

DRAFT INFORMATION MEMORANDUM

[In accordance with SEBI (Listing of specified securities on Institutional Trading Platform) Regulations, 2013]

**CAPCO INDUSTRIES LIMITED
(formerly known as Chetak Auto Private Limited)**

CAPCO INDUSTRIES LIMITED is a Public Limited Company, it was originally incorporated as Private Limited Company named as Chetak Auto Private Limited by Registrar of Companies, Gwalior, Madhya Pradesh & Chhattisgarh on October 04, 2007 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gwalior, Madhya Pradesh & Chhattisgarh. Company was subsequently converted into a public Company and consequently the name was changed to “Capco Industries Limited” vide a fresh certificate of incorporation dated 4th March 2015.

Registered & Corporate Office:

9-10 Rani Bagh Main,
Libra Siena Tower, Khandwa Road,
Indore – 452 017, Madhya Pradesh
E-mail:info@capcoindia.com

Tel: +91-731-2877396/6465282

Website: www.capcoindia.com

Contact Person: Mr. Sadique A. Kanchwala

Company Secretary & Compliance Officer:

Shreya Gandhi

PROMOTERS of the Company: Mr. Gurbhej Singh Juneja
Mrs. Paramjeet Juneja

This Information Document is in terms of the Chapter XC of the SEBI (ICDR) Regulations, 2009, as amended from time to time and we propose to list its Equity Shares on Institution Trading Platform (ITP) of NSE Emerge.

NO EQUITY SHARES ARE PROPOSED TO BE ISSUED OR OFFERED PURSUANT TO THIS INFORMATIONMEMORANDUM



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SECTION I - GENERAL

1. DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Information Memorandum and references to any statute or regulations or policies shall include amendments thereto, from time to time:-

In this Draft Information Document, unless the context otherwise indicates, all references to “CAPCO”, “the Company” and “our Company” are to CAPCO INDUSTRIES LIMITED, a Company incorporated in India under the Companies Act, 1956 with its Registered Office at 9-10 Rani Bagh Main, Libra Siena Tower, Khandwa Road, Indore – 452 017, Madhya Pradesh.

General Terms

Term	Description
Articles/Articles of Association	Articles of Association of CAPCO
Accounting Standard	Accounting Standards, as issued by the Institute of Chartered Accountants of India
Auditor	The Statutory Auditors of CAPCO
Board / Board of Directors	Board of Directors of CAPCO
Companies Act / Act	The Companies Act, 1956 and/or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections
Capital/ Share Capital/ Equity Share Capital	Equity Share Capital of CAPCO
DP	Depository Participant
Equity Share(s) or Share(s)	Equity Share of CAPCO having a face value of Rs.10/- unless otherwise specified in the context thereof.
FDI	Foreign Direct Investment
Financial Year/Fiscal/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
ITP	Institutional Trading Platform
Listing Agreement	Listing agreement to be entered into by our Company with the Stock Exchange(s)
Memorandum/Memorandum of Association/MOA	Memorandum of Association of CAPCO
NSE	National Stock Exchange of India Limited
NSE Emerge	SME Platform of National Stock Exchange of India Limited
Promoter(s)	The Promoters being Mr. Gurbhej Singh Juneja, Mrs. Paramjeet Juneja
R&D	Research & Development
RBI	The Reserve Bank of India
ROC	Registrar of Companies
SEBI	Securities and Exchange Board of India
SEBI Act, 1992	Securities and Exchange Board of India Act, 1992 and amendments thereto
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto.
SIA	Secretariat of Industrial Assistance
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange(s)	Shall refer to NSE where the Equity Shares of CAPCO are proposed to be listed

ABBREVIATIONS

ABBREVIATION	FULLFORM
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A. Y.	Assessment Year
B. Com.	Bachelor of Commerce
CAGR	Compounded Annual Growth Rate
C. A.	Chartered Accountant
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
C.S.	Company Secretary
DCS	Distributed Control System
DP	Depository Participant
ECS	Electronic Clearing System
EPS	Earnings per Share
FDD	Feature-driven development
FY / Fiscal	Financial Year
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
INR / Rs./ Rupees /	Indian Rupees, the legal currency of the Republic of India
LBS	Location based services
LTE	Long Term Evolution
SME	Small And Medium Enterprises
NAV	Net Asset Value
No.	Number
NR	Non Resident
NSDL	National Securities Depository Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RF	Radio frequency
RoC/ Registrar of Companies	The Registrar of Companies, Gwalior
RONW	Return on Net Worth
TDD	Test-driven development
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America
VAS	Value Added Service

2. GENERAL INFORMATION

CAPCO INDUSTRIES LIMITED

CAPCO INDUSTRIES LIMITED is a Public Limited Company, it was originally incorporated as Private Limited Company named as Chetak Auto Private Limited by Registrar of Companies, Gwalior, Madhya Pradesh & Chhattisgarh on October 04, 2007 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gwalior, Madhya Pradesh & Chhattisgarh.

REGISTERED & CORPORATE OFFICE: 9-10 Rani Bagh Main,
Libra Siena Tower, Khandwa Road,
Indore – 452 017 Madhya Pradesh
Tel: +91-731-2877396/6465282
Contact Person: Mr. Sadique A Kanchwala
E-mail: info@capcoindia.com

CORPORATE REGISTRATION NUMBER: 019888

CORPORATE IDENTIFICATION NUMBER: U50300MP2007PLC019888

Address of Registrar of Companies: Registrar of Companies,
3rd Floor, A Block, Sanjay Complex,
Jayendra Ganj,
Gwalior- 474 009, Madhya Pradesh

BOARD OF DIRECTORS:

Our Board of Directors comprise of the following members:

Name	Designation	DIN	Address
Mr. Gurbhej Singh Juneja	Chairman Cum Managing Director	00640235	123, Rani Bagh, Limbodi, Khandwa Road, Indore, 452017, Madhya Pradesh
Mrs. Paramjeet Juneja	Director	03507683	123, Rani Bagh, Limbodi, Khandwa Road, Indore, 452017, Madhya Pradesh
Dr. Mukesh Kumar Chadha	Independent Director	07112163	103 – A Kanchan Residency, 70-76 Paliwal Nagar Nr. Gajanan Nagar, Indore – 452 018
Mr. Sasikanth Ramananda Prabhu	Independent Director	02970491	Goshri Mangal, Cherthala, Thuravoor, Kerala - 688532, India

For further details of Management of the Company, please refer to section titled "*Our Management*" on page 38 of this Information Memorandum.

Company Secretary & Compliance Officer	:	Shreya Gandhi
Tel	:	+91-731-2877398
Email ID	:	info@capcoindia.com
Statutory Auditor	:	M/s. Muchhal & Gupta, Chartered Accountants 208, Shalimar Corporate Centre, 8-B, SouthTukoganj, Indore – 452 001, Madhya Pradesh Tel No. 0731-4043818 Email: ca.mandg@gmail.com Firm Regd. No.: 004423C
Registrar & Transfer Agents	:	M/s Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore – 452 010 (M.P.) Tel: 0731-2551745-46 Fax: 0731-4065798 Email id: ankit_4321@yahoo.com

Absolute Responsibility of CAPCO INDUSTRIES LIMITED

CAPCO INDUSTRIES LIMITED having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the Company, which is material, that the information contained in the Information Memorandum is true and correction 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 Information Memorandum as a whole or any of such information or the expression of any such opinions are intentions misleading in any material respect.

