

INFORMATION MEMORANDUM

[In accordance with Chapter XC of the SEBI (ICDR) Regulations on Listing and Issue of Capital by Small and Medium Enterprises on Institutional Trading Platform without Initial Public Offering]



FROG CELLSAT LIMITED

Our Company was originally incorporated in New Delhi as “Frog Cellsat Private Limited” on July 12, 2004 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. Our Company was subsequently converted into a public company and consequently the name was changed to “Frog Cellsat Limited” vide fresh certificate of incorporation dated March 25, 2014 issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana.

Registered Office: 19, Chawla Complex, A-215, Shakarpur New Delhi 110092, India
Tel: +91-11-224 40799, **Fax:** +91-11-224 40799;

Corporate Office: H-157, Sector 63, Noida-201 307, UP, India
Tel: +91-120 485 9650, **Fax:** +91-120-412 6025

Website: www.frogcellsat.com
Contact Person: Mr. Charan Jeet Kalra
E-mail: cjkalra@frogcellsat.com

Company Secretary & Compliance Officer: Mr. Charan Jeet Kalra

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

PROMOTERS: MR. KONARK TRIVEDI and MRS. SONAL TRIVEDI

Information Memorandum in terms of the SEBI (Listing of Specified Securities on Institutional Trading Platform) Regulations, 2013 for the purpose of listing of the Equity Shares of the Company on the Institution Trading Platform (ITP) of NSE Emerge.

Absolute Responsibility of Frog Cellsat Limited

Frog Cellsat 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 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 Information Memorandum as a whole or any of such information or the expression of any such opinions are intentions misleading in any material respect.

TABLE OF CONTENTS

SECTION	TITLE	PAGE NO.
I	GENERAL	3
1.	Definitions and Abbreviations	3
2.	General Information	6
3.	Eligibility Criteria	8
4.	Forward Looking Statements	9
II	RISK FACTORS	10
III	INDUSTRY OVERVIEW	16
IV	BUSINESS OVERVIEW	20
1.	Our Business and Operations	20
2.	Financial Information	25
3.	Capital structure	41
4.	Property	44
V	SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT	45
VI	OUR PROMOTERS	46
VII	OUR MANAGEMENT	47
VIII	RELATED PARTY TRANSACTIONS	52
IX	LEGAL PROCEEDINGS	53
X	DECLARATION	55

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:-

Term	Description
“Frog Cell” or “FCL” or “the Company” or “our Company” or “we” or “us” or “our”	Frog Cellsat Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, having its registered office at 19, Chawla Complex, A-215, Shakarpur New Delhi 110092, India.

General Terms

Term	Description
Articles/Articles of Association	Articles of Association of FCL
Accounting Standard	Accounting Standards, as issued by the Institute of Chartered Accountants of India
Auditor	The Statutory Auditors of FCL
Board / Board of Directors	Board of Directors of FCL
Chapter XC of the SEBI (ICDR) Regulations	Listing and Issue of Capital by Small and Medium Enterprises on Institutional Trading Platform without Initial Public Offering
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 FCL
DP	Depository Participant
Equity Share(s) or Share(s)	Equity Share of FCL 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
ITP Regulations	The SEBI (Listing of Specified Securities on Institutional Trading Platform) Regulations, 2013
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 FCL
NSE	National Stock Exchange of India Limited
NSE Emerge	SME Platform of National Stock Exchange of India Limited
Promoter(s)	Mr. Konark Trivedi and Mrs. Sonal Trivedi
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 FCL are proposed to be listed

