMENT OF TAX SHELTERSAS RESTATED

Annexure - XVIII

(Rs. In Lacs)

PARTICULARS	Year ended March 31, 2010	Period ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014	Period ended September 30, 2014
Profit before tax as per books (A)	269.57	414.66	519.34	593.21	748.57	432.27
Tax Rate (%)	33.99%	32.22%	32.45%	32.45%	32.45%	32.45%
Tax at notional rate on profits	91.63	133.59	168.50	192.47	242.87	140.25
Adjustments :	-	-	-	-	-	
Permanent Differences(B)	-	-	-	-	-	
Expenses disallowed under Income Tax Act, 1961	2.81	4.60	7.67	8.74	11.21	3.11
Total Permanent Differences(B)	2.81	4.60	7.67	8.74	11.21	3.11
Income considered separately (C)	-	-	-	-	-	
Rental Income	(5.58)	(1.20)	-	-	-	(15.16)
Exempt Income	-	(0.12)	(0.13)	(0.13)	(0.25)	-
Total Income considered separately (C)	(5.58)	(1.32)	(0.13)	(0.13)	(0.25)	(15.16)
Timing Differences (D)	-	-	-	-	-	
Difference between tax depreciation and book depreciation	(74.99)	(61.27)	(47.29)	(32.62)	(38.42)	(69.50)
Difference due to expenses allowable/ disallowable u/s 43B	-	-	-	-	-	
Total Timing Differences (D)	(74.99)	(61.27)	(47.29)	(32.62)	(38.42)	(69.50)
Net Adjustments E = (B+C+D)	(77.77)	(57.99)	(39.75)	(24.01)	(27.46)	(81.55)

PARTICULARS	Year ended March 31, 2010	Period ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014	Period ended September 30, 2014
Tax expense / (saving) thereon	(26.43)	(18.68)	(12.90)	(7.79)	(8.91)	(26.46)
Income from Other Sources	-	-	-	-	-	-
Rental Income from Factory Building	5.58	1.20	-	-	-	15.16
Income from Other Sources (F)	5.58	1.20	-	-	-	15.16
Taxable Income/(Loss) (A+E+F)	197.39	357.87	479.60	569.20	721.11	365.88
Taxable Income/(Loss) as per MAT	269.57	414.66	519.34	593.21	748.57	432.27
Income Tax as returned/computed	67.05	118.86	155.44	184.50	223.32	-
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal	Normal	Normal

RELATED PARTY TRANSATION

Annexure - XIX*(Rs. In Lacs)*

Name	Nature of Transaction	Amount of Transaction in 2009-10	Amount Outstanding as on 31.03.10 (Payable) / Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable) / Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.2013 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable)/ Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable)/ Receivable
Jugal Kishore Jhawar	Loan Taken	166.08		-	-	-	-	118.60		206.08		171.10	(243.37)
	Loan Repaid	177.25	(10.17)	-	-	-	-	20.58	(98.01)	158.12	(145.97)	73.70	
	Remuneration	-	-	-	-	3.60	-	3.60	-	3.90	-	3.00	(1.00)
Sarita Devi Jhawar	Loan Taken	160.31	(22.79)	-	-	-	-	91.11	(85.26)	68.45	(35.06)	19.00	(45.96)

Name	Nature of Transaction	Amount of Transaction in 2009-10	Amount Outstanding as on 31.03.10 (Payable) / Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable) / Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.2013 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable) / Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable) / Receivable
	Loan Repaid	154.96		-	-	-	-	5.85		118.65		8.10	
Bhanwari Devi Jhawar	Loan Taken	31.46		-	-	-	-	75.00		-		-	(53.05)
	Loan Repaid	30.00	(1.46)	-	-	-	-	-	(75.00)	21.94	(53.05)	-	
Kamla Devi Jhawar	Loan Taken	31.46	(1.46)	-	-	-	-	-	-	-	-	-	-

Name	Nature of Transaction	Amount of Transaction in 2009-10	Amount Outstanding as on 31.03.10 (Payable) / Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable) / Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.2013 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable)/ Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable)/ Receivable
Mr. Ar	Loan Repaid	30.00		-	-	-	-	-	-	-	-	-	-
Nand Kishore Jhawar	Loan Taken	31.46		-	-	-	-	-	-	-	-	-	-
	Loan Repaid	30.00	(1.46)	-	-	-	-	-	-	-	-	-	-
Abhishek Jhawar	Remuneration	2.52	-	1.86	-	3.00	-	3.60	-	3.60	-	1.80	(0.30)

Name	Nature of Transaction	Amount of Transaction in 2009-10	Amount Outstanding as on 31.03.10 (Payable) / Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable) / Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.2013 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable)/ Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable)/ Receivable
RuchitaJhawar	Remuneration	0.78	-	0.78	-	1.92	-	1.92	-	1.92	-	0.96	0.16
Supreme Fine Fab Pvt Ltd	Job Work Charges	55.47	-	-	-	-	-	28.10	-	-	-		
Vama Tex India Ltd	Purchases	52.27	(8.27)	-	-	-	-	-	-	-	-		
	Job Work	-	-	-	-	-	-	46.83	-	-	-		

Name	Nature of Transaction	Amount of Transaction in 2009-10	Amount Outstanding as on 31.03.10 (Payable) / Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable) / Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.2013 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable)/ Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable)/ Receivable
	Charges												
Jhwar Biotech Pvt Ltd	Purchases	-	-	530.73	-	-	-	-	-	-	-		
	Job Work Charges	-	-	-	-	-	-	32.45	-	-	-		
	Loan Taken	-	-	-	-	-	-	-	-	-	-	16.99	(16.99)
Supreme India	Purchases	-	-	708.27	(5.07)	27.76	(1.46)	356.74	-	423.78	(57.61)	-	-

Name	Nature of Transaction	Amount of Transaction in 2009-10	Amount Outstanding as on 31.03.10 (Payable) / Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable) / Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.2013 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable)/ Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable)/ Receivable
Overseas Corp.	Loan Taken											76.20	-
	Loan Repayment											76.20	-
Supreme Fabstyle	Purchase	-	-	-	-	-	-	-	-	27.40	-		
Supreme India Avenue	Loan Taken											10.00	(10.00)

Name	Nature of Transaction	Amount of Transaction in 2009-10	Amount Outstanding as on 31.03.10 (Payable) / Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable) / Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12 (Payable) / Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.2013 (Payable) / Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable) / Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable) / Receivable
Pvt Ltd													
Utility Aquatech Pvt Ltd	Con dise ratio n for												
	Inve stm ent in Shar es	-	-	-	-		-	-	-	1,051.05	1,051.05		
	Loa n Giv en											117.00	117.00

Details of Share Capital

Annexure XX

(Rs. In Lacs)

PARTICULARS	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
Share Capital						
Authorised Share capital						
Equity Share of Rs. 10/- each	250.00	300.00	325.00	325.00	325.00	500.00
Issued, Subscribed & Fully Paid Up share capital						
Equity Share of Rs. 10/- each	245.54	299.27	312.87	317.53	357.53	357.53
TOTAL	245.54	299.27	312.87	317.53	357.53	357.53

Reconciliation of number of shares outstanding at the end of year

PARTICULARS	AS AT MARCH 31, 2010	AS AT MARCH 31, 2011	AS AT MARCH 31, 2012	AS AT MARCH 31, 2013	AS AT MARCH 31, 2014	AS AT SEPTEMBER 30, 2014
Equity shares at the beginning of the year	19,23,380	24,55,380	29,92,670	31,28,670	31,75,270	35,75,319
Add: Other allotments	5,32,000	5,37,290	1,36,000	46,600	4,00,049	-
TOTAL	24,55,380	29,92,670	31,28,670	31,75,270	35,75,319	35,75,319

During the year 2011-12: 27,000 No of Equity Shares were issued against unsecured loan of Mr Jugal Jhawar

Details of shareholders holding more than 5% of the aggregate shares in the company

NAME OF SHAREHOLDER	AS AT 31ST MARCH, 2010		AS AT 31ST MARCH, 2011		AS AT 31ST MARCH, 2012		AS AT 31ST MARCH, 2013		AS AT 31ST MARCH, 2014		AS AT 30TH SEPTEMBER, 2014	
	NO. OF SHARES	PERCENTAGE	NO. OF SHARES	PERCENTAGE	NO. OF SHARES	PERCENTAGE	NO. OF SHARES	PERCENTAGE	NO. OF SHARES	PERCENTAGE	NO. OF SHARES	PERCENTAGE
Jugal Kishore Jhawar	10,34,980	42.15%	10,66,980	35.66%	10,93,980	34.97%	10,93,980	34.45%	11,39,838	31.88%	11,83,588	31.88%
Saritadevi Jhawar	1,57,400	6.41%	2,13,400	7.14%	2,38,400	7.62%	2,38,400	7.51%	3,13,400	8.77%	3,13,400	8.77%
Kamladevi Jhawar	1,72,500	7.03%	1,72,500	5.76%	1,72,500	5.51%	1,72,500	5.43%	1,72,500	4.82%	1,72,500	4.82%
Angel Goods Pvt Ltd	3,29,000	13.40%	3,29,516	11.01%	3,29,516	10.53%	3,29,516	10.38%	3,32,766	9.31%	3,32,766	9.31%
Variety Barter Pvt Ltd	-	-	3,73,880	12.49%	3,98,880	12.75%	3,98,880	12.56%	4,00,505	11.20%	4,00,505	11.20%
Sky High Trading Pvt Ltd	3,19,500	13.01%	3,19,978	10.69%	3,21,478	10.28%	3,21,478	10.12%	3,21,478	8.99%	3,21,478	8.99%

Details of Reserves and Surplus as Restated**Annexure - XXI****(Rs. In Lacs)**

PARTICULARS	AS AT MARC H 31, 2010	AS AT MARC H 31, 2011	AS AT MARC H 31, 2012	AS AT MARC H 31, 2013	AS AT MARC H 31, 2014	AS AT SEPTEMBE R 30, 2014
Profit & Loss Account						
Opening Balance	353.04	455.45	706.72	1,029.59	1,405.17	1,883.94
Add: Profit for the year	166.62	268.72	341.05	394.04	499.54	273.53
Less: Appropriations	-	-	-	-	-	-
Less: Proposed Dividend	(12.28)	(14.96)	(15.64)	(15.88)	(17.88)	-
Less: Provision for dividend distribution tax	(2.09)	(2.49)	(2.54)	(2.58)	(2.90)	-
Less: Short Provision for earlier years	(49.85)	-	-	-	-	-
Closing Balance	455.45	706.72	1,029.59	1,405.17	1,883.94	2,157.47
	-	-	-	-	-	-
Security Premium	-	-	-	-	-	-
Opening Balance	440.67	1,002.47	1,620.36	1,742.76	1,796.35	2,236.40
Add: Received during the year	561.80	617.88	122.40	53.59	440.05	-
Closing Balance	1,002.47	1,620.36	1,742.76	1,796.35	2,236.40	2,236.40
	-	-	-	-	-	-
TOTAL	1,457.93	2,327.08	2,772.35	3,201.52	4,120.34	4,393.87

DETAILS OF CURRENT INVESTMENT AS RESTATED**Annexure - XXII****(Rs. In Lacs)**

PARTICULARS	AS AT MARC H 31, 2010	AS AT MARC H 31, 2011	AS AT MARC H 31, 2012	AS AT MARC H 31, 2013	AS AT MARC H 31, 2014	AS AT SEPTEMBE R 30, 2014
<i>Investment in Equity Instruments of its Subsidiary</i>	-	-	-	-	-	-
Equity Shares of Utility Aquatech Pvt Ltd	-	-	-	-	1,051.05	1,051.05
TOTAL	-	-	-	-	1,051.05	1,051.05

DETAILS OF NON CURRENT INVESTMENT AS RESTATED**Annexure - XXIII****(Rs. In Lacs)**

PARTICULARS	AS AT MARC H 31, 2010	AS AT MARC H 31, 2011	AS AT MARC H 31, 2012	AS AT MARC H 31, 2013	AS AT MARC H 31, 2014	AS AT SEPTEMB ER 30, 2014
<i>Investment in Equity Instruments</i>						
1200 Equity Shares of Canara Bank	0.42	0.42	0.42	0.42	-	-
(Market Value of Shares)	4.92	7.51	5.68	4.61	-	-
	-	-	-	-	-	-
Gold Coins	-	-	-	-	1.34	1.34
	-	-	-	-	-	-
TOTAL	0.42	0.42	0.42	0.42	1.34	1.34

SUMMARY OF ACCOUNTING RATIOS**Annexure - XXIV****(Rs. In Lacs)**

RATIOS	YEAR ENDED MARC H, 31ST 2010	YEAR ENDED MARC H, 31ST 2011	YEAR ENDED MARC H, 31ST 2012	YEAR ENDED MARC H, 31ST 2013	YEAR ENDED MARC H, 31ST 2014	PERIOD ENDED SEPTEMB ER, 30TH 2014
Restated PAT as per P& L Account	166.62	268.72	341.05	394.04	499.54	273.53
Weighted Average Number of Equity Shares at the end of the Year	19.98	24.57	29.93	31.29	31.76	35.75
	-	-	-	-	-	-
Net Worth	1,703.46	2,626.35	3,085.21	3,519.05	4,477.87	4,751.40
Earnings Per Share						
Basic & Diluted	8.34	10.94	11.39	12.59	15.73	7.65
Return on Net Worth (%)	9.78%	10.23%	11.05%	11.20%	11.16%	5.76%
Net Asset Value Per Share (Rs)	85.27	106.90	103.08	112.47	140.97	132.89
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

RECONCILIATION OF RESTATED PROFIT:**Annexure – XXV****(Rs. In Lacs)**

ADJUSTMENTS FOR	2009-10	2010-11	2011-12	2012-13	2013-14	UPTO SEPT-14
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	185.90	212.00	348.80	414.25	512.65	252.77
	-	-	-	-	-	-
Adjustments for:	-	-	-	-	-	-
	-	-	-	-	-	-
Impact of change in Depreciation rates/ policy	(0.05)	(0.04)	(0.03)	(0.02)	(0.02)	(0.03)
	-	-	-	-	-	-
Excess Interest provision	0.34	-	0.71	0.67	0.61	-
	-	-	-	-	-	-
Gratuity Effect	(6.44)	(3.90)	(4.34)	(4.70)	(4.07)	20.66
	-	-	-	-	-	-
Deferred Tax Liability / Asset Adjustment	(10.50)	9.57	(4.33)	(5.14)	(0.76)	3.12
	-	-	-	-	-	-
Taxes adjusted in Current Period	(4.07)	1.67	4.82	(9.17)	(18.05)	(2.99)
	-	-	-	-	-	-
Taxes of Earlier period adjusted in Current period	1.45	49.42	(4.59)	(1.85)	9.17	-
	-	-	-	-	-	-
Net Profit/ (Loss) After Tax as Restated	166.62	268.72	341.05	394.04	499.54	273.53

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

- Due to adoptions of Accounting Standard-15 “Employee Benefits,” provision for gratuity expenses has been made as per Actuarial Valuation Report obtained by the company.
- Trade Mark was not amortised earlier. However the same has been amortised in the restated financial statements.

- (c) Interest payable on Term Loans was not provided as per the repayment schedule. The same has now been adjusted in the respective year.
- (d) The deferred tax liability and provision for income tax has been adjusted on account of changes in WDV of assets and change in profit for year/ period.

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.

DETAILS OF CONTINGENT LIABILITIES

Annexure – XXVI

(Rs. In Lacs)

Particulars	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at September 30, 2014
Export Obligation under EPCG License	-	-	-	-	169.31	427.49
TOTAL	-	-	-	-	169.31	427.49

CONSOLIDATED FINANCIAL STATEMENT AS RESTATED
Independent Auditor’s Report for the Consolidated Restated Financial Statements of
Supreme India Impex Limited

The Board of Directors,
Supreme India Impex Limited
Supreme House, Plot No. 823/2,
Road No. 8, G I D C,
Surat – 394230.

Dear Sirs,

1. We have examined the attached consolidated Restated Statement of Assets and Liabilities of Supreme India Impex Limited, (**the “Company”**) and its subsidiary Utility Agrotech Industries Private Limited (**“UAIPL”**) as at September 30, 2014, and March 31, 2014 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the financial year / period ended on September 30, 2014, and March 31, 2014 (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 Offering (IPO) in SME Platform of NSE Limited (**“NSE”**).
2. These Consolidated Restated Summary Statements have been prepared in accordance with the requirements of:
 - (iii) Part I of Chapter III to the Companies Act, 2013 (**“Act”**);
 - (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (**“ICDR Regulations”**) issued by the Securities and Exchange Board of India (**“SEBI”**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company letter dated December 24th , 2013 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of NSE Limited(**“IPO”** or **“SME IPO”**); and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (**“Guidance Note”**).
3. The Consolidated Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year/period ended on September 30, 2014 and March 31, 2014 which have been approved by the Board of Directors.

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

6. Audit for the financial year / period ended March 31, 2014 and September 30, 2014 was conducted by M/s.Soni Surana & Co., Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. We have not carried out any audit tests or reviews and reliance has been placed by us on the figures and disclosures made in the audited financial statements.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year / period ended on September 30, 2014 and March 31, 2014 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

Annexure of Consolidated Restated Financial Statements of the Company:-

1. Details of Trade Receivables as Consolidated Restated as appearing in ANNEXURE V to this report;
2. Details of Long Term Provisions as Consolidated Restated as appearing in ANNEXURE VI to this report;
3. Details of Short Term Provisions as Consolidated Restated as appearing in ANNEXURE VII to this report
4. Details of Inventories as Consolidated Restated as appearing in ANNEXURE VIII to this report;
5. Details of Long Term Loans & Advances as Consolidated Restated as appearing in ANNEXURE IX to this report;
6. Details of Short Term Loans & Advances as Consolidated Restated as appearing in ANNEXURE X to this report;
7. Details of Other Current Assets as Consolidated Restated as appearing in ANNEXURE XI to this report;
8. Details of Other Current Liabilities as Consolidated Restated as appearing in ANNEXURE XII to this report;
9. Details of Other Non Current Assets as Consolidated Restated as appearing in ANNEXURE XIII to this report;
10. Details of Long Term Borrowings as Consolidated Restated as appearing in ANNEXURE XIV to this report
11. Details of Short Term Borrowings as Consolidated Restated as appearing in ANNEXURE XV to this report
12. Details of Other Income as Consolidated Restated as appearing in ANNEXURE XVI to this report
13. Capitalization Statement as Consolidated Restated as at September 30, 2014 as appearing

in ANNEXURE XVII to this report;

14. Details of Related Parties Transactions as Consolidated Restated as appearing in ANNEXURE XVIII to this report;
 15. Details of Share Capital as Consolidated Restated as appearing in ANNEXURE XIX to this report
 16. Details of Reserves and Surplus as Consolidated Restated as appearing in ANNEXURE XX to this report.
 17. Details of Non Current Investment as Consolidated Restated as appearing in ANNEXURE XXI to this report.
 18. Reconciliation of Consolidated Restated Profit as appearing in ANNEXURE XXII to this report.
 19. Details of Significant Accounting Ratios as Consolidated Restated as appearing in ANNEXURE XXIII to this report
 20. Details of Contingent Liabilities as Consolidated Restates as appearing in ANNEXURE XXIV to this report
8. We, R T Jain & 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 (“**Statutory Auditor**”).
 9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 12. In our opinion, the above financial information contained in Annexure I to XXVI of this report read with the respective Significant Accounting Policies and Notes to Consolidated Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
 13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For R T Jain & Co.
Chartered Accountants
Firm Registration no.103961W

(CA Bankim Jain)
Partner
Membership No.139447
Date: February 24, 2015
Place: Mumbai

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE – I

(Rs. In Lacs)

Sr. No.	Particulars	As at March 31, 2014	As at September 30, 2014
1)	Equity & Liabilities	-	-
	Shareholders Funds	-	-
	a. Share Capital	357.53	357.53
	b. Reserves & Surplus	4,147.39	4,417.43
		-	-
2)	Share Application money pending allotment	16.99	-
		-	-
3)	Non Current Liabilities	-	-
	a. Long Term Borrowings	407.58	521.91
	b. Deferred Tax Liabilities	137.71	131.77
	c. Long Term Provisions	19.80	22.49
		-	-
4)	Current Liabilities	-	-
	a. Short Term Borrowings	16,481.44	17,152.25
	b. Trade Payables	2,899.10	8,409.31
	c. Other Current Liabilities	210.39	367.48
	d. Short Term Provisions	86.43	137.70
		-	-
	TOTAL (1+2+3+4)	24,764.36	31,517.87
		-	-
5)	Non Current Assets	-	-
	a. Fixed Assets	-	-
	i. Tangible Assets	1,961.28	2,066.17
	ii. Intangible Assets	916.92	916.92
	Less: Depreciation	442.42	574.43
	<i>Net Block</i>	2,435.78	2,408.65
	ii. Capital Work In Progress	-	1.69
	iii. Intangible Assets under development	-	-
	b. Non Current Investment	1.34	1.34
	c. Long Term Loans & Advances	1,062.95	1,008.67
	d. Other Non Current Assets	-	1.61
		-	-
6)	Current Assets	-	-
	a. Inventories	2,529.73	4,952.53
	b. Trade Receivables	17,876.63	22,042.33
	c. Cash and Cash Equivalents	768.40	1,013.33
	d. Short Term Loans & Advances	19.66	59.50
	e. Other Current Assets	69.87	28.22
		-	-
	TOTAL (5+6)	24,764.36	31,517.87

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE - II

(Rs. In Lacs)