CORPORATE APPROVALS

1. Our Board has, pursuant to a resolution passed at its meeting held on 04-March-2015 authorized the Listing.
2. Our Shareholders have pursuant to a resolution passed at their meeting dated 02-March-2015 authorized the Listing (EGM).

INCOPORATION DETAILS

1. Corporate Identification Number U50300MP2007PLC019888 Certificate of Incorporation dated October 04, 2007 issued by the Registrar of Companies, Gwalior, Madhya Pradesh & Chhattisgarh.

3. ELIGIBILITY CRITERIA

We are an unlisted company as on date and we propose to list our Equity Shares on Institution Trading Platform (ITP) of NSE Emerge In terms of the Chapter XC of the SEBI (ICDR) Regulations, 2009. Our Company is eligible for the listing in terms of 106 Y and other provisions of Chapter XC of the SEBI (ICDR) Regulations, 2009.

We Confirm that:

1. The name of our company, our promoters, any of our group companies or directors do not appear in the wilful defaulters list of Reserve Bank of India as maintained by Credit Information Bureau (India) Limited;
2. There is no winding up petition against the company that has been admitted by a competent court;
3. Our company, group companies have not been referred to the Board for Industrial and Financial Reconstruction for a period of five years prior to the date of application for listing;
4. No regulatory action has been taken against the company, its promoters or directors, by the Board, Reserve Bank of India, Insurance Regulatory and Development Authority or Ministry of Corporate Affairs within a period of five years prior to the date of application for listing;
5. Our Company has been incorporated on October 4, 2007 and thus not completed more than ten years after incorporation and our revenues have not exceeded Rupees One Hundred Crores in any of the previous financial years;
6. The paid up capital of our company has not exceeded Rupees Twenty Five Crores in any of the previous financial years;
7. We have completed fiscal 2013-14 being one full year of audited financial statements, for the immediately preceding financial year at the time of making listing application;
8. The company has received finance from the Canara Bank, a Scheduled Bank in accordance with Reserve Bank of India Act, 1934 for its working capital & term loan requirements and a period of three years has elapsed from the date of such financing and the working capital limits so sanctioned by Canara Bank have been fully utilized.
9. In accordance with Regulation 106 ZB of Chapter XC of the SEBI (ICDR) Regulations, 2009, our promoter, Mr. Gurbhej Singh Juneja has given his consent to lock-in 66500 Equity shares representing 20% of paid up capital of the Company.
10. We further confirm that in terms of Regulation 106ZC of SEBI (ICDR) Regulations, 2009:
 - i. All Equity Shares of our Company shall be in dematerialized form upon listing on Institutional Trading Platform
 - ii. Our Company is in the process of entering into tripartite agreement with CDSL and NSDL along with our Registrar and for facilitating trading in dematerialised mode. We further confirm that we shall have connectivity with at least one depository at all times.
11. We further confirm that the minimum trading lot on institutional trading platform shall be Rs. 10.00 lacs.

4. FORWARD LOOKING STATEMENTS

We have included statements in this Information Memorandum, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements". All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- General economic and business conditions in India and other countries;
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes;
- The changes in monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices,;
- Changes in the value of the Rupee and other currency changes;
- Changes in laws and regulations in India;
- Changes in political conditions in India; and
- Changes in the foreign exchange control regulations in India.
- The occurrence of natural disasters or calamities,;
- Our ability to respond to Technological changes;
- Government Approvals

For further discussion of factors that could cause our actual results to differ, see the section titled "Risk Factors" beginning on page [9] of this Information Memorandum. By their nature, certain 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. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Industry Overview" and "Our Business".

We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below. The risks described herein below may not be the only risks we face. Additional risks that we do not yet know of or that we currently think are immaterial may also impair our business operations. If any of the events or circumstances described in the risks actually occurs, our business, results of operations or financial conditions could suffer. If any of the following risks actually occur, our business, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.

INTERNAL RISK FACTORS

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

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

2. Failure on our part to meet customer expectations could impact our business operations.

Our business depends on customer preferences which cannot be predicted with certainty and are subject to rapid change. We feel that if we fail to understand and in turn respond in a timely and appropriate manner to changing customer demand with quality services, may result in decline in sales. In addition, any new services that we introduce in future may not be successfully received by customers. Any failure on our part to successfully meet customer demand or preference may negatively affect our business, financial condition and results of operations.

3. Lack of active trading market for our company's Equity Shares.

Till date there has been no public market for our Equity Shares. We propose to list our Equity Shares on Institutional Trading Platform (ITP) of NSE Emerge. We cannot assure that pursuant to listing on ITP, active trading market of our Equity Shares would develop as trading on ITP is restricted. Further, the securities listed on ITP will be mandatorily exited within 18 months of triggering various events such as completion of ten years on listing of ITP or attaining paid-up capital of Rs. 25 Crores or attaining revenue of Rs. 300 Crores or attaining market capitalization of Rs. 500 Crores.

4. We have significant working capital requirements.

Our business requires a substantial amount of working capital. In many cases, working capital is required to finance the purchase of materials and execution of work on projects before payment is received from clients. Our working capital requirements may increase if, in certain contracts, payment terms do not provide for advance payments to us or if payment schedules are less favourable to us. We may need to borrow funds in the future to fulfil our working capital needs. We meet our working capital requirements through internal accruals & financial institutions. Our inability meet working capital requirement will negatively affect our financial condition and results of operations.

5. Our revenues depend on the prices at which we are able to sell our products and services.

We sell our products and services in a competitive marketplace and, as a result, the prices we are able to charge are affected by both the demand for the products we sell and services we offer and the supply of competing products and services. Demand for and the prevailing market prices of our products and

Services may fall. Further we are manufacturing these tanks for OEM'S hence our market largely depends on their performance in the market. Also the price is requiring settling as per their norms.

8. Presently all of our facilities are geographically located in one area only.

Presently all of our facilities are geographically located in one area only. As a result of this, if there is any localized social unrest, natural disaster or breakdown of services and utilities in that area, it may affect our business adversely.

9. we face substantial competition in the industry, our revenues could get affected in case we are not able to obtain customers and orders.

Our Company is operating in manufacturing industry. We will face significant competition from existing players and potential entrants in the industry. Further, we will face significant competition mainly from large vertically integrated and diversified companies in the industry. Our revenues could get affected adversely in case we are not able to secure new customers and orders.

10. We are dependent on the continuing operation of our manufacturing plants and any loss or breakdown of operations at any of our facilities could have an adverse effect on our business, financial condition and results of operations.

Our manufacturing plant is located in Pithampur, Madhya Pradesh, India. This unit is subject to the normal risks of industrial production, including equipment breakdowns, sub-standard performance of equipment, labor stoppages, and natural disasters, directives from government agencies, power interruptions and transportation problems. While all of our plants have some back-up power generation capacity, it is only sufficient to maintain limited operations. As a result, any extended power supply interruption will result in reduced production at the affected plant. Any interruption to production at any of this plant could reduce our production, sales revenue and profit. This in turn could have an adverse effect on our business, results of operations, financial condition and prospects. Our facilities are subject to operating risks, such as the breakdown or failure of equipment, performance below expected levels of output or efficiency, obsolescence, labor disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks at any of our locations could adversely affect our operating results. Although precautions are taken to minimize the risk of any significant operational issues at our facilities.

11. Our business is dependent on our continuing relationships with our customers, with whom we have not entered into long term arrangements.