ABBREVIATIONS

ABBREVIATION	FULL FORM
3GPP	Third generation partnership project
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
B. Tech.	Bachelor of Technology
B. Com.	Bachelor of Commerce
B. Sc.	Bachelor of Science
BSNL	Bharat Sanchar Nigam
BTS	Base Transmitter Station
BWA	Broadband Wireless Access
CAGR	Compounded Annual Growth Rate
C. A.	Chartered Accountant
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
C.S.	Company Secretary
DCS	Distributed Control System
DOT	Department of Telecommunication
DP	Depository Participant
ECS	Electronic Clearing System
EMF	Electro-magnetic field
EPS	Earnings per Share
ETSI	European Telecommunications Standards Institute
FDD	Feature-driven development
FY / Fiscal	Financial Year
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GSM	Global System for Mobile Communication
IMAI	The Internet & Mobile Association of India
INR / Rupees /	Indian Rupees, the legal currency of the Republic of India
Ipv4 & Ipv6	Internet Protocol Version 4 & Version 6
LBS	Location based services
LTE	Long Term Evolution
SME	Small And Medium Enterprises
MTNL	Mahanagar Telephone Nigam Limited
MSOs	Mobile Service Operators
MSPs	Mobile Service Providers
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, National Capital Territory of Delhi & Haryana
RONW	Return on Net Worth
TDD	Test-driven development
TEC	Telecommunication Engineering Centre
TEMA	Telecom Equipment Manufacturers Association of India
TRAI	Telecom Regulatory Authority of India
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America
VAS	Value Added Service
WCDMA	Wideband Code Division Multiple Access

2. GENERAL INFORMATION

Our Company was originally incorporated in New Delhi as "Frog Cellsat Private Limited" on July 12, 2004 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. Our Company was subsequently converted into a public company and consequently the name was changed to "Frog Cellsat Limited" Vide fresh certificate of incorporation dated March 25, 2014 issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana.

Registered Office of the Company:

19, Chawla Complex

A-215, Shakarpur

New Delhi 110092

India

Tel: +91-011-224 40799

Fax: +91-011-224 40799

Contact Person: Mr. Charan Jeet Kalra

E-mail: cjkalra@frogcellsat.com

Website: www.frogcellsat.com

CORPORATE IDENTIFICATION NUMBER: U51909DL2004PLC127530

Corporate Office of the Company

Corporate Office:

H - 157, Sector - 63,

Noida - 201 307

UP

India

Tel: +91-120-485 9650,

Fax: +91-120-412 6025

Address of Registrar of Companies

4th Floor, 61, Nehru Place, New Delhi – 110019

Tel: +91-11-262 35707-09,

Fax: +91-11-262 35702,

Email: roc.delhi@mca.gov.in

Board of Directors:

Our Board of Directors comprise of the following members:

Name	Designation	DIN	Address
Mr. Konark Trivedi	Whole-time Director	00537897	3/1304, Sector 3, Vasundhara Ghaziabad, UP – 201 012
Mrs. Sonal Trivedi	Director	00537922	3/1304, Sector 3, Vasundhara Ghaziabad, UP – 201 012
Mr. Amit Kumar Gupta	Independent Director	06812575	E-176, East of Kailash, Srinivaspuri SO East of Kailash Phase 1, Delhi - 110065
Mr. Bharat Bhushan Kalra	Independent Director	01586012	29/149, 1 st Floor, West Patel Nagar, New Delhi – 110 008

For further details of Management of our Company, please refer to section titled "Our Management" on page 46 of this Information Memorandum.

Company Secretary & Compliance Officer

Mr. Charan Jeet Kalra
H - 157, Sector - 63,
Noida – 201 307
UP
India
Tel: +91-120-485 9650,
Email ID: cjkalra@frogcellsat.com

Statutory Auditor

Rajan K Gupta & Co.
19, Chawla Complex
A-215, Shakarpur,
Delhi – 110 092
Tel No.: +91-11-224 40799, +91-11-430 11436
Firm Registration No. – FRN 005945C

Registrar & Transfer Agents

Skyline Financial Services Private Limited

D-153 A, 1st Floor,
Okhla Industrial Area,
Phase - I
New Delhi - 110 020
Tel No: +91-11 30857575
Fax: +91-11 30857562
Contact person: Mr. Virender Rana
E-mail: viren@skylinerta.com
Website: www.skylinerta.com
SEBI Registration No.: INR000003241

Absolute Responsibility of Frog Cellsat Limited

Frog Cellsat 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 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 Information Memorandum as a whole or any of such information or the expression of any such opinions are intentions misleading in any material respect.