Sr. No.	Particulars	For The Year Ended March 31, 2014	For the Period Ended September 30 2014
A	INCOME		
	Revenue from Operations	34,242.28	18,545.48
	Other Income	22.74	324.52
	Total Income	34,265.02	18,870.00
B		-	-
	EXPENDITURE	-	-
	Cost of materials consumed	30,790.19	17,429.35
	Purchase of stock-in-trade	292.00	256.14
	Changes in inventories of finished goods, traded goods and work-in-progress	(1,078.53)	(1,396.22)
	Employee benefit expenses	183.48	127.98
	Finance costs	1,342.85	886.97
	Depreciation and amortisation expense	71.04	132.04
	Other Expenses	1,890.76	1,005.46
	Total Expenses	33,491.79	18,441.72
	Profit before prior period items	773.23	428.28
	Prior period items (Net)	-	-
	Profit before exceptional, extraordinary items and tax	773.23	428.28
	Exceptional items	-	-
	Profit before extraordinary items and tax	773.23	428.28
	Extraordinary items	-	-
	Profit before tax	773.23	428.28
	Tax expense :	-	-
	(i) Current tax	(233.05)	(164.18)
	(ii) Deferred tax	(12.79)	5.94
	(iii) (Short)/Excess provision for earlier years	(0.80)	-
		(246.64)	(158.24)
		-	-
	Profit for the year	526.59	270.04
	Earning per equity share(face value of Rs. 10/- each): Basic and Diluted (Rs.)	16.58	7.55

STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE - III
(Rs. In Lacs)

Particulars	Year Ended 31.03.2014	Period Ended 30.09.2014
CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax for the year	773.23	428.28
Adjustments for :	-	-
Interest paid and Bank Charges	1,461.99	886.97
Interest income	(124.38)	(32.68)
Depreciation	71.03	132.01
(Profit)/ Loss on Sale of fixed assets	(1.28)	-
Provision for Gratuity	3.62	2.71
Dividend Income	(0.25)	-
Rental income	(22.50)	(15.16)
Operating profit before working capital changes	2,161.46	1,402.13
Movements in working capital:	-	-
Decrease / (Increase) in Trade receivables	(5,638.79)	(4,165.70)
Decrease / (Increase) in Inventories	(140.71)	(2,422.80)
Increase / (Decrease) in Trade payables	2,186.98	5,510.21
Increase / (Decrease) in Short Term Borrowings and Provisions	(3.25)	826.77
Decrease / (Increase) in Loans and Advances and Other Current Assets	(864.78)	52.55
Cash generated from operations	(2,299.09)	1,203.16
Net Income Tax paid / refunded	224.22	92.14
Cash from operating activities before extra-ordinary items	(2,523.30)	1,111.02
Extra Ordinary Items	-	-
Net cash from operating activities (A)	(2,523.30)	1,111.02
CASH FLOW FROM INVESTING ACTIVITIES :	-	-
Purchase of fixed assets(Including capital advances)	(243.31)	(106.57)
Sale of fixed assets	54.00	-
Rental income	15.38	15.16
Dividend Income	0.25	-
Interest income	124.38	36.23
Other Income	7.12	-
Net cash used in investing activities (B)	(42.18)	(55.18)
CASH FLOW FROM FINANCING ACTIVITIES :	-	-
Proceeds from issue of share capital	480.06	-
Net Increase/(Decrease) in Borrowings	2,812.97	115.89
Increase/ (Decrease) in Share Application Money	16.99	(16.99)
Interest paid	(1,460.85)	(887.42)
Dividend paid	(17.88)	(17.88)
Dividend distribution tax	(2.90)	(2.90)
Share issue expenses	-	(1.61)
Net cash from financing activities (C)	1,828.39	(810.91)
Net increase in cash and cash equivalents (A+B+C)	(737.09)	244.93
Cash and cash equivalents at the beginning of the period	1,505.49	768.40
Cash and cash equivalents at the end of the period	768.40	1,013.33

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**ANNEXURE IV****A. SIGNIFICANT ACCOUNTING POLICY:****1. Corporate Information**

The Company was incorporated on 21.08.1995 having its principle place of business in Surat. The Company is mainly dealing in international trade and is also engaged in Embroidery & Multi Ply Yarn manufacturing activities.

2. Basis of preparation of Financial Statements:

- (a) These financial statements have been prepared and presented under historical cost convention on accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply in all material respect with all the applicable Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956 and Companies Act 2013 and other pronouncements of Institute of Chartered Accountants of India.
- (b) Financials of the entity for previous years considered for Restated Financial Statements have been reclassified wherever necessary to bring them in line with Schedule III to the Companies Act, 2013.
- (c) Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting policies.

3. Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized

4. Revenue Recognition :

Sale of goods is recognized on dispatches to customers, which coincide with the transfer of significant risks and rewards associated with ownership, net of Discount.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

5. Fixed Assets:

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in brining the assets to their working condition for their

intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

6. Depreciation:

Upto 31st March 2014 depreciation on fixed assets is provided on written down value (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

W.e.f 1st April 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013. The carrying amount as on 1st April 2014 is depreciated over the balance useful life of asset.

7. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

8. Valuation of Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise, Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

9. Valuation of Inventories:

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Closing Stock is valued as under:-

- Raw Material – At cost or net realizable value whichever is less.
- Work in Progress – At cost or net realizable value whichever is less.
- Finished Goods – At cost or net realizable value whichever is less.

10. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial

valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

11. Provision for Current Tax & Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

12. Contingent Liabilities / Provisions:

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

13. Earning Per Share:

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

14. Miscellaneous Expenditure / Share Issue Expenses

The Share Issue expenses will be written off against securities premium to be received on issue of shares.

DETAILS OF TRADE RECEIVABLES AS RESTATED

ANNEXURE – V

(Rs. In Lacs)		
Particulars	As at March 31, 2014	As at September 30, 2014
<u>Unsecured, considered good</u>		
Less than six months	17,876.63	22,042.33
More than six months		
T O T A L	17,876.63	22,042.33

DETAILS OF LONG TERM PROVISIONS AS RESTATED

ANNEXURE - VI
(Rs. In Lacs)

Particulars	As at March 31, 2014	As at September 30, 2014
Employee Benefit		
-Gratuity Payable	19.80	22.49
	-	-
T O T A L	19.80	22.49

DETAILS OF SHORT TERM PROVISIONS AS RESTATED

ANNEXURE - VII
(Rs. In Lacs)

Particulars	As at March 31, 2014	As at September 30, 2014
Others		
Provision for Income Tax	57.97	130.02
Proposed Dividend on Shares	24.28	6.40
Provision for Dividend Tax	4.18	1.28
	-	-
T O T A L	86.43	137.70

DETAILS OF INVENTORIES AS RESTATED

ANNEXURE - VIII
(Rs. In Lacs)

Particulars	As at March 31, 2014	As at September 30, 2014
Raw materials	855.90	1,865.07
Work-in-progress	-	-
Finished goods	1,657.39	3,050.59
Consumables	10.46	27.87
Stores & Spares	5.98	9.00
	-	-
T O T A L	2,529.73	4,952.53

DETAILS OF LONG TERM LOANS & ADVANCES

ANNEXURE - IX
(Rs. In Lacs)

Particulars	As at March 31, 2014	As at September 30, 2014
Unsecured considered good		
Income tax	21.17	21.17
Security Deposit	13.09	24.06
Balances with Government Authorities	1,028.69	963.44
	-	-
T O T A L	1,062.95	1,008.67

DETAILS OF SHORT TERM LOANS & ADVANCES**ANNEXURE - X
(Rs. In Lacs)**

Particulars	As at March 31, 2014	As at September 30, 2014
Advance to supplier	16.32	56.24
Advance to Others	3.34	3.26
	-	-
T O T A L	19.66	59.50

DETAILS OF OTHER CURRENT ASSETS AS RESTATED**ANNEXURE - XI
(Rs. In Lacs)**

Particulars	As at March 31, 2014	As at September 30, 2014
Interest Accrued on FDR	26.13	23.22
Interest Receivable	1.08	0.44
Prepaid Expenses	16.51	4.56
TDS Receivable	-	-
Exchange Gain Receivable	26.15	-
	-	-
T O T A L	69.87	28.22

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED ANNEXURE - XII**(Rs. In Lacs)**

Particulars	As at March 31, 2014	As at September 30, 2014
Current maturities of long term debt	42.72	44.27
Interest accrued and due on borrowings	0.45	-
Gratuity Payable	0.86	0.89
<u>Other payables</u>	-	-
Creditors for expenses	136.74	286.18
Creditors for capital goods	25.51	33.17
Statutory dues	4.10	2.97
	-	-
T O T A L	210.39	367.48

DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED**ANNEXURE XIII****(Rs. In Lacs)**

Particulars	As at March 31, 2014	As at September 30, 2014
Share Issue Expenses	-	1.61
	-	-
T O T A L	-	1.61

DETAILS OF LONG TERM BORROWINGS AS RESTATED**ANNEXURE - XIV****(Rs. In Lacs)**

Particulars	As at March 31, 2014	As at September 30, 2014
<u>Secured</u>		
Vehicle Loans	-	4.68
Less : Current Maturities	-	(1.55)
Total	-	3.13
	-	-
Term Loan	89.71	102.12
Less : Current Maturities	(42.72)	(42.72)
Total	46.99	59.40
	-	-
<u>Unsecured</u>	-	-
	-	-
Loan from Directors & Related Parties	360.59	342.39
Loan from Bodies Corporate	-	116.99
T O T A L	407.57	521.91

SR. No	Nature of Security	Terms of Repayment
1.	Car Loan amounting to 7.79 Lacs is secured against Innova Car	Loan to be repaid in 47 equal monthly instalment, starting from November, 2007 and last instalment due in October, 2011
2.	Car Loan amounting to 18 Lacs is secured against Car	Loan to be repaid in 36 equal monthly instalment, starting from January, 2011 and last instalment due in November, 2013
3.	Term Loan from Canara Bank is secured by hypothecation of Plant & Machinery and is further secured by personal guarantee of Directors	Residual repayment period of the said loan is 50 months and ROI is 15%

DETAILS OF SHORT TERM BORROWINGS AS RESTATED

ANNEXURE - XV

(Rs. In Lacs)

Particulars	As at March 31, 2014	As at September 30, 2014
Secured		
Working Capital Loan	16,481.44	17,152.25
	-	-
TOTAL	16,481.44	17,152.25

DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE - XVI

(Rs. In Lacs)

Particulars	For the Year Ended March 31, 2014	For the period Ended September 30, 2014	Nature
Other income	22.75	324.52	
	-	-	
Net Profit Before Tax as Restated	773.23	428.28	
Percentage	2.94%	75.77%	
Source of Income			
Discount Received	-	1.76	Recurring and related to business activity.
Foreign Exchange Gain	-	274.91	Recurring and related to business activity.
Profit on Sale of Property	1.28	-	Non recurring and not related to business activity.
Profit on Sale of Shares	2.05	-	Non recurring and not related to business activity.
Rent Received	15.38	15.16	Recurring and not related to business activity.
Dividend Income	0.25	-	Recurring and not related to business activity.
Miscellaneous Receipts	3.78	0.00	Non recurring and not related to business activity.
Interest Income	-	32.68	Non recurring and not related to business activity.
	-	-	
Total Other income	22.75	324.52	

CAPITALISATION STATEMENT AS AT 30TH SEPTEMBER, 2014 ANNEXURE - XVII
(Rs. In Lacs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	17,152.25	17,152.25
	-	-
Long Term Debt (B)	521.91	521.91
Total debts (C)	17,674.16	17,674.16
	-	-
Shareholders' funds	-	-
Equity share capital	357.53	488.73
Reserve and surplus - as restated	4,417.43	5,073.43
Total shareholders' funds	4,774.96	5,562.16
Long term debt / shareholders funds	0.11	0.09
Total debt / shareholders funds	3.70	3.18

RELATED PARTY TRANSACTION

ANNEXURE – XVIII

(Rs. In Lacs)

	Nature of Transaction	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable)/ Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable)/ Receivable
Jugal Kishore Jhawar	Loan Taken	206.09		171.10	(243.37)
	Loan Repaid	158.13	(145.97)	73.70	-
	Remuneration	3.90	-	3.00	(1.00)
		-	-	-	-
Sarita Devi Jhawar	Loan Taken	68.45		19.00	(45.96)
	Loan Repaid	118.65	(35.06)	8.10	-
		-	-	-	-
Bhanwari Devi Jhawar	Loan Taken	-		-	(53.06)
	Loan Repaid	21.94	(53.06)	-	-
		-	-	-	-
Kamla Devi Jhawar	Loan Taken	-	-	-	-
	Loan Repaid	-	-	-	-
		-	-	-	-
Nand Kishore Jhawar	Loan Taken	-	-	-	-
	Loan Repaid	-	-	-	-
		-	-	-	-
Abhishek Jhawar	Remuneration	3.60	-	1.80	(0.30)
		-	-	-	-
Ruchita Jhawar	Remuneration	1.92	-	0.96	(0.16)
		-	-	-	-
Supreme Fine Fab Pvt Ltd	Job Work Charges	-	-	-	-
		-	-	-	-
Vama Tex India Ltd	Purchases	-	-	-	-
	Job Work Charges	-	-	-	-
		-	-	-	-
Jhawar Biotech Pvt Ltd	Purchases	-	-	-	-
	Job Work Charges	-	-	-	-
	Loan Taken	-	-	16.99	(16.99)
		-	-	-	-
Supreme India Overseas Corp.	Purchases	423.78	(57.61)	-	-
	Loan Taken	-	-	76.20	-
	Loan Repayment	-	-	76.20	-
		-	-	-	-

(Rs. In Lacs)

	Nature of Transaction	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.2014 (Payable)/ Receivable	Amount of Transaction upto Sep-30	Amount Outstanding as on 30.09.2014 (Payable)/ Receivable
Supreme Fabstyle	Purchase	27.40	-	-	-
		-	-	-	-
Supreme India Avenue Pvt Ltd	Loan Taken	-	-	10.00	(10.00)

DETAILS OF SHARE CAPITAL

ANNEXURE - XIX

(Rs. In Lacs)

Particulars	As at March 31, 2014	As at September 30, 2014
Share Capital		
Authorised Share capital		
Equity Share of Rs. 10/- each	360.00	500.00
	-	-
Issued, Subscribed & Fully Paid Up share capital		
Equity Share of Rs. 10/- each	357.53	357.53
	-	-
T O T A L	357.53	357.53

RECONCILIATION OF NUMBER OF SHARES OUTSTANDING AT THE END OF YEAR

Particulars	As at March 31, 2014	As at September 30, 2014
Equity shares at the beginning of the year	31,75,270	35,75,319
Add: Other allotments	4,00,049	-
T O T A L	35,75,319	35,75,319

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY

Particulars	As at March 31, 2014		As at September 30, 2014	
	No. Of Shares	Percentage	No. Of Shares	Percentage
Jugalkishore Jhawar	11,39,838	31.88%	11,39,838	31.88%
Saritadevi Jhawar	3,13,400	8.77%	3,13,400	8.77%
Kamladevi Jhawar	1,72,500	4.82%	1,72,500	4.82%
Angel Goods Pvt Ltd	3,32,766	9.31%	3,32,766	9.31%
Variety Barter Pvt Ltd	4,00,505	11.20%	4,00,505	11.20%
Sky High Trading Pvt Ltd	3,21,478	8.99%	3,21,478	8.99%

RESERVES & SURPLUS**ANNEXURE XX**
(Rs. In Lacs)

Particulars	As at March 31, 2014	As at September 30, 2014
Profit & Loss Account		
Opening Balance	1,405.17	1,910.99
Add: Profit for the year	526.59	270.04
Less: Appropriations	-	-
Less: Proposed Dividend	(17.88)	-
Less: Provision for dividend distribution tax	(2.90)	-
Less: Short Provision for earlier years	-	-
Closing Balance	1,910.99	2,181.03
	-	-
Security Premium	-	-
Opening Balance	1,796.35	2,236.40
Add: Received during the year	440.05	-
Closing Balance	2,236.40	2,236.40
	-	-
TOTAL	4,147.39	4,417.43

DETAILS OF NON CURRENT INVESTMENT AS RESTATED**ANNEXURE - XXI****(Rs. In Lacs)**

Particulars	As at March 31, 2014	As at September 30, 2014
<i>Investment in Equity Instruments</i>		
1200 Equity Shares of Canara Bank	-	-
(Market Value of Shares)	-	-
	-	-
Gold Coins	1.34	1.34
	-	-
TOTAL	1.34	1.34

RECONCILIATION OF RESTATED PROFIT:**ANNEXURE - XXII****(Rs. In Lacs)**

Particulars	As at March 31, 2014	As at September 30, 2014
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	539.70	251.13
	-	-
<u>Adjustments for:</u>	-	-
	-	-
Impact of change in Depreciation rates/ policy	(0.02)	(0.03)
	-	-
Excess Interest provision	0.61	-
	-	-
Gratuity Effect	(4.07)	20.66
	-	-
Deferred Tax Liability / Asset Adjustment	(0.75)	3.12
	-	-
Taxes adjusted in Current Period	(18.05)	(3.99)
	-	-
Taxes of Earlier period adjusted in Current period	9.17	-
	-	-
Net Profit/ (Loss) After Tax as Restated	526.59	270.04

SUMMARY OF ACCOUNTING RATIOS**ANNEXURE - XXIII****(Rs. In Lacs)**

Ratios	As at March 31, 2014	As at September 30, 2014
Restated PAT as per P& L Account	526.59	270.04
	-	-
Weighted Average Number of Equity Shares at the end of the Year	31.76	35.75
	-	-
Net Worth	4,504.92	4,774.96
Earnings Per Share		
Basic & Diluted	16.58	7.55
Return on Net Worth (%)	11.69%	5.66%
Net Asset Value Per Share (Rs)	142	134
Nominal Value per Equity share (Rs.)	10.00	10.00

DETAILS OF CONTINGENT LIABILITIES**ANNEXURE XXIV****(Rs. In Lacs)**

Particulars	As at March 31, 2014	As at September 30, 2014
Export Obligation under EPCG License	169.31	427.49
	-	-
T O T A L	169.31	427.49

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and financial institutions, for conducting its business.

Set forth below is a brief summary of our Company's significant outstanding secured borrowings of and unsecured borrowings, as on March 31, 2014, together with a brief description of certain significant terms of such financing arrangements:

- A. Secured borrowings of our Company
- B. Common Restrictive Covenants
- C. Unsecured borrowings of our Company

Brief details of these facilities are as under:

A. Secured borrowings of our Company

i. Loan of Rs. 1800 lacs *vide* Consortium Agreement between Canara Bank, Dena Bank, Bank of India dated

- sanctioned by Canara Bank *vide* sanction letter number SIIL/SANC/WC/2014 – 15/ 118/CSG/2014 dated August 11, 2014
- sanctioned by Dena Bank *vide* sanction letter number DCC/SME/ADV/1100/2014 dated November 15, 2014
- sanctioned by Bank of India *vide* sanction letter number SRT/ADV/2014-15/52 dated October 10, 2014
-

Facility

Banks	EPC/PCFC (Rs in Lacs)	FBP/FBNDP/DA 180 Days	Amount (Rs in Lacs)
Canara Bank	1700.00	96.00	11300.00
Dena Bank	800.00	40.00	4800.00
Bank of India	300.00	16.00	1900.00
Total	2800.00	152.00	18000.00

Interest Rate

For Credit facilities granted by Canara Bank:

- PC/PCFC of Rs 1700 lacs: Rupee Export Credit-10.70% p.a (sub limit- stock lying at 3rd party processors).
- FDB/FBE/BRD of Rs.96.00 Crore: LIBOR + 350 bps
- FLC(DA/DP) of Rs. 5.00 Crore: 50.00% of Applicable Commission.

For credit facilities granted by Dena Bank:

	• Packing Credit of Rs. 8.00 Crore: Base Rate (10.25% at present) + 1.00% - 0.50% (concession) i.e. 10.75% p.a. (subject to approval from HO-CAC I). • Foreign Bills of Rs. 40.00 Crore: Base Rate (10.25% at present) + 1.00% - 0.50% (concession) i.e. 10.75% p.a. (subject to approval from HO-CAC I). For credit facilities granted by Bank of India • For EPC/PCFC: As specified by the bank • For FBP/FBN: As specified by the bank
Security	Prime: Hypothecation of current assets of the Company including stocks of raw materials, stocks-in-process, semi-finished and finished goods, stores and spares not relating to plant and machinery (consumables, stores and spares), bills receivable and book debts, documents of title to goods accepted hundies, bills etc. and all other movables, both present and future, - first pari-passu charge with all three banks. Collateral: a. Corporate Guarantee by Utility Agrotech Pvt. Ltd (previously Utility Aquatech Private Limited) and /s. Supreme Fine Fab Pvt. Ltd b. Personal guarantees provided by • Mr. Jugal Kishore Jhawar, • Smt. Sarita Devi Jhawar, • Smt. Bhanwari Devi Jhawar and • Mr. Narayan Prasad Jhawar i. Equitable Mortgage by deposit of Title Deeds of 10 Shops No 1425 to 1429 and 1478 to 1482 on ground floor admeasuring about 170 sq. ft. i.e. 15.80 sq. mtrs with undivided share in the land admeasuring about 7 sq. mtrs in “D” wing, in the scheme known as Raghukool Market, in the Society known as “Raghukool Market Co-op Society Ltd” situated on land bearing survey no. 57-1+2+3, T.P. Scheme No. 7 (Anjana), final plot no. 91, 92, 93 totally admeasuring about 35058.96 sq. mtrs., situated lying and being at Mouje Village Anjana, Taluka Choryasi, in Registration District Sub District at Surat-2 (Udhana)., owned by the Company ii. Equitable Mortgage by deposit of Title Deeds of 26 Commercial shops bearing no. 12, 25 to 28, 39 to 42, 52 to 55, 102, admeasuring area 170 sq. ft. i.e 15.80 sq. mtrs (each shop) on Lower ground floor of Block No.