We do not have long term arrangements with our customers to purchase our products and services in the future, at the current prices or at all. There is no assurance that we will be able to maintain historic levels of business from the existing customers or to retain existing customers, or that we will be able to replace our customer base in a timely manner or at all, in the event our existing customers do not continue to purchase products manufactured by us at the same rate as in the past or at all. Such loss of customers or customer orders may have an adverse effect on our revenues, cash flows and operations, including an interruption or partial or total work stoppage at our manufacturing facilities.

EXTERNAL RISK FACTORS

1. Our business is dependent on economic growth in India.

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements viz. export demand and movements in key imports (oil and oil products), and annual rainfall which affects agricultural production. For example, in the monsoon of 2009 several parts of the country experienced below average rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries including the power generation and power generation equipment manufacturing sector. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

2. Government policies have a bearing on our performance.

The performance of our company depends, to a large extent, upon the Government policies on manufacturing sector. Any change in government policies or reallocation of the government budget away from manufacturing sector could impact our business prospects.

2. A slowdown in economic growth in India could cause our business to suffer.

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

3. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares are listed and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, making travel and other services more difficult and ultimately adversely affecting our business. India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves higher degree of risk and could have an adverse impact on our business.

4. Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business.

Our performance may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. The business of our Company may be affected by changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. A significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally, and our business in particular, if new restrictions on the private sector are introduced or if existing restrictions are increased.

SECTION III – INDUSTRY OVERVIEW

You should read the following summary together with the risk factors and the more detailed information about us and our financial results beginning on page no. 15 in this Information Memorandum.

Overview of Indian Economy:

On the heels of China posting its lowest GDP growth rate in almost 25 years, the International Monetary Fund released an update to its World Economic Outlook report predicting that India's economy will overtake China in terms of its annual growth rate by 2016. The IMF released estimates predict that India's economy will grow at 6.3 and 6.5 percent respectively over the next two years. This puts India's projected growth in 2016 ahead of the organization's estimates for China (which stand at 6.8 and 6.3 percent for 2015 and 2016, respectively), leaving India the fastest growing major emerging economy in the world. The IMF's projections represent a substantial increase from the actual growth rates of the Indian economy in 2013 and 2014, when the economy grew by 5 and 5.8 percent respectively. The IMF's World Economic Outlook (WEO) projects global economic growth at 3.5 and 3.7 percent in 2015 and 2016 respectively.

The IMF's reasoning is based primarily on high expectations for Indian Prime Minister Narendra Modi, who has been in office for almost 8 months after winning May 2014's general election. Gian Maria Milesi-Ferretti, deputy director of the IMF's Research Department, told the *Times of India* that the "reform plans of the new prime minister are promising." However, Milesi-Ferretti cautioned that the implementation of Modi's planned economic reforms will be "key." The prime minister's first eight months in office have resulted in modest attempts at economic reform, but have fallen short of the expectations of many observers. Most notably, Modi has taken concrete steps to make manufacturing a greater proportion of India's GDP (primarily via his "Make in India" initiative).

Global factors also look promising for the Indian economy. For example, the ongoing slump in world oil prices will stimulate the Indian economy by freeing up capital for other uses, including investment in infrastructure and public services. India is a major importer of oil. Despite the positive expectations surrounding the Indian prime minister's economic reform initiatives and favourable external factors, the Indian economy still suffers from negative factors. The new Indian government, despite its overwhelming legislative mandate, has found it difficult to dismantle older regulations that make India an unfavourable or excessively risky investment destination. For example, the Modi government has done little to attract investors by alleviating the negative effects of unlimited liability clauses for foreign suppliers, lax patent rules, and generally cumbersome government bureaucracy — factors that remain from India's previous Congress-led government.

The IMF's recent estimates are similarly supported by the United Nations World Economic Situation and Prospects (UN WESP) report, which noted that India will post a "smart recovery" in 2015. The report nonetheless was less bullish than the IMF's 2015 estimate for India, placing growth at 5.9 percent. The UN WESP's 2016 prediction is in line with the IMF's estimate. (Source: Indian Diplomat)

Overview of the Manufacturing Industry:

With the launch of the Make in India campaign, and its stated intention of eliminating obstacles in areas such as land acquisition, infrastructure bottlenecks, labor regulation, licensing and taxation, the Indian government has set a clear objective of enabling India to become a global manufacturing hub in the years ahead. Achieving this objective will not be easy, and it is important to understand the challenges being faced by Indian manufacturing businesses as they globalize their operations and face up to international competition.

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 labor force. Growth in the sector has 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.

The growth concerns remain significant with GDP growth staying sub-5 per cent for seven successive quarters and index of industrial production (IIP) growth stagnating for two successive years. Third, though a negative output gap has prevailed for long, there is clear evidence that potential growth has fallen considerably with high inflation and low growth. This means that monetary policy needs to be conscious of the impact of supply-side constraints on long-run growth, recognizing that the negative output gap may be minimal at this stage.

SECTION – IV – BUSINESS OVERVIEW

CAPCO INDUSTRIES LIMITED is Manufacturer of fabricated tanks which are used for Fuel and Hydraulic oil for equipment's of construction, automotive, agricultural and engineering industries. Established in 2007, is being trusted by major industry players. The company, expertise's as a value-added service provider since its inception and having customer-focused approach and the continuous quest for world-class quality.

Basically, CAPCO is an end-to-end provider of custom made sheet metal parts for construction, automotive, and engineering industries. The company's main manufacturing plant spans over a 90,000 square-foot state-of-the-art fabrication facility with a 25 foot clearance height.

CAPCO has become a trusted partner among major industry players. The company's expertise and experience position it as a value-added service provider. CAPCO's remarkable portfolio shows the company's commitment to delivering results in a timely and cost-effective manner. For example, as a testament to CAPCO performance and success, the company was presented with an International Arch of Europe award of quality at Frankfurt Germany by business initiative direction (BID).

CAPCO is one of the premier providers of high quality metal fabrications in INDIA. Our fully integrated facility has processing capabilities that allow us to handle all aspects of your fabrications needs from the component level to 10-ton assemblies. CAPCO provides the capabilities and skills necessary to create a multitude of metal components, weldments and full assemblies.

CAPCO'S main fabrication plant is conveniently located in Pithampur Madhya Pradesh India, adjacent to dry port and highway, providing fast and easy access to main transportation corridors. The company offers design-build services for fabrication of complex engineering parts and assemblies. Over the years, the company has acquired a significant line of CNC fabrication equipment. These include CNC press break, CNC plasma cutting machine and a paint booth with gas fired oven for painting. Capco is certified by ISO 9001-2008. It is also a member of CII.

We understand that the success of your products depends on our ability to deliver reliable engineering design and quality products. That is why our in house multidisciplinary engineering team designs and develops the products to suit your exact requirement within the stipulated time frame. Our design engineers are proficient in using the latest CAD programs such as Solidedge, Autocad, Pro-e, etc.

Our production team has years of experience in the manufacturing of sheet metal components and assemblies and has successfully completed execution of various custom made products. We offer comprehensive design-build engineering services and have completed numerous large design products.

THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION IS:

To carry on the business of all types of assemblies, parts, spare parts, intermediaries, implements, instruments, equipments, structures, components, fittings, fixtures, stands, pipes, flats, bars, strips, sheets, square, rounds, sections, shapes, joints, rods, frames, tools, jits, moulds, doles, machines, machine parts, tools, engines, engine parts, motors, motor parts, vehicle parts, gears, batteries, glasses, lamps, springs, nuts, bolts, screws, rims, wheels, bearings, cylinders, silencers, mufflers, buffers, tanks, chassis, bodies, wires, windows, doors, designs or any other items required or used in automobile, transportation, mechanical, engineering, fabrication, electrical, industrial, agricultural, furniture, communication, electronic or any other business/industry whether as traders, buyers, sellers, manufacturers, producers, processors, finishers, agents, stockiest, distributors, dealers, importers, exporters, operators, users, engineers, fabricators, formulators, developers, contractors, sub-assemblers, consultants, packers, re-packers, re-packers, and/or in any capacity in which the business is ordinarily carried on.

The company's main manufacturing plant spans over a 41,575 sq. ft. with state-of-the-art fabrication facility.

CAPCO INDUSTRIES LIMITED remarkable portfolio portrays its commitment to deliver results in a timely and cost-effective manner.

Company's Vision

"Our vision is to create a socially responsible environment where trust, innovation and excellence will be key in offering the our products fuel /hydraulic oil tanks".

Corporate Mission

"To produce world class quality of products using world class manufacturing technology and become the leader in manufacturing of our products for international market".

Our Values

Our values serve as a compass for our actions and decisions, by which we wish to make our vision a reality.

- Safety of the employees
 - Abide by all Government rules and regulations
 - Equal job opportunities to all deserving candidates
 - No to child labour
 - Secure job conditions and a friendly work environ
 - Encouraging employees for better education of their children and better health.
-
- Trust
 - Respect
 - Responsibility
 - Excellence

Business Principle

- Sense of urgency
- Continual improvement / innovation
- Consistency

Business Type and Area

- **Manufacturer /Supplier**

Type of industry served

- **Automotive**
- **Construction Equipment**
- **Agriculture**
- **Engineering**
- **Institutions**

Site area : 41575sq.Fts.
Floor area : 5000 sq. fts.
Man power strength : 15 Nos.
Production capacity : 6000 Nos.
Turnover : INR 1 Crores

Product Range

Fuel Tanks : 3000 Nos. Annually

Hydraulic tanks : 3000 Nos. Annually

Associate Company : **Chetak Auto Engineering Products Company Private Limited**
The Company presently engaged in the field of manufacturing and supply of portable cabins and utility cabins since 1996.





Intellectual Property:

Presently, we do not own any patent or trademarks patents, licenses and franchises

Working Capital

As on March 31, 2014 our working capital comprised of the following:

(Amount in Rupees)

Particulars	March 31, 2014	March 31, 2013
A. Current assets		
(a) Inventories	17,39,280	6,00,000
(b) Trade receivables	22,64,767	3,17,736
(c) Cash and cash equivalents	24,173	9,877
(d) Short-term loans and advances	8,41,169	11,47,573
(e) Other current assets	-	-
Total (A)	48,69,388	20,75,186
B. Current Liabilities		
(a) Short-term borrowings	70,22,467	32,91,878
(b) Trade payables	17,89,222	19,15,593
(c) Other current liabilities	90,078	-
(d) Short-term provisions	2,18,755	40,069
Total (B)	91,20,522	52,47,540
Working Capital (A - B)	(42,51,134)	(31,72,354)



Research & Development Activities

The group has dedicated Research and Development department for innovative products in the same line of business.

Sources and availability of raw materials

The Company having different supplier for providing Raw Material & there is no scarcity for availability of Raw Material. The Company has number of vendors located near the manufacturing facility.

Competitive Strengths

The Promoters of the Company have been in this line of business since more than one and half decade and having exposure in export of similar items. They are also having good business relations with various OEM'S.

Competition

In view of manufacturing industry in India, all companies in this line are having sufficient work. The products of the Company are well accepted in the market.

Our Strategy

The Company aims for quality work and timely Completion of orders.

Human Resources:

The Company has adequate human resources in line with its requirement.

FINANCIAL INFORMATION

The audited financial information of the Company comprising of the Balance Sheet, Profit & Loss Account, Cash Flow Statement along with the notes to accounts for the fiscal 2013-2014 is provided below:-

A. Balance Sheet as at 31st March, 2014

(Amounts in Rupees)

Particulars	Notes	As At 31 st March, 2014	As At 31 st March, 2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	9,50,000	9,50,000
(b) Reserves and Surplus	3	25,63,178	17,23,701
(c) Money received against share warrants			
(2) Share application money pending allotment		-	11,14,460
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	42,49,996	57,95,452
(b) Deferred Tax Liability/Assets	5	2,11,809	-
(4) Current Liabilities			
(a) Short-term borrowings	6	70,22,467	32,91,878
(b) Trade payables	7	17,89,222	19,15,593
(c) Other current liabilities	8	90,078	-
(d) Short-term provisions	9	2,18,755	40,069
Total		1,70,95,505	1,48,31,154
II.Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	10	1,22,26,117	1,27,55,968
(ii) Capital work-in-progress		-	-
(2) Current assets			
(a) Inventories	11	17,39,280	6,00,000
(b) Trade receivables	12	22,64,767	3,17,736
(c) Cash and cash equivalents	13	24,173	9,877
(d) Short-term loans and advances	14	8,41,169	11,47,573
(e) Other current assets		-	-
Significant Accounting Policies			
Total	1	1,70,95,505	1,48,31,154

B. Statement of the Profit and Loss for the period ended 31st March, 2014
(Amounts in Rupees)

Particulars	Note No	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period(Rs.)
I. Revenue from operations	15	1,06,29,191	46,68,199
II. Other Income	16	5,59,128	5,15,209
III. Total Revenue (I +II)		1,11,88,320	51,83,408
IV. Expenses:			
Cost of materials consumed	17	44,18,304	33,39,215
Purchases for trading concern		29,08,311	-
Changes in inventories of finished goods		-	-
Employee benefit expense	18	4,69,703	1,82,596
Financial costs	19	12,50,205	15,23,755
Depreciation and amortization expense		5,29,851	5,29,851
Other expenses	20	5,60,660	2,22,552
IV.Total Expenses		1,01,37,034	57,97,969
V. Profit before exceptional and extraordinary items and tax	(III - IV)	10,51,286	(6,14,561)
VI. Exceptional Items			-
VII. Profit before extraordinary items and tax (V - VI)		10,51,286	(6,14,561)
VIII. Extraordinary Items			-
IX. Profit before tax (VII - VIII)		10,51,286	(6,14,561)
X. Tax expense:			
(1) Current tax		2,00,323	-
(2) Deferred tax		2,11,809	
(3) MAT Credit Entitlement		(2,00,323)	
XI. Profit(Loss) from the period from continuing operations	(IX-X)	8,39,477	(6,14,561)
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			-
Transfer to reserve u/s 45 IC			
XV. Profit/(Loss) for the period (XI + XIV)		8,39,477	(6,14,561)
XVI. Earning per equity share:			
(1) Basic		8.84	0.00
(2) Diluted			