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 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 July 12, 2004 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 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 Hongkong and Shanghai Banking Corporation Limited (HSBC), a scheduled bank in accordance with Reserve Bank of India Act, 1934 for its working capital requirements and a period of three years has elapsed from the date of such financing and the working capital limits so sanctioned by HSBC have been fully utilized;
9. In accordance with Regulation 106 ZB of Chapter XC of the SEBI (ICDR) Regulations, 2009, our promoter i.e. Mr. Konark Trivedi has given his consent to lock-in 10,000 equity shares representing 20% of paid up capital of the Company.
10. We have entered into a tripartite depository agreement with NSDL and CDSL.

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;
- Changes in the value of the Rupee and other currency changes;
- Changes in Indian or international interest rates;
- Changes in laws and regulations in India;
- Changes in political conditions in India; and
- Changes in the foreign exchange control regulations in India.

For further discussion of factors that could cause our actual results to differ, see the section titled "Risk Factors" beginning on page 10 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.

1. Dependence on Technology

Our Company deals in telecom equipment. Technology plays a major role in this industry. Telecom equipment manufacturing industry is faced with continuous technological changes/upgradations/obsolescence. Our Company has to continuously upgrade its technology to compete with the other players in the market. In the future, our Company may be required to spend considerable amount on R&D activities and on latest machines and equipment. If our Company is unable to keep itself updated with latest technological changes, we may lose out on our business and customers.

2. Our business is dependent on securing orders from a few telecom companies.

Our business is dependent upon the growth of the wireless services communications market and our future revenue growth is dependent on the expected increase in the size of the market. We rely upon a few customers for the majority of our revenues and the loss of any one of these customers or rescheduling of orders from any of these customers would have material adverse effect on our business, results of operations and financial condition.

3. Our performance could be affected if we are unable to respond to rapid changes in the market, consumer preferences or other competitive factors.

The Company's revenue is mainly from telecom operators. These telecom operators normally go through their own internal procurement policies. The private telecom operators follow the 'need' based procurement model. The orders from private telecom operators are normally huge in terms of value and quantities but are generally not spread uniformly throughout the year and hence the revenues and profitability of the Company could differ significantly from quarter to quarter.

4. The products in which the Company deals in are technological in nature. FCL requires skilled & trained personnel to develop, produce and repair such products. The Company's growth and success is dependent on the continuance and performance of its team of skilled & trained personnel.

Competition for skilled & trained personnel in this industry is intense, and the Company may not be able to retain its existing skilled & trained personnel or attract new skilled & trained personnel in the future. The loss of any such personnel may adversely affect the business, results of operations and financial conditions of the Company.

5. The company has not yet registered the "Frog Cellsat" trademark used by it.

The company conducts most of its business under the trademark of "Frog Cellsat". The trademark has not been registered. The Company has applied for registration of the Trademark and the application is pending. Further, it can provide no assurance

that third parties will not infringe upon its trademark and/or trade name, causing damage to the company's business prospects, reputation and goodwill. The company can provide no assurance that the unauthorized use by any third parties of the trademark "Frog Cellsat" will not similarly cause damage to its business prospects, reputation and goodwill.

6. Intellectual property rights are important to our business, and we may be unable to protect them from being infringed by others, including our current or future competitors.

Our trademarks, trade secrets and other intellectual property rights are our material assets and are crucial to our business operations. If we are unable to protect our intellectual property rights with respect to our business, including our trademarks and systems and technologies, our ability to compete effectively will be impaired, which will result in our business, financial condition and results of operations being materially and adversely affected.

7. The company's ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of its financing arrangements.

The company has paid dividend in the past. The amount of its future dividend payments, if any, will depend upon the company future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to pay dividends in the future.