- “A” of Kohinoor Textile Market of Kohinoor Textile Market Co-operative Society Ltd. with proportionate undivided share admeasuring 3.68 sq. mtrs each in the land in the said building constructed on the land bearing City Survey Ward No. 3, Nondh No. 2157/C, 2157/A, 2157/B and 2158/A/2/A situated in the Salabatpura area of Taluka: Choryasi; District: Surat owned by of Sri Jugal Kishore Jhawar and Smt Sarita Devi Jhawar
- iii. Equitable Mortgage by deposit of Title Deeds 120, 122, 123, 128 to 131, 138 to 141, 153 admeasuring area 170 sq. ft. i.e 15.80 sq. mtrs (each shop) on Lower ground floor of Block No. “B” of Kohinoor Textile Market of Kohinoor Textile Market Co-operative Society Ltd. with proportionate undivided share admeasuring 3.68 sq. mtrs each in the land in the said building constructed on the land bearing City Survey Ward No. 3, Nondh No. 2157/C, 2157/A, 2157/B and 2158/A/2/A situated in the Salabatpura area of Taluka: Choryasi; District: Surat owned by of Sri Jugal Kishore Jhawar and Smt Sarita Devi Jhawar
- iv. Equitable Mortgage by deposit of Title Deeds of Shop No. 3017 admeasuring about 220 sq. ft. on the First Floor of Vaibhav Apartment, constructed on the land bearing Revenue Survey No. 42 and 32-B, Surat City Survey Ward- Majura, Nondh No. 833/1 to 833/11, T. P. Scheme No. 6, F.P. No. 34 paikee situated at Majura, City of Surat, Taluka Choryasi, District: Surat owned by director Mr. Jugal Kishore Chhaganlal Jhawar
- v. Equitable Mortgage by deposit of Title Deeds of 20 commercial shops bearing no. 33 to 38, 43 to 45, 56, 57, 114 to 118, 134 to 137, 153, each admeasuring area 170 sq. ft. i.e 15.80 sq. mtrs (each shop) totally 1020 sq. ft.i.e 94.80 sq. mtrs. on Lower ground floor of Block No. “A” of Kohinoor Textile Market of Kohinoor Textile Market Co-operative Society Ltd. with proportionate undivided each share admeasuring 3.68 sq. mtrs each in the land in the said building constructed on the land bearing City Survey Ward No. 3, Nondh No. 2157/C, 2157/A, 2157/B and 2158/A/2/A situated in the Salabatpura Ring Road, City Surat; Taluka City (Choryasi); District: Surat owned by Mr. Jugal Kishore and Mrs. Sarita Devi Jhawar .
- vi. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 2-15-77 situated Rev Survey No. 374/A+B/2 of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- vii. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 0-81-95 situated Rev Survey No. 371 of Village Sisodara; at Village Sisodara

- Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- viii. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 2-06-39 situated Rev Survey No. 375 of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- ix. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 2-31-68 situated Rev Survey No. 402 of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- x. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 1-09-01 situated Rev Survey No. 401 of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- xi. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 1-74-01 situated Rev Survey No. 394/A of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- xii. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 0-52-76 situated Rev Survey No. 374/A+B/1 of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- xiii. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 1-82-11 situated Rev Survey No. 377 of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- xiv. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 0-16-19 and 0-56-66 respectively situated Rev Survey No. 373/A and 373/B of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- xv. Equitable Mortgage by deposit of Title Deeds of land admeasuring Hec.-Area—sq. mtrs: 2-15-50 and 0-30-86 respectively situated Rev Survey No. 372 and 379 of Village Sisodara; at Village Sisodara Taluka Ankleshwar; District Bharuch owned by M/s Utility Aquatech Pvt. Ltd
- xvi. FDR/KDR in the name of M/s Supreme India Impex Ltd. – Cut Back Deposit 1st pari passu charge by way of Pledge along with Dena collected by way of cut back
- xvii.
- a. RD A/c – M/s Supreme India Impex Ltd.
- b. FDR/KDR – M/s Supreme India Impex Ltd – in lieu of

	merger of Supreme India Overseas Corporation c.FDR/KDR – M/s. Supreme India Impex Ltd. d.FDR/KDR – M/s Supreme India Impex Ltd. (being sale proceeds of flat no. 803 Vaibhav Apartment) 1st pari passu charge by way of Pledge with all three Banks.
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**** The Company had a consortium of 15500 Lacs as on September 30, 2014 and has been subsequently increased to 18000 Lacs. Outstanding amount as on September 30, 2014 for the working capital sanctioned limit of 15500 Lacs is 17152.25 Lacs considering the Adhoc facility availed.**

- ii. Stand-by credit facility under Gold Card Scheme for Exporters of Rs. 22,60,00,000/- (Rupees Twenty Two Crores Sixty Lacs only) was accorded by Canara Bank. The said facility has been accorded to the Company pursuant to the Sanction letter dated August 11, 2014.
- iii. Term loan of Rs. 226 lacs sanctioned by Canara Bank vide sanction letter bearing number SIIL/SANC/TL/1705/SKD/2013 dated May 17, 2013

Sanctioned amount	Term loan of Rs. 226 lacs
Outstanding amount as on September 30, 2014	59.40
Interest Rate	Fresh: Base Rate + 4.50 + 0.50 (Term Premium) i.e., 15.25%
Repayment schedule	60 monthly instalments
Security	Prime 1. Equitable Mortgage by deposit of title deeds of immovable property bearing Plot no. 823/2, of Sachin Industrial Estate i.e Sachin G.I.D.C, Surat situated on land bearing Revenue Survey No. 300 paiki and 308 paiki of moje village Talangpur; Taluka Choryasi; District Surat. 2. Hypothecation of all existing plant and machinery of the Company valued at Rs. 6,32,00,000/- (Rupees Six Crores Thirty Two Lacs only) and proposed plant and machinery valued at Rs. 2,93,00,000/- (Rupees Two Crores Ninety Three Lacs only) Personal Guarantee: i. Jugalkishor Jhawar ii. Narayanprasad Jhawar iii. Saritadevi Jhawar iv. Nandkishor Jhawar v. Bhanwaridevi Jhawar vi. Kamladevi Jhawar Corporate Guarantee:

M/s. Supreme Fine Fab Pvt. Ltd.

**Previous limit of Rs 68 lacs and additional Term Loan of 226 lacs was clubbed and the total limit of term loan was raised to Rs 294 lacs vide charge no. 80011819. However as on date of the Prospectus the Company has repaid the previous term loan of 68 Lacs*

B. Common Restrictive Covenants:

- Undertaking letter shall be obtained not to divert the bank borrowings/Working Capital Funds to:
- To undertake any new project/scheme of modernization unless such an expenditure on expansion is covered by company's net cash accruals after providing for Dividends, etc., or for long term uses without NOC from the bank.
- The decision on merger, amalgamation, reconstruction take over, shifting of premises, shall be done only with prior permission of the bank. An undertaking to this effect should be given.
- The company will not give any corporate/financial guarantee without bank's permission.
- The Company should not give any corporate/ financial guarantee without obtaining the permission of the Bank.

The Company shall not, without the prior written consent of the bank:

- Undertake any expansion, modernisation, diversification, new line of business or manufacture other than incurring routine capital expenditure;
- Invest any funds by way of deposit or loan or in share capital of any other concern so long as any money is due to the bank, the borrower will however be free to deposit funds by way of security, with third parties;
- Change or alter its capital structure;
- Revalued its fixed assets;
- Effect any scheme of amalgamation/ reconstruction;
- Declare dividend or distribute profits;
- Enter into any hire purchase or lease arrangement;
- Undertake guarantee obligations on behalf of any partner/ director/ proprietor/ third party;
- Make any changes in the management including key personnel such as chief operating officer, managing director, whole-time director, executive director, finance director, technical director; and
- Make any changes in the MoA / AoA/ partnership deed and their constitution.
- The borrower shall not sell, release, compound or dispose off any of the hypothecated articles except for such sales as required in the ordinary course of its business, but the borrower shall on every such sale or on receipt of the documents or sale proceeds of such sale, deliver the documents.

Cross default:

The borrower agrees that the whole advance shall become due and payable on demand by the bank and further that at any time the bank will be entitled to enforce its security upon the happening of the following events:

- Any instalment or the principal monies being unpaid on the due date
- Any interest remaining unpaid and in arrears for a period of 3 months after the same shall have become due whether demanded or not
- A breach of default in the performance or observance of any provision of these presents and/or security documents relating to the facilities allowed under these presents

C. Unsecured Borrowings as on September 30, 2014

Sr. No.	Name of the Lender	Loan Amount (Rs in lacs)
1.	Sarita Devi Jhawar	45.96
2.	Bhanwari Devi Jhawar	53.06
3.	Jugal Kishore Jhawar	243.37
4.	Supreme India Synfab Pvt Ltd	10.00
5.	Elgin Sales Promotion Limited	10.00
6.	Jhawar Bio-Tech Pvt. Ltd.	16.99
7.	Pears Mercantiles Private Ltd.	20.00
8.	Ranjit Distributors Pvt ltd	10.00
9.	Shambhureshwar Vincom Pvt ltd	50.00

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the years ended 2014, 2013, 2012, 2011, 2010 and period ended September 30, 2014 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled “*Financial Statements*” on page 182 of this Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in “**Risk Factors**” and “**Forward-Looking Statements**” on pages 14 and 13, of this Prospectus beginning respectively.

Our Company was incorporated on August 2, 1995 and has completed nineteen years since incorporation. The Management’s Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for years ended 31st March, 2014, 2013 and 2012 and for the period ended September 30, 2014.

Overview

Our Company, promoted by Jugalkishore Jhavar is engaged in the business of textile sector. Our Company was incorporated in 1995 and in less than around two decades has achieved a turnover of more than Rs. 300 crores. The Company has not only established its footings in domestic markets but also explored international markets. This has been possible through efficient production capacity, marketing of our products and our ability to incorporate new design in its range.

Our Company has ventured in highly value added textile sector catering to the international market, and has successfully transformed into a textile exporter mainly comprising women’s clothing. SIIL offers value-added work such as handwork, sequencing and embroidery on fabrics. It has recently diversified its presence into Multi Ply Yarn which is used in making home furnishing items like Carpets, terry towels, fashion fabrics and others. The company has secured LoP for Apparel & Garment manufacturing from GOI at its Apparel park unit

Significant developments subsequent to the last financial year

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Prospectus, any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. The authorized share capital of our Company was increased from Rs. 3,60,00,000 (Rupees Three Crores Sixty Lacs Only) consisting of 36,00,000 Equity Shares of Rs. 10/- each to 5,00,00,000 (Rupees Five Crores Only) consisting of 50,00,000 Equity Shares of face value Rs. 10/- each pursuant to a resolution of the shareholders dated August 11, 2014.

2. We have passed a special resolution on August 19, 2014 authorizing the Board of Directors to borrow funds for the purpose of business of the Company upto an amount of Rs. 500 Crores and for the purpose also authorized them to provide requisite security.
3. We have passed a special resolution on August 19, 2014 to authorize the Board of Directors to raise funds by making an initial public offering.
4. We have appointed Mr. Rajesh Avat Ram Jivanani as Chief Financial Officer of the Company with effect from September 18, 2014 and Ms. Deepika Karnani as Company Secretary and Compliance Officer of the Company with effect from October 1, 2014.
5. We have appointed Mr. Tansukhraj Lalchand Jain, Mr. Ajay Buddhiprakash Dalmia and Mr. Vikas Chordia as Independent Directors on the Board of the Company with effect from August 19, 2014.
6. We have increased the remuneration of the Managing Director Mr. Jugalkishore Jhawar from Rs.40,000 to Rs. 1,00,000/- per month vide the resolution passed by Board of Directors in their meeting held on September 12, 2014.
7. Adoption of Restated financial statements restated by R. T. Jain and Co., vide their restated financial report dated February 24, 2015.

To our knowledge, no circumstances except as mentioned above and mentioned in the Prospectus have arisen since the date of the last financial statements as disclosed in this Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 14 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

Substantial Amount of Indebtedness

As of September 30, 2014 we have Rs. 17,152.24 Lacs of Short Term Borrowing and Rs. 521.91 Lacs of long term borrowing. Such substantial amount of indebtedness has vital consequences on us, which includes competitive disadvantage, committing substantial portion of cash flow to pay indebtedness, reducing our ability to borrow more funds, etc.

High Volume-Low Margin Business

Due to the commodity nature of our products, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes. Further we cannot increase our margin as it would create competitive disadvantage. Hence, our Company can take advantage of economies of scale.

Industry Growth & Change in Policies

Our business is dependent on growth of a textile and apparel industry. Downfall in this segment would hamper our business thereby reducing our earning capacity. There are also various incentives available for the Textile Sector. In case of any change in policies may significantly affect our financial and business operations.

Focus on International Market

Currently our revenue consist of export sales. Hence our business is significantly dependent on international textile and apparel market in the countries which we export. Any changes in

international policies, international market or foreign exchange fluctuations may have direct impact on our business.

Substantial Amount of Debtors and High Debtor Days

As of March 31, 2014, the aggregate amount owed to the Company by its debtors was Rs 17,858.82 Lacs. Debtors days as on March 31, 2014 (i.e. Trade receivables / Annual credit sales) x 365 days) was around 190 days. Client concentration coupled with high debt increase the credit risk of our business. In the event of defaults by our debtors, we may suffer a liquidity shortfall and incur additional costs, including legal expenses, in recovering the sums due and payable to us.

Dependence on Few Foreign Customers

Our top three customers which are foreign based contribute approximately 99 % of our revenues. Thus our Company has impact of the foreign exchange fluctuation

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies and Notes to Accounts, “Annexure IV” beginning under Chapter titled “Financial Statements” beginning on page 182 of the Prospectus.

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for period ended September 30, 2014 and years ended March 31, 2014, 2013 and 2012.

Overview of Revenue & Expenditure

Revenues

Income from operations:

Our principal component of income is from sale of products like Sarees, Salwar Suits, Fabrics, Embroidery Accessories and Yarn Doubling & Twisting. Our Company usually follows negotiated price mechanism. We quote on the basis of requirements received from our customers.

Our total revenue consisted majorly of export sales during financial year 2011-12, 2012-13 and 2013-14 respectively. *Other Income:*

Our other income includes gains from foreign exchange fluctuations, interest from banks, interest subsidies, rent receipts, etc.

Particulars	For the Year ended March 31,			(Rs. In Lacs)
	2012	2013	2014	For the period ended September 30, 2014
Income				
Revenue from Operations	20,535.53	27,857.43	34,175.73	18,545.48
As a % of Total Revenue	99.62%	99.42%	99.93%	98.28%
Other Income	78.46	162.21	22.75	324.52
As a % of Total Revenue	0.38%	0.58%	0.07%	1.72%
Total Revenue	20,613.99	28,019.64	34,198.48	18,870.00

Expenditure

Our total expenditure primarily consists of cost of raw materials, purchase of stock in trade, changes in inventories of traded goods/ finished goods, Employee Benefit Expenses, Financial Cost, Depreciation & Amortization Expenses and Other Expenses.

Cost of Raw Material

Cost of raw material consumed comprises of the expenses for purchase of fabric and thin yarn which are procured domestically.

Purchase of stock in trade

Purchase of stock in trade comprises of purchase of trading goods form third party local manufacturers.

Employee Benefits Expenses

Our employee benefits cost primarily consists of salaries and wages paid to our employees, director's remuneration, contribution to provident fund, ESIC and staff welfare expenses.

Financial Cost

Our financial cost includes interest on working capital loan, term loan, bank charges, etc.

Depreciation

Depreciation includes depreciation on tangible assets and amortisation of intangible assets such as trademark.

Other Expenses

Other expense includes processing charges, power & fuel expenses, embroidery charges, transportation charges, clearing and forwarding expenses etc.

Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue

(Rs. In Lacs)

Particulars	For the Year Ended March 31,				For the Period ended September 30, 2014
	2011	2012	2013	2014	
INCOME					
Revenue from Operations	17,639.22	20,535.53	27,857.43	34,175.73	18,545.48
As a % of Total Revenue	99.99%	99.62%	99.42%	99.93%	98.28%
Other Income	1.94	78.46	162.21	22.75	324.52
As a % of Total Revenue	0.01%	0.38%	0.58%	0.07%	1.72%
Total Revenue (A)	17,641.15	20,613.99	28,019.64	34,198.48	18,870.00
EXPENDITURE					
Purchase of stock-in-trade	--	186.89	644.74	292.00	256.14

Particulars	For the Year Ended March 31,				For the Period ended September 30, 2014
	2011	2012	2013	2014	
As a % of Total Revenue	--	0.91%	2.30%	0.85%	1.36%
Cost of material consumed	13944.29	17970.18	22728.86	30762.47	17429.00
As a % of Total Revenue	79.04%	87.17%	81.12%	89.95%	92.37%
Changes in inventories of finished goods and traded goods	842.96	(1364.38)	1016.17	(1078.53)	(1396.22)
As a % of Total Revenue	4.78%	(6.62)%	3.63%	(3.15)%	(7.40)%
Employee benefit Expenses	247.45	166.59	180.86	178.81	127.66
As a % of Total Revenue	1.40%	0.81%	0.65%	0.52%	0.68%
Finance costs	618.14	902.90	1200.04	1341.55	886.96
As a % of Total Revenue	3.50%	4.38%	4.28%	3.92%	4.70%
Depreciation and Amortization expense	80.18	75.91	77.98	70.80	129.62
As a % of Total Revenue	0.45%	0.37%	0.28%	0.21%	0.69%
Other Expenses	1497.41	2160.21	1581.82	1886.28	1004.22
As a % of Total Revenue	8.49%	10.48%	5.65%	5.52%	5.32%
Total Expenses (B)	17230.43	20098.31	27430.47	33453.38	18437.73
As a % of Total Revenue	97.67%	97.50%	97.90%	97.82%	97.71%
Profit before tax (A-B)	410.72	515.68	589.16	745.10	432.27
PBT Margin	2.33%	2.50%	2.10%	2.18%	2.29%
Tax expense :					
(i) Current tax	(118.52)	(155.46)	(184.51)	(233.50)	(164.18)
(ii) Deferred tax	(20.54)	(15.68)	(10.58)	(12.46)	5.44
Total Tax Expense	(142.00)	(174.64)	(195.13)	(245.56)	(158.74)
Profit for the year/ period	268.72	341.05	394.04	499.54	273.53
PAT Margin	1.52%	1.65%	1.41%	1.46%	1.45%

REVIEW OF SIX MONTHS ENDED SEPTEMBER 30, 2014

INCOME

Income from Operations

Our income from operations was Rs. 18545.48 Lacs which was 98.28% of our total revenue for the six months ended September 30, 2014.

Other Income

Our other income was Rs. 324.52 Lacs which was 1.72% of our total revenue for the six month ended September 30, 2014.

EXPENDITURE***Purchase of stock-in-trade***

Our purchase of stock-in-trade was Rs. 256.14 Lacs which was 1.36% of our total revenue for the six month ended September 30, 2014.

Cost of material consumed

We purchased materials costing Rs. 17,429 Lacs which was 92.37% of our total revenue for the six month ended September 30, 2014.

Changes in inventories of finished goods and traded goods

Our changes in inventories of finished goods and traded goods were Rs. (1396.22) Lacs for the six months ended September 30, 2014. This increase was due to increase in sales during the period.

Employee Benefits Expenses

Our employee benefits expenses were Rs. 127.66 Lacs which was 0.68% of our total revenue for the six months ended September 30, 2014.

Financial Cost

Our financial cost was Rs. 886.96 Lacs which was 4.70% of our total revenue for the six months ended September 30, 2014.

Depreciation

Our depreciation expenses were Rs. 129.62 Lacs which was 0.69% of our total revenue for the six month ended September 30, 2014.

Other Expenses

Our other expenses were Rs. 1004.22 Lacs which was 5.32% of our total income for the six months ended September 30, 2014.

PROFIT BEFORE TAX

Our profit before tax was Rs. 432.27 Lacs which was 2.29% of our total revenue for the six months ended September 30, 2014.

NET PROFIT AFTER TAX

Our restated net profit was Rs. 273.53 Lacs for the six months ended September 30, 2014. Our profit margins for the period ended September 30, 2014 was 1.45%

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2014 WITH FINANCIAL YEAR ENDED MARCH 31, 2013.
INCOME**Operating Income**

Particulars	2012-2013 (Rs. Lacs)	2013-2014 (Rs. Lacs)	Variance (%)
Operating Income	27857.43	34175.73	22.68

The operating income of the Company for the year ending March 31, 2014 is Rs. 34175.73 Lacs as compared to Rs. 27857.43 Lacs for the year ending March 31, 2013, showing increase of 22.68% from financial year 2012-2013. The growth in sale was due to marketing activities undertaken by our Company.

Other Income

Our other income decreased by 85.97% from Rs. 162.21 Lacs in financial year 2012-2013 to Rs. 22.75 Lacs in financial year 2013-2014. Significant reduction in other income during the financial year 2013-2014 was due to loss from foreign exchange fluctuation.