C. Statement of the Cash Flow for the period ended 31st March, 2014
(Amounts in Rupees)

Particulars	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period(Rs.)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	1,051,286	
Adjustments for:		
Depreciation	529,851	
Interest & Finance Charges	1,250,205	
Interest on Deposit	(12,923)	
	1,767,133	
Operating Profit before Working Capital Changes	2,818,419	
Adjustments for:		
Decrease/(Increase) in Receivables	(1,640,627)	
Decrease/(Increase) in Inventories	(1,139,280)	
Increase/(Decrease) in Payables	3,872,982	
	1,093,075	
Cash generated from operations	3,911,494	
Income Tax paid	-	
Net Cash flow from Operating activities		3,911,494
B CASH FLOW FROM INVESTING ACTIVITIES		
Interest on Deposit	12,923	
Net Cash used in Investing activities		12,923
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment Long term Borrowings	(1,545,456)	
Repayment of Share Application Money	(1,114,460)	
Interest paid	(1,250,205)	
Net Cash used in financing activities		(3,910,121)
Net increase in cash & Cash Equivalents (A+B+C)		14,296
Cash and Cash equivalents as at 01.04.2013		9,877
Cash and Cash equivalents as at 31.03.2014		24,173
Cash & Cash Equivalents	As on	
	31.03.2014	31.03.2013
Cash in Hand	15,213	805
Cash at Bank	8,960	9,072
Cash & Cash equivalents as stated	24,173	9,877

Notes to the Financial Statements

NOTE : 2	SHARE CAPITAL	
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
-		
Authorized		
1,00,000 Equity Shares of ` 10 each	10,00,000	10,00,000
Issued		
95,000 Equity Shares of ` 10 each	9,50,000	9,50,000
Subscribed & Paid up		
95,000 Equity Shares of ` 10 each fully paid up	9,50,000	9,50,000
Total	9,50,000	9,50,000
NOTE : 3	RESERVES & SURPLUS	
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
A. Securities Premium Account		
Opening Balance	34,00,000	34,00,000
Add : Securities premium credited on Share issue	-	-
Closing Balance	34,00,000	34,00,000
B. Surplus		
Opening balance	(16,76,299)	(10,61,738)
(+) Net Profit/(Net Loss) For the current year	8,39,477	(6,14,561)
(+) Central Subsidy Received for DIC	-	-
Closing Balance	(8,36,822)	(16,76,299)
Total	25,63,178	17,23,701
NOTE : 4	LONG TERM BORROWINGS	
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Secured Loan		
Canra Bank Term Loan	42,49,996	57,95,452
Total	42,49,996	57,95,452
NOTE: 5	DEFERRED TAX ASSETS/ LIABILITIES	
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.

Deferred tax liability		
Opening Balance	-	-
Add: Deferred Tax liability for the year	2,11,809	-
Less: Reversal of DTL	-	-
Add: Deferred Tax Asset for the year	-	-
Less: Reversal of DTA	-	-
Total	2,11,809	-

NOTE : 6		
SHORT TERM BORROWINGS		
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
-		
Canra Bank (CC A/c)	36,14,007	32,91,878
G. S. Juneja	15,53,000	-
P. Juneja	2,00,000	-
J.S. Saluja	5,01,000	-
JyotiSaluja	9,92,460	-
R. S. Juneja	50,000	-
S. S. Juneja	18,000	-
Security Deposit	94,000	-
Total	70,22,467	32,91,878

NOTE : 7		
TRADE PAYABLES		
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Creditors for Contract	85,974	13,842
Creditors for Raw Material	13,14,305	7,96,667
Creditors for Job Work	47,681	735
Others	1,40,920	77,015
Debtors with Credit Balances		
Debtors for Job Work	2,00,340	10,27,335
Total	17,89,222	19,15,593

NOTE : 8		
OTHER CURRENT LIABILITIES		
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Prof Tax Payable	2,500	-
Legal & Professional Fees Payable	25,000	-

S&H Ed Cess Payable 23A Part II	2,234	-
Salary Payable	60,344	-
Total	90,078	-
NOTE : 9		
SHORT TERM PROVISIONS		
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Muchhal & Gupta	16,854	9,550
TDS Payable to Contractor	1,578	28,947
C.S.T Payable	-	1,572
Provision for IT	2,00,323	-
Total	2,18,755	40,069
NOTE : 11		
INVENTORIES		
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Raw Material & Consumables	11,92,280	3,60,000
Semi Finished Goods	5,47,000	2,40,000
Total	17,39,280	6,00,000
NOTE : 12		
TRADE RECEIVABLES		
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Debtors For Sales	22,19,519	3,17,736
<u>Creditors with Debit Balances</u>		
Creditors for Contract	24,839	-
Creditors for Raw Material	17,471	-
Others	2,938	-
Total	22,64,767	3,17,736
Note : 13		
CASH & CASH EQUIVALENTS		
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
CANARA BANK (3025201003828)	8,960	9,072
b. Cash in hand	15,213	805

Total	24,173	9,877
NOTE : 14	SHORT TERM LOANS & ADVANCES	
Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Advances		
T.D.S. (A.Y. 2009-10)	25,071	25,071
T.D.S. (A.Y. 2010-11)	6,848	6,848
T.D.S. (A.Y. 2011-12)	6,734	6,734
T.D.S. (A.Y. 2012-13)	18,689	18,689
T.D.S. (A.Y. 2014-15)	57,300	-
Service Tax Receivable	31,569	31,249
MAT Receivable	2,00,323	-
Education Cess(pur)50%	3,201	11,670
Exice Duty RG23-Part II A 50%	56,057	4,67,595
VAT Receivable	95,814	3,05,178
Excise Duty (Trading)	52,016	-
(b) Deposits		
GOVERNMENT DEPOSITS		
M.P.A.K.V.N (DEPOSIT) (WATER)	1,500	1,500
M.P.P.K.V.V.N Co. Ltd (DEP)(ELEC)	1,50,000	1,50,000
Sales Tax Dept. (Deposit)	5,000	5,000
M.P.A.K.V.N. (DEPOSIT)(LEASE RENT)	70,104	70,104
(c) Prepaid Expenses		
Lease Rent	39,222	26,216
Prepaid Insurance	21,720	21,720
Total	8,41,169	11,47,573

NOTE 15		
Revenue from operations		
Job Work	14,39,764	9,87,309
Sales	60,90,452	36,80,890
Trading Sales	30,98,975	-
Total	1,06,29,191	46,68,199
Note 16		
Other Income		
Interest Subsidy	5,32,394	4,93,270
Interest on MPPKVVN Deposit	12,923	9,825
Rate, Difference & Discount	13,811	12,114
Total	5,59,128	5,15,209
Note 17		



Cost of materials consumed		
Opening Stock		
Opening Raw Material & Consumables (3,60,000)		
Opening Semi Finished Goods (2,40,000)		
	6,00,000	2,74,300
Add :- Purchase during the year		
Auto Electrical	-	2,219
Auto Parts	12,60,553	4,15,883
Chemicals	-	11,520
Entry Tax	6,040	-
Electricity Expenses	3,83,922	3,75,916
Freight & Cartage	18,059	-
Gas	2,14,675	-
Hammali	-	116
Hardware	13,061	7,129
Job Work (Inside)	9,07,888	2,26,097
Auto Components	2,43,698	3,96,633
Packing Material	61,168	9,221
Packing Charges (Inward)	8,030	-
Plastic	-	143
Paint	4,38,046	3,62,323
Pipes & Tubes	12,596	-
Rubber	9,284	1,102
Sheet & Plate	17,04,404	13,59,920
Wages	-	83,778
Water Charges	56,376	12,551
Consumables	2,19,784	4,00,365
Closing Stock		
Closing Raw Material & Consumables (11,92,280)		
Closing Semi Finished Goods (5,47,000)	17,39,280	6,00,000
Total	44,18,304	33,39,215
Note 18		
Employee benefit expense		
Salary	4,69,703	1,82,596
Total	4,69,703	1,82,596
Note 19		
Financial costs		
Bank Charges	30,818	1,461
Interest Expenses	12,19,387	15,22,238
Penalty on Interest	-	56
Total	12,50,205	15,23,755
Note 20		
Other expenses		
CST	1,61,578	1,164
Discount	-	5,101
Factory General Expenses	13,018	7,607