8. The company cannot guarantee the accuracy or completeness of facts and other statistics with respect to the telecommunications sector contained in this Information Memorandum.

Facts and other statistics in this Information Memorandum relating to the telecom sector have been derived from various market data and internet sources that is believed to be reliable. The source of all such data have been given at suitable places. However, the Company cannot guarantee the quality or reliability of such source of materials. While the company directors have taken reasonable care in the reproduction of the information, they have not been prepared or independently verified by the company and, therefore, the company make no representation as to the accuracy of such facts and statistics. These facts and other statistics include the facts and statistics included in the section entitled "Industry Overview" on page 16 of this Information Memorandum.

9. We may not be successful in implementing our growth strategies.

To remain competitive, we plan to grow our business as well as expand into new geographic markets outside India. Our success in implementing our growth strategies may be affected by:

- our ability to maintain the quality of our products and services,
- our ability to create brand awareness in the new markets;
- our ability to increase our user base;
- our ability to attract, train and retain employees who have the requisite skills;
- our ability to continue to expand our products and services;
- our ability to build, acquire, maintain and update the required technology and systems;
- the general condition of the global economy (particularly of India and the other markets we may operate in);
- our ability to compete effectively with existing and future competitors;
- changes in our regulatory environment.

Many of these factors are beyond our control and there can be no assurance that we will succeed in implementing our strategy. If we are not successful, our business, financial condition and results of operations may be adversely affected. We may need to raise funds to implement our business strategy successfully to increase productivity, developing new technology and developing new and expand current products and services to generate demand. We cannot assure you that we would be able to raise funds in a timely and cost efficient manner, on commercially acceptable terms, or at all. Our inability to raise funds may impair our ability to effectively implement our business strategy. If we cannot obtain such required financing on acceptable terms or at all may impair our business growth and results of operations.

10. We have entered into, and will continue to enter into, related party transactions. Further, certain of our related party transactions may not have been undertaken on an arm's length basis.

We have entered into transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. These transactions may involve conflicts of interests which may be detrimental to our Company. We cannot assure you that such transactions could not have been made on more favourable terms with unrelated parties.

11. Our insurance coverage may be inadequate to satisfy future claims against us.

We maintain insurance which we believe is typical in our industry in India and in amounts which we believe to be commercially appropriate for a variety of risks, including: fire, burglary, professional liability, group medical and personal accident insurance and key man insurance. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, particularly when the loss suffered is not easily quantifiable. Our insurance policies contain exclusions and limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under the said insurance policies. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. The occurrence of an event for which we are not insured, where the loss is in excess of insured limits occurs or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Further, despite such uninsured losses we may remain obligated for any financial indebtedness or other obligations related to our business. Any such uninsured losses or liabilities could result in an adverse effect on our business operations, financial conditions and results of operations.

12. Some or all of the unsecured loans availed by us may be callable on demand by the lenders at any time which could adversely affect our cash flow position, financial condition and results of operations of our Company.

Our Company has availed interest free unsecured loans from our promoters and their relatives which may be subject to repayment on demand at any time. Such repayment demands on short notice, if any, could adversely affect our cash flow position, financial condition and results of operations of our Company.

13. We have contingent liabilities in our balance sheet, as stated herein below, as at March 31, 2013 and March 31, 2012

Below are the contingent liabilities in our balance sheet, as at March 31, 2013 and March 31, 2012:

(Amount in Rupees)

Particulars of Contingent liabilities	Fiscal 2012-13	Fiscal 2011-12
On account of Sale tax Against "C" form to be received from the customers	5,16,60,174	2,79,96,113

If the above contingent liabilities actually occur, they may adversely impact our performance and may have an adverse effect on our results of operations and financial condition.

14. Our Company's Registered and Corporate Office are not owned by us.

Our Company's Registered Office situated at 19, Chawla Complex, A-215, Shakarpur New Delhi 110092, India and Corporate Office situated at H157, Sector 63, Noida-201307, UP, India are taken on lease. If the owners of the leased premises do not renew the agreement under which we occupy the premises on terms and conditions acceptable to us, or at all, or disputes the validity of the lease, we may suffer a disruption in our corporate affairs and business.