DIRECT EXPENDITURE

Particulars	2012-2013 (Rs. Lacs)	2013-2014 (Rs. Lacs)	Variance (%)
Purchase of stock-in-trade	644.74	292.00	(54.71)%
Cost of materials consumed	22,728.86	30,762.47	35.35%
Changes in inventories of finished goods, traded goods and work-in-progress	1,016.17	(1,078.53)	NA

The direct expenditure has increased from Rs. 24389.77 Lacs in Financial Year 2012-2013 to Rs. 29,975.94 Lacs in Financial Year 2013-2014. The increase in direct expense was due to increase in sales as compared to last year.

ADMINISTRATIVE AND EMPLOYEE COSTS

Particulars	2012-2013 (Rs. Lacs)	2013-2014 (Rs. Lacs)	Variance (%)
Employee Benefit Expenses	180.86	178.81	(1.13)%
Other Expenses	1581.82	1886.28	19.25%
Total	1762.68	2065.09	18.11%

There is a marginal decrease in employee benefit expenses from Rs. 180.86 Lacs to Rs. 178.81 Lacs due to decrease in wages and staff welfare expenses during financial year 2013-14.

Other expense includes processing charges, embroidery charges, transportation charges, clearing and forwarding expenses etc.

The other expenses have increased from Rs. 1581.82 Lacs in financial year 2012-2013 to Rs. 1886.28 Lacs in financial year 2013-2014. The increased in other expenses was primarily due to increase in expenses such as legal expenses, clearing and forwarding charges, losses in foreign exchange fluctuation etc.

FINANCE CHARGES

The finance charges for the period financial year 2012-2013 was Rs. 1200.04, which increased during financial year 2013-2014 to Rs.1341.55 Lacs during Financial Year 2013-2014.

DEPRECIATION AND AMORTIZATION

Depreciation for the Financial Year 2013-2014 has decreased from Rs. 77.98 Lacs to Rs. 70.80 lacs.

PROFIT BEFORE TAX

Particulars	2012-2013 (Rs. Lacs)	2013-2014 (Rs. Lacs)	Variance (%)
Profit Before Tax	589.16	745.10	26.47%

Profit before tax has increased by 26.47% from Rs. 589.16 Lacs in financial year 2012-2013 to Rs. 745.10 Lacs in financial year 2013-2014. Profit before tax margins was 2.10% during financial year 2012-2013 and 2.18% during financial year 2.18%

PROVISION FOR TAX AND NET PROFIT

Particulars	2012-2013 (Rs. Lacs)	2013-2014 (Rs. Lacs)	Variance (%)
Taxation Expenses	195.13	245.56	25.84%
Profit after Tax	394.04	499.54	26.77%

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2013 WITH FINANCIAL YEAR ENDED MARCH 31, 2012.**INCOME****Operating Income**

Particulars	2011-2012 (Rs. Lacs)	2012-2013 (Rs. Lacs)	Variance (%)
Operating Income	20,535.53	27,857.43	35.65%

The operating income of the Company for the year ending March 31, 2013 was Rs. 27,857.43 Lacs as compared to Rs. 20,535.53 Lacs for the year ending March 31, 2012, showing an increase of 35.62%. The growth in sale was due to marketing activities undertaken by our Company.

Other Income

Our other income increased by 106.74% from Rs. 78.46 Lacs to Rs. 162.21 Lacs. During the Financial Year 2012-13 the other income increased significantly due to increase in gains from foreign exchange transactions.

DIRECT EXPENDITURE

Particulars	2011-2012 (Rs. Lacs)	2012-2013 (Rs. Lacs)	Variance (%)
Purchase of stock-in-trade	186.89	644.74	244.98
Cost of materials consumed	17,970.18	22,728.86	26.48
Changes in inventories of finished goods, traded goods and work-in-progress	(1,364.38)	1,016.17	N.A

The direct expenditure has increased from Rs. 16,792.69 Lacs in Financial Year 2012-2013 to Rs. 24,389.77 Lacs in Financial Year 2013-2014. The increase in direct expenses was due to increase in sales as compared to last year.

ADMINISTRATIVE AND EMPLOYEE COSTS

Particulars	2011-2012 (Rs. Lacs)	2012-2013 (Rs. Lacs)	Variance (%)
Employee Benefit Expenses	166.59	180.86	8.57
Other expenses	2160.21	1581.82	(26.77)

Employee Benefit Expenses in financial year 2012-2013 have increased by 8.57% from Rs. 166.59 Lacs in the financial year 2011-12 to Rs. 180.86 Lacs in the financial year 2012-13. The increase in Employee Benefit Expenses is due to increase in wage payment.

Other expenses decreased from Rs. 2160.21 Lacs in 2012 to Rs. 1581.82 Lacs in 2013 showing a decrease in cost of Rs. 578.39 Lacs over previous year. Significant decrease in processing charges, rent paid, business promotion expenses, sales promotion expense etc.

FINANCE CHARGES

The finance charges for the Financial Year 2012- 2013 increased to Rs. 1200.04 Lacs from Rs. 902.90 Lacs during the financial year 2011-2012.

DEPRECIATION

Depreciation for the year 2013 has increased to Rs. 77.98 Lacs as compared to Rs. 75.91 Lacs for the period 2012.

PROFIT BEFORE TAX

Particulars	2011-2012 (Rs. Lacs)	2012-2013 (Rs. Lacs)	Variance (%)
Profit Before Tax	515.68	589.16	14.25

The Profit before Tax has increased to Rs. 589.16 Lacs from Rs.515.68 Lacs showing an increase of around 14.25%.

PROVISION FOR TAX AND NET PROFIT

Particulars	2011-2012 (Rs. Lacs)	2012-2013 (Rs. Lacs)	Variance (%)
Taxation Expenses	174.63	195.13	11.73
Profit after Tax	341.04	394.03	15.54

The Profit after tax has increased to Rs. 394.03 Lacs showing an increase of 15.54%

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2012 WITH FINANCIAL YEAR ENDED MARCH 31, 2011.**INCOME****Operating Income**

Particulars	2010-11 (Rs. Lacs)	2011-12 (Rs. Lacs)	Variance (%)
Operating Income	17,639.22	20,535.53	16.42%

The operating income of the Company for the year ending March 31, 2012 was Rs. 20,535.33 Lacs as compared to Rs. 17,639.22 Lacs for the year ending March 31, 2011, showing an increase of 16.42%. The growth in sale was due to marketing activities undertaken by our Company.

Other Income

Our other income increased by 3954.13% from Rs. 1.94 Lacs to Rs. 78.46 Lacs During the Financial Year 2011-12 the other income increased significantly due to gains from foreign exchange transactions.

DIRECT EXPENDITURE

Particulars	2010-11 (Rs. Lacs)	2011-2012 (Rs. Lacs)	Variance (%)
Cost of materials consumed	13944.29	17970.18	28.87
Purchase of stock-in-trade	-	186.89	NA
Changes in inventories of finished goods, traded goods and work-in-progress	842.96	(1,364.38)	NA

The direct expenditure has increased from Rs. 14,787.25 Lacs in Financial Year 2010-11 to Rs. 16,792.69 Lacs in Financial Year 2011-2012 showing an increase of 13.56% over the previous year. The increase was due to increase in sales as compared to last year.

ADMINISTRATIVE AND EMPLOYEE COSTS

Particulars	2010-11 (Rs. Lacs)	2011-2012 (Rs. Lacs)	Variance (%)
Employee Benefit Expenses	247.45	166.59	(32.68)
Other expenses	1497.41	2160.21	44.26

Employee Benefit Expenses in financial year 2011-12 have decreased by 32.68% from Rs. 247.45 Lacs in the financial year 2010-11 to Rs. 166.59 Lacs in the financial year 2011-12. The decrease in Employee Benefit Expenses is due to decrease in wage payment.

Other expenses increased considerably by 44.26% due business promotion expenses, sales promotion expense etc.

FINANCE CHARGES

The finance charges for the Financial Year 2011-12 increased to Rs. 902.90 Lacs from Rs. 618.14 Lacs during the financial year 2010-11.

DEPRECIATION

Depreciation for the year 2012 has decreased by 5.32% to Rs. 75.91 Lacs as compared to Rs. 80.18 Lacs for the period 2011.

PROFIT BEFORE TAX

Particulars	2010-11 (Rs. Lacs)	2011-2012 (Rs. Lacs)	Variance (%)
Profit Before Tax	410.71	515.68	25.56

The Profit before Tax has increased to Rs. 515.68 Lacs from Rs.410.71 Lacs showing an increase of around 25.56%.

PROVISION FOR TAX AND NET PROFIT

Particulars	2010-11 (Rs. Lacs)	2011-2012 (Rs. Lacs)	Variance (%)
Taxation Expenses	142.00	174.63	22.99
Profit after Tax	268.72	341.04	26.92

The Profit after tax has increased to Rs. 341.04 Lacs showing an increase of 26.92%

The Company has acquired the shares of Utility Agrotech Industries Private Limited (formerly known as Utility Aquatech Private Limited) on January 23, 2014. The Subsidiary Company has not completely started its operation post acquisition. Also no comparison with the previous year can be made as the Company was acquired in between the year.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled “*Risk Factors*” beginning on page 14 of this Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the section titled “*Risk Factors*” beginning on page 14 of this Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices of raw materials.

5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in water treatment industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 99 of this Prospectus.

7. Status of any publicly announced new products or business segments

Our Company has not announced any new product and segment, other than disclosed in the Prospectus.

8. The extent to which the business is seasonal

Our Business is not seasonal in nature. However there is increase of sales to some extent during the festivals in the countries where we export .

9. Any significant dependence on a single or few suppliers or customers

Contribution of our Company’s customer and supplier vis a vis the total income and finished goods / traded goods cost respectively for the period ended September 30, 2014 is as follows:

	Customers	Suppliers
Top 5 (%)	100.00%	67%
Top 10 (%)	100.00%	81%

10. Competitive Conditions

We face competition from existing and potential unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page 114 of this Prospectus.

SECTION VI- LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

There are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule V of the Companies Act) against our Company, our Directors, our Promoter and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	As at period ended September 30, 2014 (Rs. In Lacs)
Export obligation under EPCG License	Rs. 427.49/-

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1. Litigation Involving Civil Laws:

NIL

2. Litigation Involving Criminal Laws.

NIL

3. Litigation involving Securities and Economic Laws

a. Tax Appeal No. 250 of 2012 with Tax Appeal 250 to 251 of 2012

The Company filed its return of income for the assessment year 2005-2006. The Assessing Officer vide order dated December 27, 2007 made certain disallowances for job charges of Rs. 82,69,264/- (Rupees Eighty Two Lacs Sixty Nine Thousand Two Hundred and Sixty Four only). The Company preferred an appeal against the said order before the Commissioner of Income Tax (Appeals)-III. (“CIT(A)”) The CIT(A) vide order dated May 8, 2005, restricted the disallowance to the extent of 25%, i.e., Rs. 20,67,350/- (Rupees Twenty Lacs Sixty Seven Thousand Three Hundred and Fifty only) out of total addition of Rs. 82,69,264/- (Rupees Eighty Two Lacs Sixty Nine Thousand Two Hundred and Sixty Four only) made by the Assessing Officer and partly confirmed the addition made by the Assessing Officer.

Subsequently, the Company and the Addnl. CIT, Range 4 preferred cross appeals against the order dated May 8, 2005, being ITA No. 2411/Ahd/2008 and ITA No.2542/Ahd/2008, before the Income Tax Appellate Tribunal (“ITAT”), Ahmedabad Bench. The Addnl CIT, Range 4 preferred the appeal for the disallowance deleted by the CIT(A) and the Company preferred appeal for the

disallowance upheld by the CIT(A). Vide Order dated November 18, 2011, the ITAT allowed the appeal of the Company and dismissed the appeal of the Addnl. CIT, Range 4.

The Commissioner of Income Tax – II has now preferred an appeal No. 250 of 2012 in the Honourable High Court of Gujarat at Ahmedabad against the order of the ITAT dated November 18, 2011 in ITA No. 2411/Ahd/2008 and appeal No. 251 of 2012 in the Honourable High Court of Gujarat at Ahmedabad against the order of the ITAT dated November 18, 2011 in ITA No. 2542/Ahd./2008 under Section 260-A of the Income Tax Act for setting aside the order of the ITAT and questioning whether the ITAT has substantially erred in upholding the order of the CIT(A) in deleting the addition made on account of bogus and non-genuine job charges of Rs. 82,69,264/- (Rupees Eighty Two Lacs Sixty Nine Thousand Two Hundred and Sixty Four only) made by the Assessing Officer. The matter is currently pending before the Honourable High Court of Gujarat at Ahmedabad.

4. Litigation involving Statutory Laws

NIL

5. Litigation involving Labour Laws

NIL

B. CASES FILED BY OUR COMPANY

1. Litigation involving Civil Laws:

a. Civil Application (For Condonation of Delay) No. 261 of 2014 in Miscellaneous Civil application No. 2826 of 2013 in special civil application No. 5447 of 2009 filed by the Company against Union of India & others (“Respondent”) before the High Court of Gujarat

The Company had filed the petition no. 5447 of 2009 for quashing the order dated November 07, 2008 passed by Development Commissioner, Surat SEZ, rejecting the Company’s application for issue of letter of permission to set up a unit in Apparel park in plot no. 15, Surat Apparel Park, Special Economic Zone, Gujarat Industrial Corporation, Surat (“**Plot**”). The Company had obtained possession of the Plot, however the Company’s application for issue of letter of permission was rejected due to the pending litigation with the Central Excise Department in Surat Commissionerate.

Special civil application No. 5447 of 2009 was disposed off *vide* order dated February 10, 2010 by the Honourable High Court of Gujarat at Ahmedabad. Thereafter in pursuance of the said order, the Company was asked to surrender the possession of the Plot *vide* various letters issued in this regard.

The Company had therefore filed the abovementioned application for the revival of Special Civil Application No. 5447 of 2009 and review of order dated February 10, 2010 where it prayed for the following:

- a) the plot allotted to the Company should not be dispossessed by Gujarat Industrial Development Corporation; and

- b) A letter of permission for setting up a unit within the Apparel Park set up by Gujarat Industrial Development Corporation be granted to the Company by the Development Commissioner, Surat SEZ.

The Company had thereafter filed the Civil Application (For Condonation of Delay) No. 261 of 2014 for condonation of delay of 1373 days in filing the Misc. Civil Application No. 2826 of 2013. The said Civil application was allowed vide Order of the Honourable High Court of Gujarat dated August 1, 2014.

The Honourable High Court of Gujarat vide order dated January 9, 2015 of Misc. Civil Application No. 2826 of 2013 (For Modification Of Order) in Special Civil Application No. 5447 of 2009, permitted the Company to make a representation to the Development Commissioner to reconsider the grant of the letter of permission. The said representation has to be made within one week from the date of the order and the Development Commissioner shall consider the same within a period of four weeks thereafter. The possession of the Plot shall not be disturbed till the representation made by the Company has been considered, subject to an outer limit of 6 (six) weeks in total.

The Company has received the Letter of Approval dated February 6, 2015 bearing no. SAPSEZ/II/001/2014-15/31 from the Government of India, Ministry of Commerce & Industry, Office of the Development Commissioner, Kandla Special Economic Zone for setting up a unit at Plot No. 15, in Surat Apparel Park - Special Economic Zone, Village Vanz, Sachin, Surat in the State of Gujarat for undertaking authorized operations, namely, manufacturing of specific items, subject to the terms and conditions contained therein.

2. Litigation Involving Criminal Laws:

NIL

3. Litigation Involving Statutory Laws:

NIL

4. Litigation Involving Labour Laws:

NIL

5. Litigation involving Securities and Economic Laws:

a. Revision Application against Order in Appeal No. US/842/RGD/2012 dated November 23, 2012

Our Company had filed an appeal against the order-in-original no. 1802/11-12/DC (Rebate) Raigad dated January 14, 2012 (“**Order-In-Original**”) passed by Deputy Commissioner (Rebate) Raigad before the Office of the Commissioner of Central Excise, Appeals II claiming an amount of Rs. 17,22,933/- (Rupees Seventeen Lacs Twenty Two Thousand Nine Hundred Thirty Three only) as Excise rebate.

The Commissioner of Central Excise (Appeals- II) rejected the appeal vide order-in-appeal no. US/842/RGD/2012 dated November 23, 2012 (“**Order-In-Appeal**”) issued ex-parte, and upheld the aforementioned Order in Original, Subsequently, a revision application was filed by our Company against the Order-In-Appeal before the Honorable Joint Secretary to the Government of India, Ministry of Finance to set aside the Order in Appeal and that the Company is entitled to the rebate claim of Rs.17,22,933/- (Rupees Seventeen Lacs Twenty Two Thousand Nine Hundred

Thirty Three only) . The case is currently pending before the Joint Secretary, Government of India.

b. *Appeal dated May 24, 2013 against Order-in-Original No. SRT/I/ADJ/54/R/12-13 dated March 25, 2013*

Our Company has received a Deficiencies Memo-cum-Show Cause Notice and a call for personal hearing dated October 26, 2012 from the Assistant Commissioner of Central Excise, Div-IV, Surat-I (**Deficiencies Memo-cum-Show Cause Notice**) as to why (i) rebate claims under 6 ARE-1s, amounting to Rs.13,62,683/- (Rupees Thirteen Lacs Sixty Two Thousand Six Hundred and Eighty Three only) filed by our Company should not be rejected under Rule 18 of the Central Excise Rules, 2002 read with Notification No. 19/2004-CE[NT] dated September 06, 2004 as amended under Section 11B of Central Excise Act, 1944; and (ii) penalty should not be imposed upon them under Rule 27 of the Central Excise Rules, 2002. Our Company had replied to the Deficiencies Memo-cum-Show Cause Notice vide its letter dated December 29, 2012 praying for the grant of rebate with interest as per law.

Alleging that our Company had failed to file a reply to the said Deficiencies Memo-cum-Show Cause Notice, vide order-in-original No. SRT/I/ADJ/54/R/12-13 (**“Order-In-Original”**) dated March 25, 2013 the Deputy Commissioner (Audit), Central Excise, Customs & Service Tax, Surat-I, rejected the 6 rebate claims amounting to Rs. 13,62,683 and imposed a penalty of Rs. 5,000/- (Rupees Five Thousand only) under Rule 27 of the Central Excise Rules, 2002 on our Company.

Our Company had filed an appeal dated May 24, 2013 with the Commissioner of Central Excise (Appeals), Surat-I against the said Order-In-Original whereby our Company has prayed for inter-alia (i) setting aside the said Order-In-Original dated March 25, 2013; and (ii) to grant the rebate claims of Rs. 13,62,683/- (Rupees Thirteen Lacs Sixty Two Thousand Six Hundred and Eighty Three only). Later, Office of Superintendent, Central Excise & Custom vide letter dated September 17, 2013 demanded the penalty of Rs. 5,000/- (Rupees Five Thousand only) to the Company which was not paid by the Company in spite of the said Order-In-Original dated March 25, 2013. This issue has been placed in the Call Book by the Surat commissionerate and therefore no orders have been passed in the said matter as on date.

c. *Cross-objections dated January 22, 2007 against the Appeal of the Assistant Commissioner of Central Excise (Rebate), Mumbai*

Our Company had received a show-cause-cum demand notice dated November 21, 2006 issued by the Additional Commissioner of Central Excise (**‘show cause notice’**) seeking to recover the rebate amount of Rs. 8,94,068/- (Rupees Eight Lacs Ninety Four Thousand and Sixty Eight only) plus interest at the appropriate rate on the aforementioned amount as well as imposing a penalty under Section 11AC read with Section 11A(2) of the Central Excise Act, 1944 and under Rule 27 of the Central Excise Rules, 2002 for fraudulently claiming rebate.

Though the order- in-original (**“Order- In-Original”**) No. 229/R/2005 dated November 23, 2005 sanctioned rebate claims to our Company for the aforesaid amount, subsequently, the jurisdictional Range Superintendent vide his letter F.No. AR-V/Misc./Annex D/Rungta/05-06 dated July 7, 2006 reported that with respect to the rebate claims, all the credit had been availed fraudulently. Additionally, an appeal against the said Order In Original was also filed by the Assistant Commissioner of

Central Excise (Rebate), Mumbai- on December 13, 2006 to set aside the Order-In - Original and pass an order u/s 35A of the Central Excise Act. The said appeal was filed in pursuance of the Order of the Commissioner of Central Excise, Mumbai – I in November 2006.

The Company replied to the show cause notice vide its letter dated December 27, 2006 and has submitted that the show cause notice be dropped and that the rebate has been rightly granted to our Company. Vide letter dated September 25, 2007, the Company responded to the letter dated July 7, 2006 issued by the jurisdictional Range Superintendent informing them of the litigations pending in the current matter and that the rebate had been rightly granted.

The Company had filed the Cross-objections on January 22, 2007 against the Appeal of the Assistant Commissioner of Central Excise (Rebate), Mumbai. The Company prayed that the appeal filed be dismissed as illegal, time barred and non-est, that the Order-In-Original be held as proper, legal and sustainable and for grant of such other appropriate reliefs.

Further, Summons dated January 23, 2008 had been issued to our Company by Central Excise & Customs Surat–I Commissionerate stating that our Company may be in possession of facts and documents that may be relevant in the enquiry against M/s. Sunrise Textiles and M/s. Paradise Textiles about evasion of tax duties in contravention of the provisions of the Central Excise Act, 1944.