General Services	6,346	-
Job Work (Outside)	95,930	22,877
Labor Charges	-	400
Professional Tax	2,500	-
Repair & Maintenance	-	4,204
Interest on TDS	150	-
Conveyance Expenses	26,575	-
Festival Expenses	14,450	-
Auditor's Remuneration:		
Statutory Audit	11,236	9,550
Tax Audit	5,618	-
Prior Period Expense	-	800
Consultancy & Other Services	6,000	6,000
Filing Fees	2,000	1,500
Insurance	28,960	7,240
Lease Rent	78,131	34,953
Computer Expenses	850	700
Legal & Professional	35,657	4,400
License Fees & Rates & Taxes	10,115	25,200
Printing & Stationery	6,072	3,950
Property tax	12,704	12,845
Sales Promotion Expenses	153	-
Security Charges	-	29,873
Rate And Difference	2,823	-
Telephone Expenses	6,362	9,887
Recruitment Expenses	-	18,150
Travelling Expenses (Others)	3,000	2,750
Freight & Cartage (Outward)	25,000	8,176
Tea & Refreshment	5,431	5,225
Total	5,60,660	2,22,552

PARTICULARS	Rate of Depreciation	Gross Block			Accumulated Depreciation			Net Block	
		Balance as at 1 April 2013	Additions/ (Disposals)	Balance as at 31 March 2014	Balance as at 1 April 2013	Depreciation charge for the year	Balance as at 31 March 2014	Balance as at 1 April 2013	Balance as at 31 March 2014
Land (Lease Hold) & Land Development	0%	16,17,439		16,17,439	-	-	-	16,17,439	16,17,439
Factory Building	3.34%	29,83,666		29,83,666	1,47,037	99,654	2,46,691	28,36,629	27,36,975
Plant & Machinery	4.75%	82,53,396	-	82,53,396	5,76,161	3,92,036	9,68,197	76,77,235	72,85,199
Electrical installation	4.75%	5,17,432	-	5,17,432	36,259	24,578	60,837	4,81,173	4,56,595
Furniture & Fixture	6.33%	59,051		59,051	5,515	3,738	9,253	53,536	49,798
Office equipment	4.75%	60,256		60,256	3,866	2,862	6,728	56,390	53,528
Computer	16.21 %	43,073		43,073	9,507	6,982	16,489	33,566	26,584
			-						
Total		1,35,34,313	-	1,35,34,313	7,78,345	5,29,851	13,08,196	1,27,55,968	1,22,26,117

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS FOR PREPARATION OF FINANCIAL STATEMENT: -

The Financial Statements have been prepared under the historical cost Convention in accordance with applicable accounting standards except where otherwise stated. Accounting policies not specifically referred to are consistent with Generally Accepted Accounting Principles (GAAP). The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except where otherwise stated.

2. REVENUE RECOGNITION:-

Expenses and income considered payable and receivable respectively have been accounted for on accrual basis, Where the ability to assess the ultimate collection with reasonable certainty is lacking at the time of raising any claim. Revenue recognition is postponed to the extent of uncertainty involved.

3. FIXED ASSETS:-

Fixed assets are stated at cost of acquisition inclusive of freight, duties, taxes and incidental expenses thereto less depreciation.

4. DEPRECIATION:-

Depreciation has been charged as per Companies Act, 1956 at Written down Value method at rates and in the manner specified in schedule XIV of the Companies Act, 1956.

5. CONTINGENCIES:-

No contingencies liability has been provided during the year.

6. CURRENT ASSETS, LOANS & ADVANCES:

In the opinion of the Board, Current Assets, Loans & Advances have a value of realization in the ordinary course of business at least equal to the amount at which they are stated.

7. PREVIOUS YEAR FIGURES:

Previous year's figures are regrouped and rearranged, wherever considered necessary.

8. GRATUITY & RETIREMENT BENEFITS:

No provision for gratuity liability has been made under the payment of Gratuity Act, 1972, as no employee has attained the prescribed years of service.

9. DEFERRED TAX ASSETS / LIABILITIES:

Deferred Taxes on Income in accordance with Accounting Standard 22 as issued by the Institute of Chartered Accountants of India have been recognized. Deferred Tax Liability amounting to Rs. 2, 11,819/- is created during the period.

10. EARNING PER SHARE:

Particulars	Current Year	Previous Year
Profit after Tax	8,39,477/-	(614561)
No. of Equity Shares Rs. 10 each	95,000	95,000
Earnings Per Share	8.84	0.00

1. CAPITAL STRUCTURE

The share Capital of the Company and the related information as at the date of this Information Memorandum is set forth below.

S. No	Particulars	Amount (Rs.)
A.	Authorized Capital	
	5,00,000 equity shares of face value of Rs. 10/- per share	50,00,000
B.	Issued, Subscribed and Paid-Up Share Capital	
	3,32,500 equity shares of face value of Rs. 10/- fully paid up	33,25,000

The securities premium account of the Company is set forth as under:

Date	Particulars	Share Premium	Cumulative Share Premium
		Nil	

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

NAME OF SHAREHOLDERS	AMOUNT AS AT Date		AMOUNT AS AT 31.03.2014	
	NO. OF SHARES HOLD	% OF SHARES HOLD	NO. OF SHARES HOLD	% OF SHARES HOLD
Mr. Tanishqu Saluja	1,05,000	31.58%	30,000	31.57%
Mr. Jagdish Singh Saluja	1,04,300	31.37%	29,800	31.37%
Mr. Gurbhej Singh Juneja	72,030	21.66%	20,680	21.77%
Mrs. Paramjeet Juneja	32,620	9.81 %	9,320	9.81 %
Mr. Rupendra Singh Juneja	17,500	5.26 %	5,000	5.26 %

Notes to Capital Structure:

(I) Details of Capital Structure of the Company since inception are as follows:

Date of Allotment	No. of Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of Allotment (Bonus, swap etc.)	Cumulative no. of equity shares	Cumulative Paid-up Capital (Rs.)
04.10.2007	10000	10	10	Cash	Cash	10000	1,00,000
25.11.2010	55680	10	10 + 40 (Including Premium of Rs. 40/- per share)	Cash	Cash	65680	6,56,800
20.04.2011	19000	10	10 + 40 (Including Premium of Rs. 40/- per share)	Cash	Cash	84680	8,46,800
30.11.2011	10320	10	10 + 40 (Including Premium of Rs. 40/- per share)	Cash	Cash	95000	9,50,000
05.03.2015	237500	10	Bonus	Bonus	Bonus	332500	33,25,000

(II) Shareholding of our Promoters:

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

Mr. Gurbhej Singh Juneja						
Date of Allotment / Transfer	Consideration Issue /	No. of Equity Shares	Face value per Share (Rs.)	Acquisition / Transfer price (Rs.)	Nature of Transactions	Shareholding%
04.10.2007	Cash	5000	10	10	First Subscription	50%
25.11.2010	Cash	9780	10	489000	Allotment	17.56%
20.04.2011	Cash	5900	10	295000	Allotment	31.05%
17.01.2015	Cash	(100)	10	1000	Transfer	-
05.03.2015	Bonus	51450	10	-	Bonus	21.66