EXTERNAL RISK FACTORS

15. Political, economic and social changes in India could adversely affect our business.

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

16. Natural calamities and force majeure events may have an adverse impact on our business.

Natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

17. Public companies in India, including our Company, may be required to prepare financial statements under IFRS or IndAS (a variation of IFRS). The transition to IFRS or IndAS in India is still unclear and we may be negatively affected by such transition.

We currently prepare our annual and interim financial statements under Indian GAAP. Public companies in India, including us, may be required to prepare annual and interim financial statements under Indian Accounting Standard 101 "First-time Adoption of Indian Accounting Standards ("IndAS"). The Institute of Chartered Accountants of India ("ICAI") recently published a near final version of IndAS. On February 25, 2011, the Ministry of Corporate Affairs ("MCA") of the Government announced that IndAS will be implemented in a phased manner and the date of such implementation will be notified at a later date. As of the date of this Information Memorandum, the MCA has not yet notified the date of implementation of IndAS. There is not yet a significant body of established practice on which to draw in forming judgments regarding its implementation and application. Additionally, IndAS differs in

certain respects from International Financial Reporting Standard (“IFRS”) and therefore financial statements prepared under IndAS may be substantially different from financial statements prepared under IFRS. There can be no assurance that our financial condition, results of operations, cash flow or changes in shareholders’ equity will not be present differently under IndAS than under Indian GAAP or IFRS. As we adopt IndAS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing its management information systems. There can be no assurance that the adoption of IndAS by us will not adversely affect our results of operations or financial condition and any failure to successfully adopt IndAS in accordance with the prescribed timelines may have an adverse effect on our financial position and results of operations.

18. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may adversely affect the Indian markets on which our Equity Shares will trade. These acts may result in a loss of business confidence, make travel and other services more difficult and have other consequences that could have an adverse effect on our business. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our Equity Shares.

19. Our Company may raise further rounds of equity financing in which the existing shareholders may not participate resulting in reduction of their percentage of holding in our company.

In order to grow business, our Company may require additional funds at various points of time. Our Company may raise funds through various means including debt, equity and securities convertible into equity. Any such issuances of equity and securities convertible into equity would dilute the holding of Equity Shareholders.

20. The price of our Equity Shares may be volatile.

The trading price of our Equity Shares may fluctuate after the listing due to a variety of factors, including our results of operations, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares.

21. Active trading market for our Equity Shares may not develop.

Till date there has been no public market for our Equity Shares. We propose to list our Equity Shares on Institution 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 subject to certain restrictions viz minimum trading lot of Rs. 10 Lacs. 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. Hence, there can be no assurance that an active trading market for our Equity Shares will develop or be sustained after the listing.

SECTION III – INDUSTRY OVERVIEW

The information in this section is derived from government publications and other industry sources. Neither we, nor any other person connected with this Issue has verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Overview of the Telecom Industry:

India's telecommunication network is the second largest in the world based on the total number of telephone users (both fixed and mobile phone). It has one of the lowest call tariffs in the world enabled by the mega telephone networks and hyper-competition among them. It has the world's third largest Internet user-base with over 137 million users. Major sectors of the Indian telecommunication industry are telephony, internet and television broadcasting.

[Source: The Internet & Mobile Association of India (IMAI) Report dated November 2013]

The Indian telecommunication industry is one of the fastest growing in the world. Government policies and regulatory framework implementation by Telecom Regulatory Authority of India (TRAI) have provided a favorable environment for service providers. This has made the sector more competitive, while enhancing the accessibility of telecommunication service at affordable tariffs to the consumers. In the last two decades, the Indian Telecom Sector and mobile telephony in particular has caught the imagination of Indians by revolutionizing the way we communicate, share information; and through its staggering growth helped millions stay connected.