C. PAST PENALTIES

a. *Company Petition No. 1873/141/CLB/MB/2008 filed by the Company against the Registrar of Companies, Gujarat.*

The Company had filed a petition dated November 6, 2008 under Section 141 of the Companies Act, 1956 before the Hon'ble Company Law Board, Western Region Bench, Mumbai (“**CLB**”). The said petition was filed to seek condonation of delay and extension of time in respect of registration of the particulars of charge created on May 9, 1997 for Rs. 41,26,00,000/- (Rupees Forty One Crores Twenty Six Lacs only) in favour of M/s. Canara Bank and modified on June 30, 2008 (“**said charge**”).

The said charge was ought to have been filed on or before July 30, 2008, pursuant to the provisions of Section 135 of the Companies Act, 1956.

The CLB relied upon the report of the Registrar of Companies, Gujarat (“**Report**”) dated November 5, 2008. The Report stated that the particulars of the said charge, were actually registered with the Registrar of Companies, Gujarat on November 5, 2008 with delay for the period from July 30, 2008 to November 5, 2008.

The CLB, vide its order dated December 26, 2008 condoned the delay and imposed a fine of Rs.2000/-. This penalty amount was paid by our Company.

b. *Company Petition No. 1872/141/CLB/MB/2008 filed by the Company against the Registrar of Companies, Gujarat.*

The Company had filed a petition dated November 6, 2008 under Section 141 of the Companies Act, 1956 before the Hon'ble Company Law Board, Western Region Bench, Mumbai (“**CLB**”). The said petition was filed to seek condonation of delay and extension of time in respect of registration of the particulars of charge created on May 9, 1997 for Rs.

41,26,00,000/- (Rupees Forty One Crores Twenty Six Lacs only) in favour of M/s. Canara Bank and modified on June 30, 2008 (“**said charge**”).

The said charge was ought to have been filed on or before July 30, 2008, pursuant to the provisions of Section 135 of the Companies Act, 1956.

The CLB relied upon the report of the Registrar of Companies, Gujarat (“**Report**”) dated November 5, 2008. The Report stated that the particulars of the said charge, were actually registered with the Registrar of Companies, Gujarat on November 5, 2008 with delay for the period from July 30, 2008 to November 5, 2008.

The CLB, vide its order dated December 26, 2008 condoned the delay and imposed a fine of Rs.2000/-. This penalty amount was paid by our Company.

PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES

A. CASES FILED AGAINST OUR SUBSIDIARIES

1. Litigation involving Civil Laws

NIL

2. Litigation involving Criminal Laws

NIL

B. CASES FILED BY OUR SUBSIDIARIES

1. Litigation involving Civil Laws

NIL

2. Litigation involving Criminal Laws

NIL

C. PAST PENALTIES

NIL

PART 4: LITIGATION RELATING TO OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation involving Civil/Statutory Laws

NIL

2. Litigation involving Criminal Laws.

NIL

3. Litigation Involving Economic Offenses.

NIL

4. Litigation involving Securities and Economic Laws:

NIL

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation involving Civil/Statutory Laws
NIL
2. Litigation involving Criminal Laws.
NIL
3. Litigation Involving Economic Offenses.
NIL
4. Litigation involving Securities and Economic Laws:
NIL

C. PAST PENALTIES

NIL

PART 5: LITIGATION RELATING TO OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

- 1.Litigation involving Civil/Statutory Laws.
NIL
- 2.Litigation involving Criminal Laws.
NIL
- 3.Litigation Involving Securities and Economic Laws.
NIL

B. LITIGATION FILED BY OUR PROMOTERS

- 1.Litigation involving Civil/Statutory Laws.
NIL
- 2.Litigation involving Criminal Laws.
NIL
- 3.Litigation Involving Securities and Economic Laws.
NIL

C. PAST PENALTIES

NIL

PART 6: LITIGATION RELATING TO OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

- 1.Litigation involving Civil Laws.
NIL

2.Litigation involving Criminal Laws.

NIL

3.Litigation Involving Securities and Economic Laws.**1. Tax Appeal No. 88 of 2012**

M/s Jhavar International (“**Jhavar**”) filed its return of income for the assessment year 2005-2006. The Assessing Officer vide order dated December 26, 2007 made disallowances for the claim of Rs.1,72,21,380/- (Rupees One Crore Seventy Two Lacs Twenty One thousand Three Hundred and Eighty only) for foreign buyers agent commission, disallowance of job charges of Rs. 11,63,521/- (Rupees Eleven Lacs Sixty Three Thousand Five Hundred and Twenty One only) and levy of interest u/s 234B of the Income Tax Act. Jhavar preferred an appeal against the said order before Commissioner of Income Tax (Appeals) – II, Surat.(“**CIT(A)**”). The CIT(A) vide order dated November 19, 2008 partly allowed the appeal of Jhavar and confirmed the disallowance of Rs.1,72,21,380/- (Rupees One Crore Seventy Two Lacs Twenty One thousand Three Hundred and Eighty only) and deleted the disallowance of Rs. 11,63,521/- (Rupees Eleven Lacs Sixty Three Thousand Five Hundred and Twenty One only) and held Jhavar liable to pay interest u/s 234B of the Income Tax Act.

Subsequently, Jhavar and ACIT, Circle – 2, Surat preferred cross appeals against the order dated November 19, 2008, being ITA No. 257/Ahd/2009 and ITA No.561/Ahd/2009 respectively before the Income Tax Appellate Tribunal (“**ITAT**”), Ahmedabad Bench. Vide Order dated, August 26, 2011, the ITAT partly allowed the appeal of Jhavar and confirmed the order of the CIT(A) wherein the addition made on account of the disallowance of foreign buyer’s agent commission was ordered to be deleted and dismissed the appeal of the ACIT, Circle – 2, Surat.

The Commissioner of Income Tax – 1 has now preferred an appeal No. 88 of 2012 in the Honourable High Court of Gujarat at Ahmedabad against the order of the ITAT dated August 26, 2011 for setting aside the order of the ITAT and questioning whether the ITAT has erred in law in confirming the order of the CIT(A) in deleting the addition on account of disallowance of disallowance of foreign buyer’s agent commission of Rs. 1,72,21,380/- (Rupees One Crore Seventy Two Lacs Twenty One thousand Three Hundred and Eighty only) made by the Assessing Officer . The matter is currently pending before the Honourable High Court of Gujarat at Ahmedabad.

2. Tax Appeal No. 1342 and 1343 of 2010

M/s Jhavar International (“**Jhavar**”) filed its return of income for the assessment year 2004-2005 declaring total income at Rs. 12,92,630/- (Rupees Twelve Lacs Ninety Two Thousand Six Hundred and Thirty only). The Assessing Officer vide order dated December 29, 2006 made disallowances for the claim of deduction u/s 80HHC of the Income-tax Act, 1961 for Rs. 4,97,636/- (Rupees Four Lacs Ninety Seven Thousand Six Hundred and Thirty Six only), disallowance of commission expenses for Rs. 1,58,96,274/- (Rupees One Crore Fifty Eight Lacs Ninety Six Thousand Two Hundred and Seventy Four only) and disallowance for bogus job expenses Rs.1,17,73,210/- (Rupees One Crore Seventeen Lacs Seventy Three Thousand Two Hundred and Ten only) . Jhavar

preferred an appeal against the said order before Commissioner of Income Tax (Appeals) – II, Surat (“CIT(A)”). The CIT(A) vide order dated February 28, 2008 partly allowed the appeal of Jhawar and confirmed the disallowances of Rs. 4,97,636/- (Rupees Four Lacs Ninety Seven Thousand Six Hundred and Thirty Six only) and Rs.1,17,73,210/- (Rupees One Crore Seventeen Lacs Seventy Three Thousand Two Hundred and Ten only) and deleted the disallowance of Rs. 1,58,96,274/- (Rupees One Crore Fifty Eight Lacs Ninety Six Thousand Two Hundred and Seventy Four only).

Subsequently, the Income Tax Department and Jhawar preferred cross appeals against the order dated February 28, 2008, being ITA No. 2015/Ahd/2008 and ITA No.1938/Ahd/2008, respectively before the Income Tax Appellate Tribunal (“ITAT”), Ahmedabad Bench. Vide Order dated, January 8, 2010, the ITAT partly allowed the appeal of Jhawar and dismissed the appeal of the Commissioner of Income Tax – 1.

The Commissioner of Income Tax – 1 has now preferred an appeal No. 1342 of 2010 in the Honourable High Court of Gujarat at Ahmedabad against the order of the ITAT dated January 8, 2010 under Section 260-A of the Income-tax Act, 1961 for setting aside the order of the ITAT and questioning whether the ITAT is right in law in upholding the order of the CIT(A) in deleting the disallowance of claim of deduction u/s 80HHC of the Income-tax Act, 1961 for Rs. 4,97,636/- (Rupees Four Lacs Ninety Seven Thousand Six Hundred and Thirty Six only) and disallowance for bogus job expenses Rs.1,17,73,210/- (Rupees One Crore Seventeen Lacs Seventy Three Thousand Two Hundred and Ten only) made by the Assessing Officer. The matter is currently pending before the Honourable High Court of Gujarat at Ahmedabad.

The Commissioner of Income Tax – 1 has now preferred an appeal No. 1343 of 2010 in the Honourable High Court of Gujarat at Ahmedabad against the order of the ITAT dated January 8, 2010 under Section 260-A of the Income-tax Act, 1961 for setting aside the order of the ITAT and questioning whether the ITAT is right in law in upholding the order of the CIT(A) in deleting the disallowance of commission expense in the sum of Rs. 1,58,96,274/- (Rupees One Crore Fifty Eight Lacs Ninety Six Thousand Two Hundred and Seventy Four only) made by the Assessing Officer. The matter is currently pending before the Honourable High Court of Gujarat at Ahmedabad.

3. **Tax Appeal No. 1344 of 2010 and 1345 of 2010**

M/s Supreme India Overseas Corporation (“**Supreme Overseas**”) filed its return of income for the assessment year 2004-2005 declaring total income of Rs. 26,00,870/- (Rupees Twenty Six Lacs Eight Hundred and Seventy only). The Assessing Officer vide order dated December 29, 2006 made disallowances for the claim of deduction u/s 80HHC of the Act for Rs. 6,80,699/- (Rupees Six Lacs Eighty Thousand Six Hundred and Ninety Nine only) , disallowance of commission expenses for Rs. 3,05,57,195/- (Rupees Three Crore Five Lacs Fifty Seven Thousand One Hundred and Ninety only) and disallowance for bogus job expenses Rs. 2,13,84,300/- (Rupees Two Crore Thirteen Lacs Eighty Four Thousand Three Hundred only). Supreme Overseas preferred an appeal against the said order before Commissioner of Income Tax (Appeals) – II, Surat. (“CIT(A)”) The CIT(A) vide order dated February 28, 2008 partly allowed the

appeal of Supreme Overseas and confirmed the disallowances of Rs. 6,80,699/- (Rupees Six Lacs Eighty Thousand Six Hundred and Ninety Nine) and Rs. 2,13,84,300/- (Rupees Two Crore Thirteen Lacs Eighty Four Thousand Three Hundred only) and deleted the disallowance of Rs. 3,05,57,195/- (Rupees Three Crore Five Lacs Fifty Seven Thousand One Hundred and Ninety only).

Subsequently, Supreme Overseas and Income Tax Department preferred cross appeals against the order dated February 28, 2008, being ITA No. 1941/Ahd/2008 and ITA No.2019/Ahd/2008, respectively, before the Income Tax Appellate Tribunal (“ITAT”), Ahmedabad Bench. Vide Order dated, January 8, 2010, the ITAT partly allowed the appeal of Supreme Overseas and dismissed the appeal of the Commissioner of Income Tax – 1.

The Commissioner of Income Tax – 1 has now preferred an appeal No. 1344 of 2010 in the Honourable High Court of Gujarat at Ahmedabad against the order of the ITAT dated January 8, 2010 under Section 260-A of the Income-tax Act, 1961 for setting aside the order of the ITAT and questioning whether the ITAT is right in law in upholding the order of the CIT(A) in deleting the disallowance of claim of deduction under Section 80 HHC of the Income-tax Act, 1961 in the sum of Rs. 6,80,699/- (Rupees Six Lacs Eighty Thousand Six Hundred and Ninety Nine only) and bogus job work expenses in the sum of Rs. 2,13,84,300/- (Rupees Two Crore Thirteen Lacs Eighty Four Thousand Three Hundred only) made by the Assessing Officer. The matter is currently pending before the Honourable High Court of Gujarat at Ahmedabad.

The Commissioner of Income Tax – 1 has now preferred an appeal No. 1345 of 2010 in the Honourable High Court of Gujarat at Ahmedabad against the order of the ITAT dated January 8, 2010 under Section 260-A of the Income-tax Act, 1961 for setting aside the order of the ITAT and questioning whether the ITAT is right in law in upholding the order of the CIT(A) in deleting the disallowance of commission expenses for Rs. 3,05,57,195/- (Rupees Three Crore Five Lacs Fifty Seven Thousand One Hundred and Ninety only) made by the Assessing Officer. The matter is currently pending before the Honourable High Court of Gujarat at Ahmedabad.

4. **Tax Appeal 456 of 2012**

M/s Supreme India Overseas Corporation (“**Supreme Overseas**”) filed its return of income for the assessment year 2006-2007 on December 31, 2006 declaring the total income of Rs. 12,52,593/- (Rupees Twelve Lacs Fifty Two Thousand Five Hundred Ninety Three only). The Assessing Officer vide order dated December 26, 2008 made disallowances of Foreign Buyer’s Agent commission for Rs. 12,42,689/- (Rupees Twelve Lacs Forty Two only).

Supreme Overseas preferred an appeal against the order dated December 26, 2008 before the Commissioner of Income Tax (Appeals) – II, Surat (“**CIT(A)**”). CIT(A) vide an order dated October 29, 2009 partly allowed the appeal of Supreme Overseas and deleted the addition of the Rs. 12,42,689/- (Rupees Twelve Lacs Forty Two only) on account of disallowance of foreign buyer’s agent commission.

Subsequently, the Commissioner of Income Tax, Circle-2, Surat (“**Commissioner**”) preferred appeal against the order dated February 29, 2009, being ITA No. 216/Ahd/2010, before the Income Tax Appellate Tribunal,

Ahmedabad Bench (“ITAT”). Vide Order dated December 21, 2011, the ITAT dismissed the appeal of the Commissioner and upheld the orders of CIT(A), deleting the additions made by the Assessing Officer on account of disallowed foreign buyer’s agent commission .

The Commissioner of Income Tax – 1 has now preferred a tax appeal No. 456 of 2012 in the Hon’ble High Court of Gujarat at Ahmedabad against the order of the ITAT dated December 21, 2011 for setting aside the order of the ITAT and questioning whether the ITAT has erred in law in upholding the order of the CIT(A) in deleting the addition of Rs. 12,42,689/- (Rupees Twelve Lacs Forty Two only) made by the Assessing Officer on account of foreign buyers’ agent commission. The matter is currently pending before the Hon’ble High Court of Gujarat at Ahmedabad.

5. ***Tax Appeal 457 of 2012 and Tax Appeal 458 of 2012***

Supreme India Overseas Corporation (“**Supreme Overseas**”) filed its return of income for the assessment year 2005-2006 on October 31, 2005 declaring the total income of Rs. 26,86,140/- (Rupees Twenty Six Lacs Eighty Six Thousand One Hundred Forty only). The Assessing Officer vide assessment order dated December 26, 2007 determined the total income to be Rs. 4,91,86,620/- (Rupees Four Crores Ninety One Lacs Eighty Six Thousand Six Hundred Twenty only) after making *inter alia* an addition of Rs. 3,42,93,984/- (Rupees Three Crores Forty Two Lacs Ninety Three Thousand Nine Hundred Eighty Four only) on account of disallowance of foreign buyer’s agent commission and Rs. 1,22,06,493/- (Rupees One Crore Twenty Two Lacs Six Thousand Four Hundred Ninety Three only) on account of disallowed job work charges.

Supreme Overseas preferred an appeal against the impugned assessment order dated December 26, 2008 before Commissioner of Income Tax (Appeals) – II, Surat (“**CIT(A)**”). CIT(A) vide an order dated November 11, 2008 partly allowed the appeal of Supreme Overseas and deleted the addition of the Rs. 3,42,93,984/- (Rupees Three Crores Forty Two Lacs Ninety Three Thousand Nine Hundred Eighty Four only) made on account of disallowance of foreign buyer’s agent commission and sustained the addition of 1,22,06,493/- (Rupees One Crore Twenty Two Lacs Six Thousand Four Hundred Ninety Three only) made on account of disallowance of job work charges.

Subsequently, Supreme Overseas and the Commissioner of Income Tax, Circle-2, Surat (“**Commissioner**”) filed cross appeals against the order dated December 26, 2008, being ITA No. 258/Ahd/2009 and No. 564/Ahd/2009 respectively, before the Income Tax Appellate Tribunal, Ahmedabad Bench (“ITAT”). Vide an order dated December 21, 2011, the ITAT dismissed the appeal of the Commissioner and ordered to delete both the additions on account of disallowed job work charges and bogus foreign buyer’s commission.

The Commissioner of Income Tax – 1 has now preferred a tax appeal No. 457 of 2012 in the Hon’ble High Court of Gujarat at Ahmedabad against the order of the ITAT dated December 21, 2011 for setting aside the order of the ITAT and questioning whether the ITAT has erred in law in deleting the addition of Rs. 1,22,06,493/- (Rupees One Crore Twenty Two Lacs Six Thousand Four Hundred Ninety Three only) made by the Assessing Officer on account of disallowance of

job work charges is. The matter is currently pending before the Hon'ble High Court of Gujarat at Ahmedabad.

Further, the Commissioner of Income Tax – 1 has also preferred a tax appeal No. 458 of 2012 in the Hon'ble High Court of Gujarat at Ahmedabad against the order of the ITAT dated December 21, 2011 for setting aside the order of the ITAT and questioning whether the ITAT has erred in law in upholding the order of the CIT(A) in deleting the addition of Rs. 3,42,93,984/- (Rupees Three Crores Forty Two Lacs Ninety Three Thousand Nine Hundred Eighty Four only) made by the Assessing Officer on account of deleting the addition of foreign buyer's agent commission. The matter is currently pending before the Hon'ble High Court of Gujarat at Ahmedabad.

B. LITIGATION FILED BY OUR GROUP COMPANIES

1. Litigation involving Civil Laws.

NIL

2. Litigation involving Criminal Laws.

NIL

3. Litigation Involving Securities and Economic Laws.

a. Our Company received a deficiency memo cum show cause notice (“**Show Cause Notice**”) and call for personal hearing vide letter F. No. IV/DSCN/Supreme/Rebate/10-11 Surat dated September 19, 2012 and to show cause as to why (i) rebate claims under 8 ARE-1s, amounting to Rs.12,99,423/- (Rupees Twelve Lacs Ninety Nine Thousand Four Hundred and Twenty Three only) filed by our Company should not be rejected under Rule 18 of the Central Excise Rules, 2002 read with Notification No. 19/2004-CE[NT] dated September 06, 2004 as amended under Section 11B of Central Excise Act, 1944; and (ii) penalty should not be imposed upon them under Rule 27 of the Central Excise Rules, 2002. Our Company had replied to the Show Cause Notice vide its letter dated December 29, 2012, praying for the grant of rebate with interest as per law. The Deputy Commissioner (Audit), Central Excise, Customs & Service Tax, Surat-I vide order-in-original (“**Order-In-Original**”) dated March 25, 2013, rejected the 8 rebate claims amounting to Rs. 12,99,423/- and imposed a penalty of Rs. 5,000 under Rule 27 of the Central Excise Rules, 2002 on our Company. Our Company had filed an appeal with the Commissioner of Central Excise (Appeals), Surat-I bearing no. 2013033 against the said Order-In-Original whereby our Company has prayed for *inter-alia* (i) setting aside the said Order-In-Original dated March 25, 2013; and (ii) to grant the rebate claims of Rs. 12,99,423/-. The hearing in the said matter was held on July 24, 2013 and the final order is awaited.

C. PAST PENALTIES

NIL

PART 7: LEGAL NOTICES

1. Legal notices issued to our Company

NIL

2. **Legal Notices issued by our Company**
NIL
3. **Legal Notices issued to our subsidiaries**
NIL
4. **Legal Notices issued by our subsidiaries.**
NIL
5. **Legal Notices issued to our Group Companies.**
NIL
6. **Legal Notices issued by our Group Companies.**
NIL

PART 8: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

The amount due to suppliers under The Micro, Small and Medium Enterprises Developments Act, 2006.

In respect of such vendors, to the extent they could have been identified as Micro and Small Enterprises based on information available with the Company; we hereby confirm that following are such enterprises to whom the Company owes a sum exceeding Rs. 1 (one) lacs which is outstanding for more than thirty days.