Mrs. Paramjeet Juneja						
Date of Allotment / Transfer	Consideration Issue /	No. of Equity Shares	Face value per Share (Rs.)	Acquisition / Transfer price (Rs.)	Nature of Transactions	Shareholding %
25.11.2010	Cash	2400	10	120000	Allotment	4.31%
20.04.2011	Cash	3100	10	155000	Allotment	16.31%
30.11.2011	Cash	3820	10	191000	Allotment	37.01%
05.03.2015	Bonus	23300	10	-	Bonus	9.81%

Mr. Jagdish Singh Saluja						
Date of Allotment / Transfer	Consideration Issue /	No. of Equity Shares	Face value per Share (Rs.)	Acquisition / Transfer price (Rs.)	Nature of Transactions	Shareholding %
25.11.2010	Cash	13300	10	665000	Allotment	23.89%
20.04.2011	Cash	10000	10	500000	Allotment	52.63%
30.11.2011	Cash	6500	10	325000	Allotment	62.98%
05.03.2015	Bonus	74500	10	-	Bonus	31.37%

(III) Statement showing Share Holding Pattern of CAPCO INDUSTRIES LIMITED as per clause 34 of Listing on Institutional Trading Platform

Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of shares held in dematerialized form (V)	Total shareholding as a % of total number of shares (VI)	Shares Pledged or otherwise encumbered	
						Number of Shares (VII)	As a % (VIII)= (VII)/(IV)*100
(A)	Promoter and Promoter Group						
(1)	Indian						
(a)	Individuals/ Hindu Undivided Family	7	3,32,500	-	100.00%	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-
	Sub-Total (A)(1)	7	3,32,500	-	-	-	-
(2)	Foreign						
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7	3,32,500	-	100.0 %	-	-
(B)	Public shareholding						
(1)	Institutions						
(a)	Mutual Funds/UTI	-	-	-	-	-	-
(b)	Financial Institutions/ Banks	-	-	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-	-	-
(d)	Alternate Investment Funds / Venture Capital Funds	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-
(h)	Any Other –Merchant Banker	-	-	-	-	-	-

	Sub-Total (B)(1)	-	-	-	-	-	-
(2)	Non- institutions	-	-	-	-	-	-
(a)	Bodies Corporate	-	-	-	-	-	-
(b)	Individuals	-	-	-	-	-	-
(c)	Qualified Foreign Investors	-	-	-	-	-	-
(d)	Any Other	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)						
	TOTAL (A)+(B)	7	3,32,500	-	100 %	-	-

(IV) Statement showing Shareholding of persons belonging to the category “Promoter and Promoter Group”

Sr. No.	Name of Shareholder	Details of Shares Held	Shares pledged or otherwise encumbered
1.	Mr. Tanishqu Saluja	1,05,000	Nil
2.	Mr. Jagdish Singh Saluja	1,04,300	Nil
3.	Mr. Gurbhej Singh Juneja	72,030	Nil
4.	Mrs. Paramjeet Juneja	32,620	Nil
5.	Mr. Rupinder Singh Juneja	17,500	Nil
6.	Mr. Surinderjeet Saluja	700	Nil
7.	Master Rashil Juneja	350	Nil
	Total	3,32,500	Nil

(V) Statement showing Shareholding of persons belonging to the category “Public “and holding more than 1 % of the total number of shares

Sr. No.	Name of Shareholder	Number of shares	Shares as a %of total number of shares
1.	Nil		
	Total	Nil	

(VI) Statement showing details of locked-in shares

Sr. No.	Name of Shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares
1.	Nil		

PROPERTY

Description of Properties of the Company is set forth below.

Owned Property:

Nil

Leased Property

The company has leased the following premises:

Factory Office : 244-245, Sector 3, Pithampur, Dist. Dhar, M.P
Area : 41575 Sq. Fts.

Intellectual Property : Presently, we do not own any patent or trademarks.

SECTION V – SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information concerning the beneficial ownership of our shares of by each person known by us to be the beneficial owner (In case different from registered owner) of the issued and subscribed capital.

Class / Type of Securities	Name and Address of Beneficial Owner	Amount and nature of beneficial ownership	Percent
Equity Shares	Nil	N.A.	N.A.

SHAREHOLDERS AGREEMENTS


Our Company has not entered into any shareholders agreement as on date of this Information Memorandum.

SECTION VI - OUR PROMOTERS

The promoters of our Company are:


1. Mr. Gurbhej Singh Juneja

Brief PROFILE

	G .S. Juneja Founder and Managing Director of CAPCO group of companies' is a production engineer (B.E of 1989 Batch, VI in merit list of Pune university). After graduation he worked in four different companies for the period of seven years at managerial cadre and 1996 he started manufacturing unit for operators cabin by acquiring a sick unit, with continuous expansion of this unit he has added one more factory in 2007 for manufacturing of fuel and hydraulic oil tanks. He has taken business training at Japan (2010) and Germany (2010). Having vision for growth of the company. He has been awarded at various platforms in India and Abroad for his contribution for economical growth of the country. Some of the awards are Hind Rattan award at London (2008) and Rashtrya Udyog Award in India.
Personal addresses	123 Rani Bagh Main, Khandwa Road, Opp imperial School ,Indore M.P.
Adhar card number	8457 2491 7091
Driving License Number	MP09-2009-0245192
Passport Number	F2329566
PAN	ABAPJ3081D

2. Mrs. Paramjeet Juneja

Brief PROFILE

	Mrs. Paramjeet Juneja is Director of CAPCO Industries .She is a graduate in science from Ujjain university and she also holds a degree for M Phil, PhD. She has worked with higher education department in MP government for 13 years and after pre-retirement she worked in industry for the period of 7 years at senior position .She has taken business management training at Japan (2011) and Germany (2013). She is primarily responsible for corporate administration, corporate image and relationship.
Personal addresses	123 Rani Bagh Main, Khandwa Road, Opp imperial School ,Indore M.P.
Adhar card number	6784 6814 0667
Passport Number	L8989509

SECTION VII—OUR MANAGEMENT

Under our Articles of Association, our Company is required to have not less than 3 Directors, subject to of the Companies Act, 2013. Currently, our Company has 4 Directors. The composition of the Board of Directors is governed by the provisions of the Companies Act and the Listing Agreements entered into by our Company with the Stock Exchange and the norms of the code of corporate governance as applicable to listed companies in India.

Board of Directors

As on the date of this Information Memorandum, our Board comprises of:

Name / DIN No./ PAN No. / Age	Date of Appointment	Tenure	Designation	Address	Directorship in other Companies
Mr. Gurbhej Singh Juneja DIN. 00640235 PAN ABAPJ3081D Age: 48 Years	04.10.2007	Five Years	Managing Director	123, Rani Bagh, Limbodi, Khandwa Road, Indore, 452017, Madhya Pradesh	Chetak Auto Engineering Products Company Private Limited Chetak Autocraft Private Limited
Mrs Paramjeet Juneja DIN. 03507683 PAN AEXPS8075E Age 46 Years	25.04.2011	Retire by Rotation	Director	123, Rani Bagh, Limbodi, Khandwa Road, Indore, 452017, Madhya Pradesh	Chetak Auto Engineering Products Company Private Limited
Dr. Mukesh Kumar Chadha DIN. 07112163 PAN ADUPS9474K Age 55 Years	02.03.2015	Three Years	Independent Director	103 – A Kanchan Residency, 70-76 Paliwal Nagar Nr. Gajanan Nagar, Indore – 452 018	
Mr. Sasikanth Ramananda Prabhu DIN. 02970491 PAN. AFDPP1320A Age 62 Years	02.03.2015	Three years	Independent Director	Goshri Mangal, Cherthala, Thuravoor, Kerala - 688532, India	Van League Automations Solutions Private Limited

Brief Profile of the Directors:

A Brief profile of Directors is provided under the section titled "Our Promoter" beginning on Page no. 36 of this information Memorandum.