As on September 30, 2014 Company owes a sum exceeding Rs. 1 lacs to any creditor which is outstanding for more than 30 days is as follows

Sr. No.	Name of the Creditor	Rs in Lacs
1.	Agarwal textiles mills	9.63
2.	Aryan processors	53.32
3.	Best processors pvt. ltd.	5.58
4.	Bluechip fabric pvt. ltd.	16.22
5.	Digvijay tex print	3.26
6.	Mansi print pvt ltd	50.34
7.	Nahata fabrics ltd.	2.17
8.	Rita dyeing & printing mills pvt. ltd.	8.59
9.	Shree naveen silk mills pvt. ltd.	5.86
10.	Shree deepak tours & travels	1.00
11.	Kanak creation	2.22
12.	Raghaw fashions private limited	3.71
13.	Sahjanand fashion	2.27
14.	Shri ramanuj fashion	2.32
15.	Saroj deca & finishing	10.16
16.	Dei gratia logistic pvt.ltd.	2.57
17.	Jay durga logistic	10.64

Sr. No.	Name of the Creditor	Rs in Lacs
18.	Natchart shipping pvt ltd	3.79
19.	Rakesh logistics	2.13
20.	Shree salasar transport company	3.66
21.	Shree vinayak logistics	3.09
22.	Shri jayendra logistics pvt. ltd.	1.79
23.	Chandan graphics	3.44
24.	Chirag poly plast	6.84
25.	Vinayak traders	6.96
26.	Alif cargo llp	1.09
27.	Amrut enterprise	5.14
28.	Bhagwati textiles	9.31
29.	Hi-choice processors p. ltd	11.89
30.	Om industries	2.62
31.	Radhe shyam enterprise	4.14
32.	Rama yarns	1.37
33.	Sanimo polymers pvt. ltd.	4.97
34.	Shree parshavnath enterprises	2.79
35.	Shri jeen creations -a	4862.12
36.	Choice exterio & interio pvt ltd	639.71
37.	Choice tradestar pvt.ltd	692.72
38.	Ealdor retails private limited	1671.49
39.	Epson trading pvt ltd	148.32
40.	Jhunjhunwala cotspin pvt.ltd.	14.58
41.	Mandhana industries ltd.	597.32
42.	Modern trading business pvt ltd.	971.79
43.	Panama overseas pvt ltd.	2.84
44.	M.R. fabrics	5.42
45.	Vitrag fashion	10.21
46.	Yug exports	55.73
47.	Dhruti fashion	164.35
48.	Jagruti fashion	58.34
49.	Yogine enterprises	169.62
50.	K.lite fashion pvt.ltd.	173.26
51.	Jain tex	42.66
52.	Lakshmi creations	172.26
53.	Libra fashion	85.91
54.	Royal fab	48.98
55.	Somani overseas pvt. ltd.	26.47
56.	Aalidhra texpro engineers pvt ltd	4.9005
57.	I.S. engineers	1.43

PART 9: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE, i.e. 31 March 2014.

For material developments occurring after last balance sheet date, i.e. 31 March 2014 please refer Chapter titled Management Discussion and Analysis of Financial Conditions and Results of operations beginning on page 241 of this Prospectus

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The Company has recently received an in-principle approval, subject to certain terms and conditions to be fulfilled by the Company, for setting up a plant to manufacture certain types of garments. The Company shall obtain all such licenses, permissions and approvals as may be required to be obtained from such Governmental Authorities under the extant laws.

The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out business.

I. APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on **July 28, 2014**, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on **August 19, 2014**, authorized the Issue.
3. The Company has entered into an agreement dated **January 10, 2014** with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is **Bigshare Services Private Limited**, for the dematerialization of its shares.
4. Similarly, the Company has also entered into an agreement dated **January 27, 2014** with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
5. The Company's International Securities Identification Number (“ISIN”) is INE971P01012.

II. INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated August 02, 1995, bearing number **04-26968**, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, in the name of “Supreme (India) Impex Limited.”
2. The Certificate of Commencement of Business dated August 21, 1995, bearing number **04-26968**, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

3. The Corporate Identity Number (CIN) of the Company is U51100GJ1995PLC026968.

III. TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Commissioner Income Tax Department	AADCS9506P	August 02, 1995	Valid until cancellation
2.	Tax Deduction Account Number (TAN)	Income Tax Officer	SRTS02735F	March 26, 2003	Valid until cancellation
3.	Certificate Of Registration Under The Gujarat Value Added Tax Act 2003	Commissioner Of Commercial Tax, Gujarat	i. Registration No.: 24221801365 ii. Nature of Business Wholesaler/Stockist, Manufacturer, Exporter manufacturer	July 21, 2000	
4.	Certificate of Registration Form 2 Gujarat (State) Sales Tax Act, 1969	Gujarat Sales Tax	i. Registration No.: 24221801365; ii. Nature of Business: Manufacture, Wholesaler and Importer	Date on the certificate: October 4, 2010 Effective Date: July, 1 2002	
5.	Certificate of Registration under section 7(1)/7(2) of Central Sales Tax Act, 1956	Sales Tax Department, Gujarat	i. Registration No.: 24721801365 ii. The Company has been registered as dealer;	July 21, 2000	Valid until cancellation
6.	Central Excise Registration Certificate (15 digit code for Non-Assessee)	Deputy Commissioner of Central Excise	AADCS9506PCE001	March 05, 2009	Valid until cancellation

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
7.	Registration Certificate under the Gujarat State Tax On Professions, Trades, Callings And Employments Act, 1976.	Professional Tax Officer, Surat.	E359/0/5/8/4/8/7	July 06, 2000	Valid until cancellation
8.	Certificate of Enrolment under Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	Professional Tax Officer, Unit – 4, Surat	PR2218000111	July 6, 2000	
9.	Certificate of registration of Service Tax (Form ST-2)	Central Excise officer, Surat	i. Service Tax Code: (Registration No.): AADCS9506PSD001 ii. Registration of a single premise; iii. Transport of goods by road/goods transport agency service, legal consultancy service; iv. The Company is required to intimate the department before: a. commencing to provide any other taxable service; b. commencing to make billings from any premises other than the registered office	December 03, 2013	Valid until cancellation

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
			address of the Company, as is mentioned in the Certificate of Registration; v. The Certificate of Registration is non-transferable.		

IV. IMPORT-EXPORT RELATED APPROVALS

Sr. No.	Description	Authority	Particulars	Date of Certificate	Date of Expiry
1	Certificate of Importer-Exporter Code (IEC)	Joint Director of Foreign Trade, Ministry of Commerce And Industry	IEC Number: 3495004564	Date of issue of the certificate : December 6, 1995 Date of certificate Dated: October 17, 2011	Valid until cancelled.
2.	Import/Export Licence	Directorate General of Foreign Trade, Government Of India	i. Licence No.: 5230011254/3/1 1/00 ii. Category of licence: EPCG Concessional Duty 03% iii. Class of Importer: Manufacturer Exporter iv. Export Product/End Product/Export Product Group: Textile- General v. Export Period: 8 (eight) years; vi. This licence is non-transferable. vii. Export Obligation: Polyester Yarns, Synthetic Filament	February 21, 2013	

Sr. No.	Description	Authority	Particulars	Date of Certificate	Date of Expiry
			Yarn Including Synthetic Monofilament Yarn, Dyed Multiply Polyester Filament Yarn ;worth USD 8,64,337.66 (United States Dollars Eight Lacs Sixty Four Thousand Three Hundred and Thirty Seven and Sixty Six cents only) i.e. 8 times the duty saved of Capital Goods on FOB basis within a period of 8 years (12 years in case duty saved is Rs. 100 Crore or more) from the date of issue of authorisation. viii. License is issued subject to furnishing BG/LUT.		

V. LABOUR RELATED APPROVALS/REGISTRATIONS

The Company has obtained the following approvals related to Labour/employment related registrations:

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1	Employees' Provident Funds Organization.	Assistant Provident Fund Commissioner, Sub Regional Office, Surat.	GJ/SRT/37312	April 01, 2009,
2.	Employees State Insurance Corporation	Sub-Regional Office, Employees State Insurance Corporation, Surat.	39000317160000199	December 8, 2009

VI. OTHER APPROVALS

S No.	Description	Authority	Registration Number	Particulars	Date of Certificate	Date of Expiry
1.	Registration Cum Membership Certificate from The Synthetic and Rayon Textiles Export Promotion Council	Director and Secretary of The Synthetic and Rayon Textiles Export Promotion Council	SR/MFG/9510/2012-13	The company has obtained the said certificate for registering as a manufacturer Exporter of cellulosic	March 28, 2013	March 31, 2018

S No.	Description	Authority	Registration Number	Particulars	Date of Certificate	Date of Expiry
				and non-cellulostic textiles, blended textiles including fabrics, made-ups articles, fibre and yarn and acrylic knitwear.		
2.	Entrepreneurs' Memorandum for setting up Micro, Small or Medium Enterprise for embroidery work and making of laces and fringes.	General Manager, District Industries Centre, Surat	24-022-13-09188	i. The proposed activity is for embroidery work and making of laces and fringes. ii. The Company has been categorized as a 'Small enterprise'	June 30, 2008	Valid until cancellation
3.	License under Factories Act, 1948	Joint Director, Industrial Safety and Health, Directorate Industrial Safety & Health, Surat Gujarat	i. Registration No: 284/17291/2008 ii. License No: 1531 iii. The license has been issued for: a. maximum of 50 (fifty) workers who shall be employed on any day	License for factory premises located at SUPREME HOUSE, P.no 823/2, R.no 8 GIDC, Sachin, Taluka-Chorasi, District-Surat.	October 21, 2008	December 31, 2015

S No.	Description	Authorit y	Registration Number	Particulars	Date of Certifica te	Date of Expiry
			during year; b. maximum power of 250 B.H.P which shall be installed on any day during year.			
4.	Certificate of Recognition as a Trading House	Joint Director General of Foreign Trade, Ministry of Commerc e and Industry	JC/0042	April 01, 2012	March 31, 2014	The renewal of the Certificate remains subject to the foreign trade policy 2014-2019

VII. OTHERS:

The Company has acquired a Certificate of Registration from S.G. Certifications Private Limited with the Initial date of certification as on June 27, 2010 and the Current date of certification as on June 25, 2013, which states that the Quality Management System of the Company has been assessed and is compliant with the requirement of ISO 9001:2008. The Certificate No.APQ/08-13/C-242 is valid till June 24, 2016.

VIII. INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

Sr. No.	Particulars of Mark	Word/ Label Mark	Applica nt	Application No.	Date of Filing	Class	Status
1.	SIIL	Word	Supreme (India) Impex Ltd	2908306	February 23, 2015.	22	Formaliti es Chk Pass
2.	SIIL	Word	Supreme (India) Impex Ltd	2908308	February 23, 2015.	23	Formaliti es Chk Pass
3.	SIIL	Word	Supreme (India) Impex Ltd	2908309	February 23, 2015.	24	Formaliti es Chk Pass

Sr. No.	Particulars of Mark	Word/ Label Mark	Applicant	Application No.	Date of Filing	Class	Status
4.	SIIL	Word	Supreme (India) Impex Ltd	2908310	February 23, 2015.	25	Formalities Chk Pass
5.	SIIL	Word	Supreme (India) Impex Ltd	2908312	February 23, 2015.	26	Formalities Chk Pass
6.	SIIL	Word	Supreme (India) Impex Ltd	2908315	February 23, 2015.	27	Formalities Chk Pass
7.	SIIL	Word	Supreme (India) Impex Ltd	2908317	February 23, 2015.	35	Formalities Chk Pass
8.	SIIL	Word	Supreme (India) Impex Ltd	2908320	February 23, 2015.	36	Formalities Chk Pass
9.	SIIL	Word	Supreme (India) Impex Ltd	2908324	February 23, 2015.	40	Formalities Chk Pass
10.	SIIL	Word	Supreme (India) Impex Ltd	2908326	February 23, 2015.	42	Formalities Chk Pass



Our logo is not registered with the Trademark Authorities. We propose to make an application for registration of our logo under the Trademarks Act in future.

PENDING APPROVALS:

1. The Company has received the Letter of Approval dated February 6, 2015 (“LoA”) bearing no. SAPSEZ/II/001/2014-15/31 from the Government of India, Ministry of Commerce & Industry, Office of the Development Commissioner, Kandla Special Economic Zone for setting up a unit at Plot No. 15, in Surat Apparel Park - Special Economic Zone, Village Vanz, Sachin, Surat in the State of Gujarat for undertaking authorized operations, namely, manufacturing:

Sr.no	Items of Manufacture	Unit (in)	Annual Capacity
1.	Breeches & Short (other than swimwear);	Nos	5,00,000
2.	Trousers. Bib & Brace Overalls;	Nos	5,00,000
3.	Women or Girls Blouses, Shirts & Shirt, Blouses	Nos	5,00,000
4.	Nightdresses. Pyjamas, Negliges, Bathrobe;	Nos	5,00,000

Sr.no	Items of Manufacture	Unit (in)	Annual Capacity
	and		
5.	Garments.	Nos	5,00,000

The LoA inter-alia is subject to the following terms and conditions:

- The Company shall export the goods manufactured as per the provisions of Special Economic Zone Act, 2005 and rules made thereunder for a period of 5 (five) years from the date of commencement of production activities. For this purpose, the Company is required to execute Bond-cum-Legal undertaking as prescribed under the Special Economic Zone Rules, 2006.
 - The Company shall fulfil the pollution control requirements, as may be prescribed by the Pollution Control authorities;
 - The Company shall achieve positive Net Foreign Exchange (NFE) as prescribed in the Special Economic Zone Rules, 2006 for the period it operates as a Unit in the Special Economic Zone from the commencement of production, failing which it shall be liable for penal action under Foreign Trade (Development and Regulation) Act, 1992; The LoA is valid for a period of 1 (one) year from the date of its issue;
 - The Company shall implement the project and commence production within one year period or within such period as may be extended;
 - Moreover, the LoA shall be valid for a period of 5 (five) years from the date of commencement of production;
 - The Company shall confirm the acceptance of the terms and conditions stipulated in LoA to the Development Commissioner within 45 (forty-five) days of the issue of LoA;
 - The LoA shall be cancelled if the Company fails to comply with the conditions stipulated in the LoA;
 - Company shall give an undertaking that it shall abide by the decisions of the Appellate Authority of the Central Excise Department including payment of penalty if any.
2. The Company has made an application dated February 16, 2015 to the Joint Director General of Foreign Trade, Gujarat, for the modification of the IEC for:
- deleting the following from the “list of branches” of the Company:
 - No. 96, Room no. 206, 2nd Floor, Armenian Street, Mannady, Chennai – 600001
 - 18, Jadu Lal Mullick Lane, 1st Floor, Kolkatta – 700006; and
 - The RCMC details as under
 - SR/MFG/9510/2012-13
 - Issue Date: 28.03.2013
 - Expiry Date: 31.03.2018

MATERIAL LICENSES / APPROVALS FOR WHICH OUR COMPANY IS YET TO APPLY

The Company shall apply for the requisite approvals/licenses/registrations in respect of the proposed manufacturing activity to be undertaken at Plot No. 15, in Surat Apparel Park - Special Economic Zone, Village Vanz, Sachin, Surat, Gujarat, as and when required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on July 28, 2014, subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013.

The shareholders of our Company have authorised the Issue by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM of our Company held on August 19, 2014 and authorised the Board to take decisions in relation to the Issue.

We have received approval from NSE *vide* their letter dated March 03, 2015 to use the name of NSE in this Prospectus for listing of our Equity Shares on NSE EMERGE. NSE is the Designated Stock Exchange.

PROHIBITION BY SEBI

Our Company, Directors, Promoter, members of the Promoter Group and Group Entities, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Further, none of our Directors are associated with any entities which are engaged in securities market related business and are registered with SEBI for the same.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Our Company, Directors, our Promoter or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been identified as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or are pending against them.

ELIGIBILITY FOR THIS ISSUE

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

Our Company is eligible for the Issue in accordance with Regulation 106(M)(1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is less than ten Crore and we shall hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “NSE EMERGE”)

We confirm that:

- a) In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue has been hundred per cent underwritten and that the Lead Manager to the Issue has underwritten minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to “**General Information – Underwriting**” under the Chapter General Information beginning on page 55 of this Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such

application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

- c) In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the arrangement of market making please refer to the section titled “**General Information – Details of the Market Making Arrangements for this Issue**” on page 55 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

NSE ELIGIBILITY NORMS:

- a) The Company is incorporated under the Companies Act, 1956 and has post issue paid up capital of more than one Crore and less than 25 Crore.
- b) The Company has track record of atleast three years and positive cash accruals (earnings before depreciation and tax) from operations for atleast two financial years preceding the application and Net-worth of the company is positive.
- c) The Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR).
- d) No petition for winding up is admitted by a court of competent jurisdiction against the Company.
- e) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES

MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO NSE A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 25, 2015 WHICH READ AS FOLLOWS.

WE, THE LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE OFFER DOCUMENT PERTAINING TO THE SAID ISSUE.
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:
 - a) THE OFFER DOCUMENT IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - b) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY SEBI, THE CENTRAL GOVERNMENT, AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - c) THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID- NOTED FOR COMPLIANCE.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS- NOTED

FOR COMPLIANCE.

5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTER CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE OFFER DOCUMENT .
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE OFFER DOCUMENT .
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE.**
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION- **COMPLIED WITH TO THE EXTENT APPLICABLE.**
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. - **NOTED FOR COMPLIANCE.**
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE OFFER DOCUMENT THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE - **NOT APPLICABLE. UNDER SECTION 29**

OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE ISSUE HAVE TO BE ISSUED IN DEMATERIALIZED FORM ONLY.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE OFFER DOCUMENT :
 - A. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - B. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE- **NOTED FOR COMPLIANCE.**
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER' EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE OFFER DOCUMENT WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR BEARING REFERENCE CIR/MIRSD/1/2012 DATED JANUARY 10, 2012. **DETAILS ARE ENCLOSED IN "ANNEXURE A"**
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- **COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE PROSPECTUS.**

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE:

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY

REGULATORY AUTHORITY.

2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
3. **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.- NOTED FOR COMPLIANCE**
4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUBREGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE OFFER DOCUMENT . – NOT APPLICABLE.**
6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.**

The filing of this Prospectus does not, however, absolve any person who has authorised the issue of this Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Issue. SEBI further reserves the right to take up at any point of time, with lead merchant banker, any irregularities or lapses in this Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26 and 30 of the Companies Act, 2013.

Disclaimer Statement from Our Company and the Lead Manager

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.supremeexports.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 Underwriting Agreement to be entered into between the Underwriter and our Company and the Issue Agreement between the Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors

at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at application centers, etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company, the associates of our Company in the ordinary course of business and have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

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

Price Information and the track record of the past Issues handled by the Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to ‘**Annexure A**’ to this Prospectus and the website of the Lead Manager at www.pantomathgroup.com.

Disclaimer in Respect of Jurisdiction

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013 VCFs, AIFs, 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 Lacs, pension funds with minimum corpus of Rs 2,500 Lacs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company this 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 is this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this 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 Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company

since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Disclaimer Clause of the NSE

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/16823 dated March 3, 2015 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer.

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

Filing

This Prospectus has not been filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3) of SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with Western Regional Office of SEBI at Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad - 380 009, Gujarat, India. A copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration at the Office of the Registrar of Companies, ROC Bhavan, Opposite Rupal Park Society, behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

Listing

The Equity Shares issued through this Prospectus are proposed to be listed on NSE EMERGE . In-principle approval for listing of the Equity Shares of our Company from NSE have been received vide its letter dated March 03, 2015. NSE will be the Designated Stock Exchange with which the basis of allotment will be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by NSE, our Company will forthwith repay, without interest, all moneys received from the applicants in

pursuance of the Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest at the rate of 15% p.a. 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 NSE mentioned above are taken within 12 Working Days of the Issue Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of our Directors, our Company Secretary and Compliance Officer, the Statutory Auditors, the Peer Reviewed Auditors, the legal advisors, the Bankers to our Company; the Lead Manager, the Escrow Collection Bank(s), Refund Bank, the Market Maker, and the Registrar to the Issue to act in their respective capacities, have been obtained and will be filed along with a copy of the Prospectus with the RoC as required under sections 32 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI Regulations, M/s.R.T. Jain & Co ., Chartered Accountants has provided its written consents for inclusion of its name, report on financial statements and report relating to the possible general and special tax benefits, as applicable, accruing to our Company and its shareholders, in this Prospectus in the form and context in which they appear in this Prospectus. Further, such consent and report will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Expert Opinion

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

Our Company has received written consent from the Peer Reviewed Auditor, M/s. R.T. Jain & Co., Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 in this Prospectus in relation to the report dated February 24, 2015 on the restated audited financial statements of our Company and the statement of tax benefits dated February 24, 2015

included in this Prospectus and such consent has not been withdrawn up to the time of delivery of this Prospectus.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately Rs. 45.00 Lacs. The expenses of the Issue include, among others, underwriting and Issue management fees, Market Making fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated issue expenses are as under:

Sr. No.	Description	Amount (Rs. in lacs)
1	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Advisors, Registrars, Bankers etc and other out of pocket expenses.	35.00
2	Printing & Stationery, Postage Expenses and Marketing & Advertisement Expenses	5.00
3	Regulatory fees and other expenses	5.00
Total estimated Issue Expenses		45.00

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Issue Agreement dated February 24, 2015 executed between our Company and the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated February 24, 2015, 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.

Previous Rights and Public Issues since 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*” on page 65 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Previous capital issue during the previous three years by our listed group- companies/ associates of our Company

None of our Group Entities / Associates are listed on any stock exchange.

Commission and Brokerage on Previous Issues

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

Particulars in regard to our Company and other listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act which made any capital issue during the last three years:

As on the date of filing this Prospectus none of the equity shares of our Group Entities are listed on any recognized stock exchange.

Performance vis-à-vis objects of our Company/ or our listed group companies/ associates/ Subsidiaries of our Company

Neither our Company nor any of our group- companies /associates has undertaken any public or rights issue since incorporation. None of our group companies/ associates/ subsidiaries are listed on any stock exchange. Therefore, data regarding promise versus performance is not applicable to us.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by our Company

As on the date of filing this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Option to Subscribe

Equity Shares being offered through this Prospectus can be applied for in dematerialized form only.

Stock Market Data for our Equity Shares

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Mechanism for Redressal of Investor Grievances

The Agreement between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Applicants.

Disposal of Investor Grievances by our Company

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicants shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Issue for the redressal of routine investor grievances will be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on November 11, 2014. For further details, please refer to the chapter titled “Our Management” beginning on page 159 of this Prospectus.

Our Company has appointed, Ms. Deepika Karnani the Company Secretary and Compliance Officer and she may be contacted at the following address. :

Supreme (India) Impex Limited

Plot No.823/2, Road No.8,

GIDC, Sachin,

Surat-394230,

Gujarat, India.

Tel: +91 261 2399355

Fax: +91 261 2398398

Email: ipo@supremeexports.com

Website: www.supremeexports.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

Changes in Auditors during the last three financial years

There have been no changes in the Statutory Auditors of our Company in the past three years however, M/s. R. T. Jain & Co., Chartered Accountants, were appointed as Peer Review Auditor of our Company. The said appointment was made in order to comply with Section (IX) of Part A of Schedule VIII of SEBI (ICDR) Regulation and to also ensure compliance with the Clause 43 (I) (c) (i) of the SME Listing Agreement. Therefore, our Company has appointed M/s. R. T. Jain & Co. as the Peer Review Auditors of our Company, who hold the certificate issued by the “Peer Review Board” of ICAI dated September 20, 2011.

Capitalisation of Reserves or Profits

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 65 of this Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

Our Company has not revalued its assets since incorporation.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

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

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, QIB applicants, Non- Institutional applicants and other Applicants whose Application amount exceeds Rs. 2 Lacs can participate in the Issue only through the ASBA process. The Retail Individual Applicants can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Applicants should note that the ASBA process involves Application procedures that may be different from the procedure applicable to non ASBA process.

RANKING OF EQUITY SHARES

The Equity Shares being offered / issued shall be subject to the provisions of the Companies Act and Memorandum and Articles of Association and shall rank ***pari-passu*** in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to the rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment . For further details, please refer to the section titled “***Main Provisions of the Articles of Association***” beginning on page number 348 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of the Companies Act, the Articles of Association, the provision of the SME Listing Agreement and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. For further details, please refer to the chapter titled “***Dividend Policy***” on page 181 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 60 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis for Issue Price” beginning on page 87 of the Prospectus. At any given point of time there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act the terms of the SME Listing Agreement with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “*Main Provisions of the Articles of Association*” beginning on page number 348 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. Further, 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.

The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by the SME Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 2,000 Equity Shares subject to a minimum allotment of 2,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 15 days of closure of issue.

JOINT HOLDER

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

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, as the case may be, the Equity

Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to (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.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

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

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON	March 16, 2015
ISSUE CLOSES ON	March 18, 2015

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If our Company does not receive the subscription of 100% of the Issue through the Prospectus including devolvment of Underwriters within sixty 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 repay the amount, our Company shall be liable to repay the money, with interest as per the provisions of Companies Act.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the 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 Bids 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 NSE EMERGE on a later date subject to the following:

- a. If the Paid up Capital of our Company is likely to increase above Rs. 2,500 Lacs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- b. If the Paid up Capital of our company is more than Rs. 1,000 Lacs and upto Rs. 2,500 Lacs, our Company may still apply for migration to the Main Board if the Company fulfils the eligible criteria for listing laid down by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares offered through this Issue are proposed to be listed on the SME Platform of 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 55 of this 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.

ARRANGEMENT FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of 2,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of NSE.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

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.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page number 65 of this Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page number 348 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital does not exceed ten crore rupees, shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("*SME Exchange*") , in this case being the SME Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 289 and 297 of this Prospectus.

Following is the issue structure:

Public Issue of 13,12 ,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 60 per Equity Share (including a premium of Rs. 50 per Equity Share) aggregating Rs.787.20 Lacs ('the Issue') by our Company. The Issue is being made by way of Fixed Price Method.

The Issue comprises a Net Issue to Public of 12,40,000 Equity Shares ('the Net Issue'), a reservation of 72,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion'). The Issue and the Net Issue will constitute 26.84 % and 25.37 %, respectively of the post issue paid up equity share capital of the Company

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	12,40,000 Equity Shares of Face Value Rs. 10.00	72,000 Equity Shares of Face Value Rs. 10.00
Percentage of Issue Size available for allocation	94.51 % of the Issue Size	5.49 % of the Issue Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 2,000 Equity Shares and Further allotment in multiples of 2,000 Equity Shares each. For further details please refer to the section titled " <i>Issue Procedure - Basis of Allotment</i> " on page 336 of the Prospectus.	Firm allotment
Mode of Application	For Other than Retail Individual Investors Applicants The application must be made compulsorily through the ASBA Process. For Retail Individuals Applicants Individual Applicants may apply through the ASBA or the Physical Form.	Through ASBA Process Only

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Minimum Application Size	For Other than Retail Individual Investors: Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds Rs. 2, 00,000. For Retail Individuals Investors : 2,000 Equity Shares	72,000 Equity Shares of Face Value Rs. 10.00 each
Maximum Application Size	For Other than Retail Individual Investors: The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable. For Retail Individuals Investors: Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value does not exceed Rs.2, 00,000.00.	72,000 Equity Shares of Face Value of. Rs 10.00 each
Mode of Allotment	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.
Trading Lot	2,000 Equity Shares	2,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations
Terms of payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to **“Issue Structure”** on page 294 of the Prospectus.

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue ‘the allocation’ is the net offer to the public category shall be made as follows:

- Minimum fifty percent to retail individual investors; and
- Remaining to Investor Other than retail individual investors; and
- 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”

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. If our Company withdraws the Issue after the Issue Closing Date, 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.

ISSUE PROGRAMME

ISSUE OPENS ON	March 16, 2015
ISSUE CLOSES ON	March 18, 2015

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) 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.*

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company, and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized i.e., there will be a single Application Form for ASBA and non-ASBA Applicants. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA and Non-ASBA)	Blue

Applicants (other than ASBA Applicants) shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

ASBA Applicants are required to submit their applications only through the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue or SCSB, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

Upon completion and submission of the Application Form to a Banker to the Issue or the SCSB, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

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 the collection Centers of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE Limited i.e. www.nseindia.com.

WHO CAN APPLY?

In addition to the category of Applicants set forth under “– **General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue**”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organizations authorised in India to invest in the Equity Shares.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

PARTICIPATION BY ASSOCIATES/ AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI'S ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our registered Office and at the office of the Led manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies,

listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where ‘infrastructure’ is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as ‘Infrastructure Finance Companies’(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of 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 an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the ‘IRDA Investment Regulations’), are broadly set forth below:

1. Equity shares of a company: The least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

The entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

2. The industry sector in which the investee company operates: 10% of the insurer’s total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI’s, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.\

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of ` 25 crore (subject to applicable law) and pension funds with minimum corpus of ` 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Copies of the Application Form and copies of the Prospectus will be available with the Bankers to the Issue, the Lead Managers and the Registrar to the Issue. For ASBA Applicants, physical Application Forms will be available with the Designated Branches of the SCSBs and at the Registered Office of our Company. For ASBA Applicants, electronic Application Forms will also be available on the websites of the Stock Exchange .
4. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing to the Equity Shares should approach any of the Lead Managers or Bankers to the Issue or their authorised agent(s) to register their applications. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
6. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the Bankers to the Issue should bear the stamp of the Broker. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. In case of ASBA Applicants, the Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained. SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

8. ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB, where the ASBA Account is maintained. For ASBA applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. The Bankers to the Issue and the SCSBs shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants (other than QIBs) who are interested in subscribing to the Equity Shares should approach the Bankers to the Issue or their authorised agents to register their application. The Bankers to the Issue shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to any Banker to the Issue or the SCSBs (in case of ASBA Applicants). Submission of a second Application Form to either the same or to another Banker to the Issue or the SCSB will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.
5. The Bankers to the Issue / the SCSBs will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the Applicant.
6. Along with the Application Form, all Applicants (other than ASBA Applicants) will make payment in the manner described under “Payment into Escrow Account for Applicants other than ASBA Applicants” on page 307 of this Prospectus.

7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

ESCROW MECHANISM, TERMS OF PAYMENT AND PAYMENT INTO THE ESCROW ACCOUNTS

Terms of Payment

The entire Issue price of Rs. 60.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Company shall refund the excess amount paid on Application to the Applicants.

Escrow Mechanism for Applicants other than ASBA Applicants

Our Company, Registrar to the Issue and the Escrow Collection Banks shall enter into an Escrow Agreement pursuant to which Escrow Account(s) with one or more Escrow Collection Bank(s) will be opened in whose favour the Applicants shall make out the cheque or demand draft in respect of his or her application. Cheques or demand drafts received for the full Application Amount from Applicants would be deposited in the Escrow Account. Please note that escrow mechanism is applicable only to Applicants applying by way of non ASBA process.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and this Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for ASBA Applicants

The ASBA Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are Non Retail Applicants or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

Payment into Escrow Account for Applicants other than ASBA Applicants

Each Applicant shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the application as per the following terms:

1. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form.
2. The Applicants (excluding ASBA Applicants) shall, with the submission of the Application Form, draw a payment instrument for the Application Amount in favour of the Escrow Account and submit the same to the Bankers to the Issue. If the payment is not made favouring the Escrow Account along with the Application Form, the application of the Applicant shall be rejected.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - a. In case of Resident Retail Applicants: “Supreme (India) Impex Limited - R”
 - b. In case of Non Resident Retail Applicants: “Supreme (India) Impex Limited - NR”
4. In case of applications by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of an NRO Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.

5. In case of applications by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account of a Non-Resident Applicant applying on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
6. In case of applications by FIIs/FVCIs/multilateral and bilateral financial institutions, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
7. The monies deposited in the Escrow Account will be held for the benefit of the Applicants (other than the ASBA Applicants) till the Designated Date.
8. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
9. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stockinvest/money orders/postal orders will not be accepted.
10. Payments made through cheques without the Magnetic Ink Character Recognition (MICR) code will be rejected.
11. Applicants are advised to provide the number of the Application Form on the reverse of the cheque or bank draft to avoid misuse of instruments submitted with the Application Form.
12. In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres in separate clearing session. This separate clearing session will operate thrice a week up to April 30, 2014, thereafter twice a week up to October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The SCSBs will register the applications using the on-line facilities of the Stock Exchange.
2. The SCSBs will undertake modification of selected fields in the application details already uploaded within one Working Day from the Issue Closing Date.
3. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the applications accepted by the Bankers to the Issue and the SCSBs, (ii) the applications uploaded by the SCSBs, (iii) the applications accepted but not uploaded by the

SCSBs or (iv) with respect to applications by ASBA Applicants, applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by the SCSBs, the Application Amount has been blocked in the relevant ASBA Account. With respect to applications by ASBA Applicants, the Designated Branch of the relevant SCSB, which receives the relevant schedule (along with Application Forms), will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Managers nor our Company nor the Registrar to the Issue shall be responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the applications accepted by a Banker to the Issue or the SCSBs, (ii) the applications uploaded by the SCSBs or (iii) the applications accepted but not uploaded by the SCSBs.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the SCSBs and their authorised agents during the Issue Period. The Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Designated Branches of the SCSBs shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Managers on a regular basis.

With respect to applications by ASBA Applicants, at the time of registering such applications, the Designated Branches of the SCSBs shall enter the following information pertaining to the ASBA Applicants into the on-line system:

- Name of the Applicant;
- IPO Name;
- Application Form number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;
- Client Identification Number of the demat account of the Applicant;
- Numbers of Equity Shares Applied for;
- Cheque Details in case of Applications other than ASBA Application and Bank Account details in case of ASBA Applicants;
- Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
- Bank account number.

In case of submission of the Application by an ASBA Applicant through the Electronic Mode, the ASBA Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

6. A system generated TRS will be given to the Applicant as a proof of the registration of the application. It is the Applicant's responsibility to obtain the TRS from the Designated Branches. The registration of the Application by the Designated Branches does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

7. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
8. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The SCSBs shall have no right to reject applications, except on technical grounds .
9. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
10. The SCSBs will be given up to one day after the Issue Closing Date to verify DP ID and Client ID uploaded in the online IPO system during the Issue Period after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such applications are liable to be rejected.
11. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 72,000 Equity Shares shall be reserved for Market Maker. 6,20,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated February 24, 2015.
- b) A copy of the Prospectus is filed with the RoC in terms of Section 26 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the

Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.
3. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- With respect to ASBA Applications ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a TRS;
- Non retail applicants should submit their applications through the ASBA process only

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant

Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended;

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand payable at Mumbai.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker') network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the LMs or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders/allocation advice would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ allocation advice may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicant's sole risk and neither our Company nor the Escrow Collection Banks, the Registrar to the Issue or the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, PAN of the sole/First Applicant (including the order of names of joint holders), the DP ID and the beneficiary's identity, then such applications are liable to be rejected.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Bankers to the Issue at the time of submission of the application. With respect to the ASBA Applicants, the Application Form shall be submitted to the Designated Branches of the SCSBs.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as a duplicate of the Application Form for the records of the Applicant.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

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

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

In case of Applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 15 working days of Issue Closing Date, giving details of the Bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 7 working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment of Equity Shares shall be made within 15 (Fifteen) days of the Issue Closing Date;
2. Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (Fifteen) days of the Issue Closing Date would be ensured; and
3. The Company shall pay interest at 15% p.a. for any delay beyond the 15 (Fifteen) working days from the Issue Closing Date, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (Fifteen) days prescribed above.
4. The Company will provide adequate funds required for dispatch of refund orders or Allotment Advice to the Registrar to the Issue. Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for en-cashing such cheques, pay orders or demand drafts at other centers will be payable by the Applicants

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

UNDERTAKINGS BY THE COMPANY

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven Working Days of finalization of the Basis of Allotment or twelve (12) Working Days from the Issue Closing Date, whichever is earlier;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. That our Promoters' contribution in full has already been brought in;
6. That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time;
7. 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.; and
8. That, adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment.
9. 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.

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”)

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the 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 post issue capital shall not be more than Rs. 25 Crore.
- (f) The Company should have a track record of atleast 3 years.
- (g) The Company should have positive cash accruals from operation for atleast two financial years preceding the application and its networth should be positive.
- (h) The Issuer shall mandatorily facilitate trading in demat securities.
- (i) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (j) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
- (k) 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.
- (l) 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 (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 Lacs. Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the 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 Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

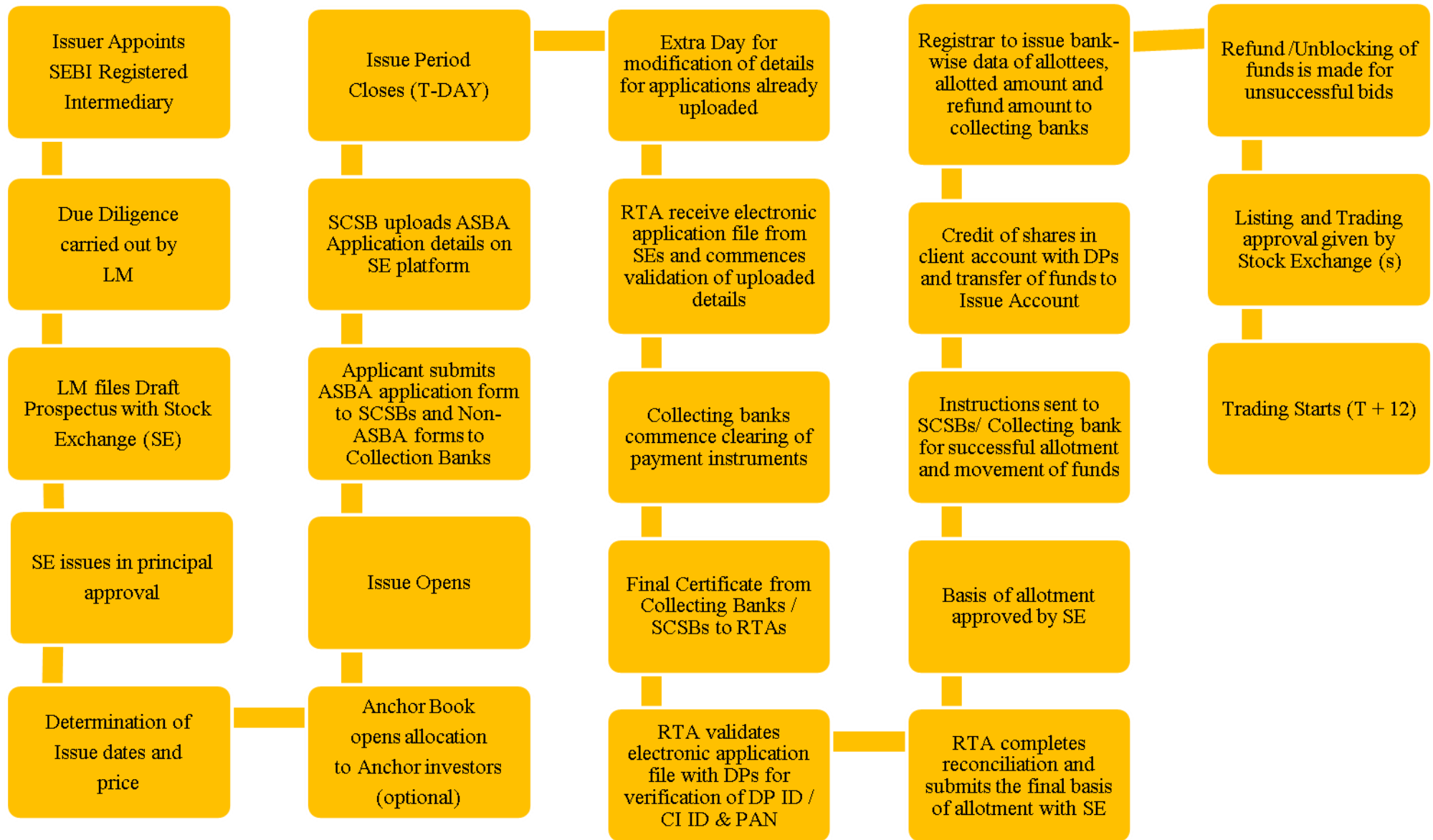
OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a

special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lacs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the 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. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
Anchor Investors (where applicable) & Applicants applying in the reserved category	Not Applicable

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

R Application Form

COMMON APPLICATION FORM FOR ASBA / NON-ASBA		SUPREME (INDIA) IMPEX LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIANS & OIBs, ELIGIBLE NEW APPLICANTS ON NON-REGISTRATION BASIS	
To, The Board of Directors SUPREME (INDIA) IMPEX LIMITED		FIXED PRICE SME ISSUE INE971P01012		Date: _____	
TEAR HERE		Application Form No.			
BROKER'S / AGENT'S STAMP & CODE		SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Resident Applicant	
BANK BRANCH STAMP & CODE		BANK BRANCH SERIAL NO.		Mr. / Ms. _____ Age _____ Address _____ Email _____ Tel. No. (with STD Code) / Mobile _____	
REGISTRAR'S SERIAL NO.		3. PAN OF SOLE/JOINT APPLICANT		2. INVESTOR'S DEMAND/DEBIT ACCOUNT DETAILS	
3. INVESTOR'S DEMAND/DEBIT ACCOUNT DETAILS		4. APPLICATION DETAILS		5. Investor Status	
For NEFT, enter 8 digit or 10 rounded by 8 digit Client id / For CoS, enter 10 digit Client id.		No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 60/- per share * (In Figures) _____ (In Words) _____ Option to receive allotted shares in DEMAT or PHYSICAL FORM? (Please tick any one) Demat ☐ Physical ☐		6. CATEGORY ☐ New Entrants ☐ Non-Entrants ☐ OIB	
* Please note that applications must be made in minimum of 1000 shares and not less than 1000 shares accordingly. * Please note that the buying of equity shares will be only in dematerialised mode on the SME platform of BSE.		7. PAYMENT DETAILS (Please tick [x] any one of payment option A or B below)		8. Investor Status ☐ Individual - IND ☐ Hindu Undivided Family - HUF ☐ Sole Proprietor - SO ☐ Partnership Firm - PF ☐ Mutual Funds - MF ☐ National Investment Funds - NIF ☐ Insurance Funds - IF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VC ☐ Others (Please Specify) - OTH	
AMOUNT PAID (Rs. in figures) _____ (Rs. in words) _____		9. PAYMENT OPTION: FOR PAYMENT		10. SIGNATURE OF SOLE / JOINT APPLICANT	
☐ (A) Cheque / DEMAND DRAFT (DD)		☐ (B) A/Bs		11. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
Cheque / DD NO. _____ Date: _____ Bank A/C NO. _____ Drawn on: _____ Bank Name & Branch: _____		Bank A/C NO. _____ Bank Name & Branch: _____		12. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
13. SIGNATURE OF SOLE / JOINT APPLICANT		14. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)		15. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)	
Date: _____ 2015		Date: _____ 2015		Date: _____ 2015	
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SUPREME (INDIA) IMPEX LIMITED - PUBLIC ISSUE - R		acknowledgment Slip for ASBA		Application Form No.	
CPIC / CUD		PAV		Application Form No.	
Received Text Message		No. of Equity Shares applied for		Bank's Stamp & Signature	
Address _____		In Figures _____ In Words _____		Cheque / Demand Draft No. _____ Instrument No./A/Bs Bank A/C No. _____ Drawn on: _____ Bank & Branch: _____	
Telephone / Mobile _____ E-mail _____		Stamp & Signature of ASBA		NAME OF SOLE / JOINT APPLICANT	
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4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

‘Any person who:

 - makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
 - makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
 - otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of the said Act.’
- (d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications

by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/ DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- (a) The Issuer may mention Price in the draft Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size

- i. For Retail Individual Applicants

The Application must be for a minimum of 2,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 1,000 Equity Shares.

- ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In

case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2, 00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under

applicable law. Applicants are requested to refer to the Prospectus for more details.

- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories applying in their respective reservation portion can apply, either through the ASBA mechanism or by paying the application amount through a cheque or a demand draft (“Non-ASBA Mechanism”).
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (d) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 Instructions for non-ASBA Applicants:

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the application amount in favour of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favouring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by CTS 2010 compliant cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Application Form is submitted. Non CTS 2010 cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Application Forms can be submitted.
- (f) ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
 - ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
 - i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. In case of Non-ASBA applications cheque or draft number and the name of the issuing bank thereof
 - iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form – R

COMMON REVISION FORM FOR ASBA / NON-ASBA		SUPREME (INDIA) IMPEX LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIANS & GIBI, ELIGIBLE NRI APPLYING ON NON-REGISTRATION BASIS	
 To, The Board of Directors SUPREME (INDIA) IMPEX LIMITED		FIXED PRICE SME ISSUE INE971P01012		Date: _____ Application Form No. _____	
BROKERS / AGENTS STAMP & CODE		SUB-BROKERS / SUB-AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE/JOINT APPLICANT SRI / MRS. _____ Tel. No. (with STD code) / Mobile _____ 2. PAN OF SOLE/JOINT APPLICANT _____ 3. INVESTOR'S DEMAT/DRY ACCOUNT DETAILS ☐ YES ☐ NO ☐ COLI For NDL write 5 digit ID followed by 5 digit Client ID/For COLI write 15 digit Client ID	
BANK BRANCH STAMP & CODE		BANK BRANCH SERIAL NO.			
REGISTRAR'S SERIAL NO.					
A. FPO/IE (as per last Application or Revision) PL/PR/CH/NT/INT APPLICATION ☐ FPO/IE/NT					
Options		No. of Equity Shares applied (Application must be in multiples of 1000 equity shares) (in Figures)		Price per Equity Share (₹) (in Figures)	
		Issue Price		Discount, if any	
Option 1					
(Or) Option 2		NOT APPLICABLE		NOT APPLICABLE	
(Or) Option 3		NOT APPLICABLE		NOT APPLICABLE	
B. IPO (Previous Application)					
Options		No. of Equity Shares applied (Application must be in multiples of 1000 equity shares) (in Figures)		Price per Equity Share (₹) (in Figures)	
		Issue Price		Discount, if any	
Option 1					
(Or) Option 2		NOT APPLICABLE		NOT APPLICABLE	
(Or) Option 3		NOT APPLICABLE		NOT APPLICABLE	
C. Payment details (please tick (✓) any one or payment option A or B below)					
Additional Amount Paid (₹ in Figures) _____ (₹ in words) _____					
☐ (A) Cheque / Demand Draft (DD) ☐ (B) ASBA					
Cheque/DD No. _____ Date: ____/____/____		Bank A/c No. _____			
Drawn on (Bank Name & Branch) _____		Bank Name & Branch _____			
(We on behalf of JOINT APPLICANT, if any, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORMS AND HEREBY AGREE AND CONFIRM THE APPLICANT UNDERSTANDS AND AGREES TO THE FOLLOWING: (We on behalf of JOINT APPLICANT, if any) HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE APPLICATION FORMS GIVEN OVERLEAF.					
T.A. SIGNATURE OF SOLE / JOINT APPLICANT _____ Date: _____ 2015		T.B. SIGNATURE OF ASBA BANK ACCOUNT HOD/Rep (We/We/It is/are authorized to open ASBA Account for IPO/IE) (We/We/It is/are authorized to open ASBA Account for IPO/IE) 1) _____ 2) _____ 3) _____		BROKERS / (SME) BRANCH'S STAMP (acknowledging receipt of application in Block Exchange System)	
TEAM HERE					
SUPREME (INDIA) IMPEX LIMITED - PUBLIC ISSUE - R					
CDD / DD No. _____ Additional amount Paid (₹ in figures) _____ Cheque / DD/ASBA Bank A/c No. _____ Received from M/Name _____ Telephone / Mobile _____ Email _____		Bank & Branch _____ Stamp & Signature of Broker		Application Form No. _____	
TEAM HERE					
SUPREME (INDIA) IMPEX LIMITED - PUBLIC ISSUE - R No. of Equity Shares _____ Issue Price _____ Additional Amount Paid (₹) _____ Cheque / DD/ASBA Bank A/c No.: _____ Bank & Branch: _____		Option 1 _____ Option 2 _____ Option 3 _____ Acknowledgement of Syndicate Member / SCSE _____ Name of Sole / Joint Applicant _____ Acknowledgment Slip for Applicant		Application Form No. _____	

Revision Form - NR

COMMON REVISION FORM FOR ASBA / NON-ASBA		SUPREME (INDIA) IMPEX LIMITED - PUBLIC ISSUE - NR		FOR NPA, PPA, PVI ETC. APPLYING ON A REPATRIATION BASIS	
 To, The Board of Directors SUPREME (INDIA) IMPEX LIMITED		FIXED PRICE SME ISSUE INE971P01012		Date: _____ Application Form No. _____	
BROKERS / AGENT'S STAMP & CODE		SUB-BROKERS / SUB-AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE/PRINCIPAL APPLICANT MR / MRS. _____ _____ _____ TEL. No. (with STD code) / Mobile _____ 2. PAN OF SOLE/PRINCIPAL APPLICANT _____ 3. INVESTOR'S DEMAT/STOCK ACCOUNT DETAILS ☐ HSC ☐ CDSL For HSC, enter 5 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID _____ ☐ IPO/TFP	
BANK BRANCH STAMP & CODE		BANK BRANCH SERIAL NO.			
REGISTRAR'S SERIAL NO.					
4. NO. OF EQUITY SHARES APPLIED FOR (Application must be in multiples of 1000 equity shares)					
Options		No. of Equity Shares Applied (in Figure)		Price per Equity Share (₹) (in Figure)	
Option 1					
(Or) Option 2		NOT APPLICABLE		NOT APPLICABLE	
(Or) Option 3		NOT APPLICABLE		NOT APPLICABLE	
5. TO (Multiple Application)					
Options		No. of Equity Shares Applied (in Figure)		Price per Equity Share (₹) (in Figure)	
Option 1					
(Or) Option 2		NOT APPLICABLE		NOT APPLICABLE	
(Or) Option 3		NOT APPLICABLE		NOT APPLICABLE	
6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)					
Additional Amount Paid (₹ in Figure) _____ (₹ in words) _____					
☐ (A) Cheque / DEMAND DRAFT (DD) ☐ (B) A/c Debit					
Cheque / DD No. _____		DD / A/c Debit No. _____		Bank Name & Branch _____	
DD / A/c Debit No. _____		Bank Name & Branch _____		Bank Name & Branch _____	
(We on behalf of joint applicants, if any, hereby confirm that we have read and understood the terms and conditions of the application form and the attached form(s) and hereby agree and confirm the applicants undertake) as given hereunder. (We on behalf of joint applicants, if any) hereby confirm that we have read the instructions for filling up the application form given hereunder.					
7 A. SIGNATURE OF SOLE / PRINCIPAL APPLICANT		7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (ASBA Bank will verify the ASBA Bank Copy Option) (We hereby confirm that we have read the instructions for filling up the application form given hereunder)		Brokers / (SCSB Branches) Stamp (acknowledging speed of application in Stock Exchange System)	
Date: _____ 2015		1) _____ 2) _____ 3) _____			
TEAR HERE					
SUPREME (INDIA) IMPEX LIMITED - PUBLIC ISSUE - NR		acknowledgement of Syndicate Member / SCSB		Application Form No.	
DPID / CUID _____		PAN _____			
Additional Amount Paid (₹ in Figure) _____		Bank & Branch _____		Stamp & Signature of Member	
Cheque / DD / A/c Debit Bank A/c No. _____					
Receiving Text Message _____					
Telephone / Mobile _____		Email _____			
TEAR HERE					
SUPREME (INDIA) IMPEX LIMITED - PUBLIC ISSUE - NR		acknowledgement of Syndicate Member / SCSB		Name of Sole / Principal Applicant	
No. of Equity Shares _____		Option 1 _____ Option 2 _____ Option 3 _____			
Issue Price _____					
Additional Amount Paid (₹) _____					
Cheque / DD / A/c Debit Bank A/c No. _____					
Bank & Branch _____					
Acknowledgment Slip for Applicant				Application Form No.	

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION ‘FROM’ AND ‘TO’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) With respect to the applications, other than applications submitted by ASBA Applicants, any revision of the application should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the application.
- (b) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (c) In case of applications submitted by ASBA Applicant, Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
Non-ASBA Application	Collection Centres of Escrow Banks
ASBA Application	To the Designated branches of the SCSBs where the ASBA Account is maintained

Applicants should submit the application forms/ Revision Form directly to the escrow collection banks/ASBA Bankers, as applicable.

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through SCSB and/or Bankers to the Issue.

ASBA Applicants may submit an Application Form either in physical form to the Designated

Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 2,000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;

- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date, unless the extended time is permitted by NSE

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the SME Platform of 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 hereunder:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- For applications where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:
 - Each successful Applicant shall be allotted 2,000 equity shares; and
 - 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.
- If the proportionate allotment to an Applicant works out to a number that is not a multiple of 2,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.
- If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining

after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
- i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - ii. The balance net offer of shares to the public shall be made available for allotment to
 - individual applicants other than retails individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with 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 Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within 12 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

- (a) **In case of ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.
- (b) **In case of Non-ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Applicants and also for any excess amount paid on Application, after adjusting for allocation/allotment to Applicants.
- (c) In case of non-ASBA Applicants, the Registrar to the Issue may obtain from the depositories the Applicants’ bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms for refunds.

Accordingly, Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

- (d) In the case of applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- (b) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (e) For all the other Applicants, including Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where applications are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc. Applicants are requested to contact their respective Banks.

8.3.2 Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions

have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Manager, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/(ASBA)/AS BA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
ASBA Applicant	Prospective /Applicants in the Issue who apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.

Term	Description
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean an Bidder/ Applicant
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Bid Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number

Term	Description
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Applicants (excluding the ASBA /Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the A applicant Amounts and where applicable, remitting refunds of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form

Term	Description
FPI(s)	Foreign Portfolio Investor
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form

Term	Description
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 32 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refund Account(s) Refund Bank(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/ Applicants), if any, of the whole or part of the Application Amount may be made Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 200,000.

Term	Description
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our Company

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. 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 2014, with effect from April 17, 2014 ("Circular 1 of 2014"), 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 2014 will be valid until the DIPP issues an updated circular.

RBI has also issued a Master Circular on Foreign investment in India dated July 01, 2014, amended upto February 09, 2015, which is valid till June 30, 2015 ("**Master Circular**"). In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for eligibility criteria as are prescribed). Such fresh issue of shares shall be subject inter-alia, to the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares as also subject to making certain filings including filing of Form FC-GPR.

Currently, we have no foreign investment in our company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectorial limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. However the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications/Bid 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/Bidders. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants/Bidders advised to make their independent investigations and ensure that the Applications /Bids are not in violation of laws or regulations applicable to them.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) "The Company" or "This Company" means the Company above named	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written

Sr. No	Particulars	
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) “Meeting” or “General Meeting” means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) “National Holiday” means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) “Non-retiring Directors” means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) “Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) “Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) “Proxy” means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) “The Register of Members” means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	Special Resolution
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(y) “The Statutes” means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(z) “These presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(aa) “Variation” shall include abrogation; and “vary” shall include abrogate.	Variation
	(bb) “Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	

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3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act.	Increase of capital by the Company how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) 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.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
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	Provisions to apply on issue of Redeemable Preference Shares

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	purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (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; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	
10.	The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	Reduction of capital
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	Debentures
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may	Issue of Sweat Equity Shares

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	be specified in that sections and rules framed thereunder.	
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modification of rights
19.	The rights conferred upon the holders of the Shares	New Issue of Shares not to

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	including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	affect rights attached to existing shares of that class.
20.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General 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.	Shares at the disposal of the Directors.
21.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
22.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
23.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
24.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up

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25.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
26.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
27.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
29.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on	Share Certificates.

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	behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.	
30.	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.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	Issue of new certificates in place of those defaced, lost or destroyed.

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31.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
33.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
34.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
36.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and	Directors may make calls

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	at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
39.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
40.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
41.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
42.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
43.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and	Proof on trial of suit for money due on shares.

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	that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
44.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
45.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	Payments in Anticipation of calls may carry interest
	LIEN	
46.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless	Company to have Lien on shares.

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	otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	
47.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	As to enforcing lien by sale.
48.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
49.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for	If call or installment not paid, notice may be given.

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	the time being in force.	
50.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
51.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
52.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
53.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
54.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
55.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
56.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
57.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition	Title of purchaser and allottee of Forfeited shares.

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	thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	
58.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
59.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
61.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
62.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
63.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect	Transfer Form.

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	of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	
64.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except on production of instrument of transfer.
65.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien.	Directors may refuse to register transfer.
66.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
67.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
68.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debenture holder or other security holders.

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69.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
70.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
71.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
72.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	Recognition of legal representative.
73.	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	Titles of Shares of deceased Member

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	constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	
74.	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.	Notice of application when to be given
75.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (transmission clause).
76.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.
77.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
78.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer,	Company not liable for disregard of a notice prohibiting registration of transfer.

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	and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
79.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
81.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	Nomination
82.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; (iv) a nominee shall be entitled to the same dividends and	Transmission of Securities by nominee

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	other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	
	DEMATERIALISATION OF SHARES	
83.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
84.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
85.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	SHARE WARRANTS	
86.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the	Power to issue share warrants

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	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.	
87.	(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.	Deposit of share warrants
88.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled 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.	Privileges and disabilities of the holders of share warrant
89.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
90.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
91.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock.
92.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such	Rights of stock holders.

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	privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage.	
93.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	Regulations.
	BORROWING POWERS	
94.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
95.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
96.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as	Securing payment or repayment of Moneys borrowed.

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	the case may be.	
97.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
98.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
99.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
	MEETINGS OF MEMBERS	
100.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
101.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
102.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
103.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding	Chairman of General Meeting

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	such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	
104.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
105.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Chairman with consent may adjourn meeting.
106.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
107.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
108.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
	VOTES OF MEMBERS	
109.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
110.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or	Number of votes each member entitled.

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	by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	
111.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
112.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
113.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
114.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
115.	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Votes of joint members.
116.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
117.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as	Representation of a body corporate.

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	aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	
118.	(a) 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 the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
119.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
120.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
121.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
122.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
123.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given,	Validity of votes given by proxy notwithstanding death of a member.

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	provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	
124.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
125.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
	DIRECTORS	
126.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
127.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
128.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	Nominee Directors.
129.	The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible	Appointment of alternate Director.

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	to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
131.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.
132.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
133.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
	PROCEEDING OF THE BOARD OF DIRECTORS	
134.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors.
135.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the	Chairperson

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	same time.	
136.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
137.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	Continuing directors may act notwithstanding any vacancy in the Board
138.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
139.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed.
140.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
141.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
142.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.

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	RETIREMENT AND ROTATION OF DIRECTORS	
143.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
144.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
145.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.

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	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
	(7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.

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	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the	Transfer to Reserve Funds.

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	interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	To appoint and remove officers and other employees.
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit)	To appoint Attorneys.

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	be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment	

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	and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise	

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	turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
146.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	Powers to appoint Managing/ Directors. Wholetime
147.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Wholetime Director.
148.	(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in	Powers and duties of Managing Director or Wholetime Director.

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	accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
149.	a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may 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; ii. A director may be appointed as chief executive	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer

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	officer, manager, company secretary or chief financial officer. b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	
	THE SEAL	
150.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	The seal, its custody and use.
151.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed.
	Dividend and Reserves	
152.	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Division of profits.
153.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the	The company in General Meeting may declare Dividends.

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	amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	
154.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Transfer to reserves
155.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
156.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
157.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
158.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
159.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles .
160.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
161.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
162.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all	Dividend to joint holders.

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	dividends or bonus and payments on account of dividends in respect of such share.	
163.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Dividends how remitted.
164.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.
165.	No unclaimed dividend shall be forfeited and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
CAPITALIZATION		
166.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	Capitalization.
167.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if	Fractional Certificates.

Sr. No	Particulars	
	any, and (b) generally to 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 certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and 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 capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (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 questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	
168.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	Inspection of Minutes Books of General Meetings.
169.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	Inspection of Accounts
	FOREIGN REGISTER	

Sr. No	Particulars	
170.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
171.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
172.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
	WINDING UP	
173.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	INDEMNITY	
174.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any	Directors' and others right to indemnity.

Sr. No	Particulars	
	proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	
175.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	Not responsible for acts of others
	SECRECY	
176.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

Sr. No	Particulars	
	WINDING UP	
177.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	INDEMNITY	
178.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	Directors' and others right to indemnity.
179.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any	Not responsible for acts of others

Sr. No	Particulars	
	moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	SECRECY	
180.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot No.823/2, Road No.8, GIDC, Sachin, Surat-394230, Gujarat, India, from date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated February 24, 2015 amongst our Company and the Lead Manager.
2. Agreement dated February 24, 2015 amongst our Company and M/s Bigshare Services Private Limited appointing them as Registrar to the Issue.
3. Underwriting Agreement dated February 24, 2015 amongst our Company, the Lead Manager and the Market Maker and Underwriter.
4. Market Making Agreement dated February 24, 2015 amongst our Company, Market Maker, the Lead Manager.
5. Escrow Agreement dated February 24, 2015 amongst our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated January 27, 2014.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated January 10, 2014.

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated July 28, 2014 authorizing the Issue
3. Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated August 19, 2014 authorizing the Issue.
4. Statement of Tax Benefits dated February 24, 2015 issued by our Peer Reviewed Auditor, M/s. R.T. Jain & Co., Chartered Accountants.
5. Report of the Peer Reviewed Auditor, M/s. R.T. Jain & Co., Chartered Accountants dated February 24, 2015 on the Restated Financial Statements for the Financial Year ended as on March 31, 2010, 2011, 2012, 2013 and 2014 and for the Period ended September 30, 2014 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Statutory Auditors, Peer Review Auditors, Legal Advisor to the Issue, Bankers to our Company, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from NSE *vide* letter dated March 03, 2015, to use the name of NSE in this offer document for listing of Equity Shares on NSE Emerge.
8. Due Diligence Certificate dated February 25, 2015 from Lead Manager to NSE .
9. Copy of the Special Resolution dated January 03, 2014 for appointing Mr. Jugalkishore Jhawar as Managing Director of the Company.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at anytime without reference to the shareholder, subject to compliance of the provisions contained in the Companies Act and other relevant statues

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors of our Company

Name and designation	Signature
Jugal Kishore Chaganlal Jhavar <i>Managing Director</i>	Sd/-
Saritadevi Jugalkishore Jhavar <i>Non-Executive Director</i>	Sd/-
Bhanwaridevi Chhaganlal Jhavar <i>Non-Executive Director</i>	Sd/-
Vikas Chordia <i>Independent Director</i>	Sd/-
Tansukhraj Lalchand Jain <i>Independent Director</i>	Sd/-
Ajay Buddhiprakash Dalmia <i>Independent Director</i>	Sd/-

Signed by the Chief Financial Officer and the Secretary and Compliance Officer of the Company

Sd/-

Rajesh Avat Ram Jivanani

Chief Financial Officer

Sd/-

Deepika Karnani

Company Secretary and Compliance Officer

Place: Surat

Date: March 09, 2015

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr . No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10 th calendar day from listing day	Benchmark index as on 10 th calendar day from listing day (closing)	Closing price as on 20 th calendar day from listing agreement	Benchmark index as on 20 th calendar day from listing day (closing)	Closing price as on 30 th calendar day from listing day	Benchmark index as on 30 th calendar day from listing day (closing)
1.	Si. Vi. Shipping Corporation Limited	6.855	25.00	March 06, 2014	26.10	26.10	4.40	21,513.87	36.15	21,832.61	34.80	22,095.30	35.00	22,343.45
2.	Women's Next Loungeries Limited	6.50	65.00	April 21, 2014	67.00	67.50	3.85	22,764.83	70.00	22,403.89	70.00	23,551.00	71.00	24,298.02
3	Ultracab (India) Limited	7.97	36.00	October 10, 2014	38.00	38.05	5.69	26,297.38	38.25	26,429.85	38.00	26,429.85	39.00	27,346.33
4.	Momai Apparels Limited	30.00	78.00	October 16, 2014	78.00	79.70	2.18	7,748.20	86.15	79,91.70	86.15	8,338.30	81.00	8,430.75
5.	Jet Infraventure Limited	4.50	125.00	November 25, 2014	130.00	129.10	3.28	28,338.05	127.15	28,458.10	127.90	27,319.56	128.00	27,241.78

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 10th/20th/30th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on listing date			Nos of IPOs trading at Premium on listing date			Nos of IPOs trading at discount on 30 th Calendar day from listing date			Nos of IPOs trading at premium on 30 th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
13-14	1	6.855	-	-	-	-	-	1*	-	-	-	-	1*	-
14-15	4	48.972	-	-	-	-	-	4**	-	-	-	-	-	4**

*The script of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

**The scrips of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited and Jet Infraventure Limited was listed on April 21, 2014, October 10, 2014, October 16, 2014 and November 25, 2014 respectively .