NATURE OF FAMILY RELATIONSHIP AMONG DIRECTORS

Mrs. Paramjeet Juneja is wife of Mr. Gurbhej Singh Juneja

TERMS OF APPOINTMENT OF OUR DIRECTORS

Mr. Gurbhej Singh Juneja is Managing Director having tenure of 5 years and Mrs. Paramjeet Juneja are Directors of CAPCO INDUSTRIES LIMITED and are liable to retire by rotation, being eligible for re-appointment at the forthcoming Annual General Meeting.

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

NON – EXECUTIVE DIRECTORS

Non-executive Directors will be paid sitting fees or any other kind of remuneration as per provisions of Companies Act, 2013.

Corporate Governance:

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

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

Currently our Board of Directors has Four (4) Directors.

Audit Committee

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Clause 42 of the Listing Agreement to be entered with Stock Exchange, vide resolution passed in the meeting of the Board of Directors held on 02ND March, 2015.

The terms of reference of Audit Committee complies with the requirements of Clause 42 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises following three (3) directors. Mr. Sasikanth Ramananda Prabhu is the Chairman of the Audit Committee.

Composition of Audit Committee

Names of the Director	Designation in the Committee	Nature of Directorship
Mr. Sasikanth Ramananda Prabhu	Chairman	Independent Director
Dr. Mukesh Kumar Chadha	Member	Independent Director
Mr. Gubhej Singh Juneja	Member	Shareholder Director

Ms. Shreya Gandhi, is the Secretary of the Committee.

Role of Audit Committee

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

1. To investigate any activity within its terms of reference.
2. To seek information from any employee
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise if it considers necessary
5. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial information is correct, sufficient and credible.
6. Recommending to the Board of Directors, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
8. Reviewing, with the management, the annual financial statements before submission to the Board of Directors for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Director's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments arising out of audit.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
9. Reviewing, with the management, the half-yearly financial statements before submission to the Board of Directors for approval.
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue.
11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
13. Discussion with internal auditors any significant findings and follow up there on.
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors.
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
17. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
19. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

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

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

Our Company has constituted a Shareholders/Investors Grievance committee ("Shareholders/Investors Grievance Committee"), as per the provisions of Clause 42 of the Listing Agreement to be entered with Stock Exchange, vide resolution passed in the meeting of the Board of Directors held on 02nd March, 2015.

The terms of reference of Shareholders/Investors Grievance Committee complies with the requirements of Clause 42 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. Mr. Sasikanth Ramananda Prabhu is the Chairman of the Shareholders/Investors Grievance Committee. The committee presently comprises of the following directors:

Names of the Director	Designation in the Committee	Nature of Directorship
Mr. Sasikanth Ramananda Prabhu	Chairman	Independent Director
Mr. Mukesh Kumar Chadha	Member	Independent Director
Mr. Gurbhej Singh Juneja	Committee Member	Shareholder Director

Ms. Shreya Gandhi, Company Secretary, is the Secretary of the Committee.

Interest of our Directors

All of our Directors may be deemed to be interested to the extent of remuneration except in and fees payable to them for services rendered as Directors of our Company such as attending meetings of the Board or a committee thereof and to the extent of other reimbursement of expenses payable to them under our Articles of Association.

Some of our Directors also hold Equity Shares in our Company and are interested to the extent of any dividend payable to them in respect of the same.

Changes in our Board during the last three years

S. No.	Name of the Director	Date of Appointment	Date of Cessation	Reasons, if any
1.	Mr. Mukesh Kumar Chadha	02.03.2015		
2.	Mr. Sasikanth Ramananda Prabhu	02.03.2015		
3.	Mr. Jagdish Singh Saluja	--	02.03.2015	

SECTION VIII - RELATED PARTY TRANSACTIONS

As per the Audited Balance Sheet as on 31st March, 2014, transaction with related party as identified by the management in accordance with Accounting Standard 18 "Related party disclosures" issued by The Institute of Chartered Accountants of India, are as follows:

a) NAMES AND RELATIONSHIPS OF THE RELATED PARTIES

Associate Concerns	Chetak Auto Engineering Products Company Private Limited
	Chetak Autocraft Private Limited
Key Managerial Personnel	Gurbhej Singh Juneja – Managing Director
	Shreya Gandhi - Company Secretary
	CA. Sadique Ali Kanchwala - CFO
Relatives of Key Managerial Personnel	Paramjeet Juneja

SECTION IX –LEGAL PROCEEDINGS

Except as stated herein, there are no outstanding or pending litigation, suits, civil prosecution, criminal proceedings or tax liabilities against our Company, our Directors, our Promoters and Group Companies and there are no defaults, non-payment of statutory dues, over dues to banks and financial institutions, defaults against bank and financial institutions and there are no outstanding debentures, bonds, fixed deposits or preference shares issued by our Company; no default in creation of full security as per the terms of the issue, no proceedings initiated for economic or other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part I of Schedule XIII of the Companies Act, 1956), and no disciplinary action has been taken by SEBI or any stock exchanges against our Promoters, our Directors or Group Companies.

I. CASES FILED BY OUR COMPANY***Civil Cases***

There are no civil proceedings filed by our Company.

Criminal Cases

There are no criminal proceedings filed by our Company.

II. CASES FILED AGAINST OUR COMPANY***Civil proceedings***

There are no civil proceedings filed against our Company.

Criminal Proceedings

There are no criminal proceedings filed against our Company.

III. INDIRECT TAX PROCEEDINGS INVOLVING OUR COMPANY **NIL****IV. LITIGATIONS INVOLVING OUR PROMOTER****(i) Proceedings of Civil nature**

- | | |
|---------------------------|------------|
| (a) By the promoters | NIL |
| (b) Against the promoters | NIL |

(ii) Proceedings of a Criminal nature-

- | | |
|---------------------------|------------|
| (a) By the promoters | NIL |
| (b) Against the promoters | NIL |

V. LITIGATIONS INVOLVING DIRECTORS OF OUR COMPANY**(i) Proceedings of Civil nature**

- | | |
|--|------------|
| (a) By the Directors of our Company | NIL |
| (b) Against the Directors of our Company | NIL |

(ii) Proceedings of a Criminal nature-

- | | |
|--|------------|
| (a) By the Directors of our Company | NIL |
| (b) Against the Directors of our Company | NIL |

SECTION X - DECLARATION

All relevant provisions of the Companies Act, and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, applicable, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made there under or regulations issued, as the case may be. We further certify that all the statements in this Information Memorandum are true and correct.

**SD/-
SIGNED BY GURBHEJ SINGH JUNEJA(MANAGING DIRECTOR)**

**SD/-
SIGNED BY PARAMJEET JUNEJA(DIRECTOR)**

**SD/-
SIGNED BY SASIKANTH RAMANANDA PRABHU
(CHAIRMAN CUM INDEPENDENT DIRECTOR)**

**SD/-
SIGNED BY MUKESH KUMAR CHADHA (INDEPENDENT DIRECTOR)**

**SD/-
SIGNED BY SADIQUE KANCHWALA (CHIEF FINANCIAL OFFICER)**

**SD/-
SIGNED BY SHREYA GANDHI (COMPANY SECRETARY)**

**Date: March 10, 2015
Place: Indore**