Telecom Subscriber Growth:

According to Telecom Regulatory Authority of India (TRAI), the number of telephone subscriber base in the country reached 910.14 million as on November 30, 2013, thereby showing a monthly growth rate of 0.62% resulting to overall teledensity of 73.69 million. The share of urban subscriber database is 546.64 million whereas share of rural subscriber base reached to 363.50 million resulting in teledensity of 144.46 million in Urban & 42.43 million in Rural.

The Telecom industry has witnessed significant growth in the subscriber's base over the last decade, with increasing network coverage and a competition- induced decline in tariffs acting as catalysts for the growth in subscriber's base. The growth story and the potential have also served to attract newer players in the industry, with the result that the intensity of competition has kept increasing.

Teledensity:

The Wireless subscriber base reached to 881.13 million at the end of November 2013 having teledensity of 138.42 million in urban & 41.71 in rural which results in a total wireless teledensity of 71.34 million.

The Wireline subscriber base reached 29.01 million at the end of November 2013 having teledensity of 6.03 million in urban & 0.72 in rural which results in a total wireline teledensity of 2.35 million.

[Source: Press Release No. 4/2014 - Telecom and Regulatory Authority of India dated January 29, 2014]

India striding towards mobile broadband services:

The recently concluded 3G spectrum and BWA auction saw intense competition among the bidders resulting in a revenue inflow of 1.06 trillion for the government, surpassing most estimates. Following the completion of the auction, operators are expected to launch 3G and BWA services soon after receiving the spectrum from the government. The public sector operators BSNL and MTNL who have already received the 3G spectrum have launched 3G services in select cities. This will help address the supply side constraint.

The phenomenal take-up of mobile communication in India has driven revenues for mobile operators in India from Rs.650 billion in 2006-07 to well over Rs.1000 billion in 2008-09 growing with CAGR of 25 percent. The rollout of the 3G and BWA services in India is expected to have significant impact on entire telecom value chain including telecom operators, handset manufacturers, equipment vendors, VAS players. Following the rollout of the 3G services by the private operators in 2011, the 3G related revenue for the mobile service (excluding manufacturing) industry witnessed significant growth. With high speed capability and better content based service offerings the rollout of mobile broadband services will give data usage the much needed impetus. The increased data usage on 3G network will lead to incremental 3G data service revenue of over Rs.100 billion in 2015 growing at CAGR of 112 percent between 2011 and 2015. Further, 3G mobile subscribers are expected to grow at a CAGR of 190 percent between 2011 and 2015, attributable to fall in the prices of 3G enabled handsets, availability of wider range of multimedia services through 3G and reduced tariffs.

Telecom equipment vendors are expected to receive fresh contracts for 3G network roll out from the telecom operators. The incremental revenue for the telecom equipment vendors is expected to cross Rs.150 billion in fiscal 2015.

Overview of Telecom Equipment:

- Economic and social development of India is significantly influenced by the telecom industry
- Modern and robust telecommunication systems demand state-of-the-art telecom equipment
- Cellular network technology such as 3G and 4G, broadband internet services, telephony services, network requirements and other telecom products and services has led to increase demand for telecom equipment

Classification of Telecom Equipment:

- Telecom equipment can be broadly classified in carrier equipment, enterprise equipment and user devices segments
- Alternatively, it can also be classified in two categories in terms of type of consumer – End-user equipment meant for general consumers and telecom network equipment meant for industrial and institutional consumers
- The telecom network equipment category can be classified into active and passive equipment; active equipment is largely represented by fixed and mobile switches, base stations, routers, and transmission equipment and passive equipment consists of towers, shelters and cables.

Market Overview – India:

- Growth in telecom sector has enabled telecom equipment companies to flourish in India, regardless of passive or active telecom infrastructure, or mobile devices
 - While majority of the domestic telecom equipment companies started off as resellers of telecom products made by foreign companies, the focus is gradually shifting to domestic production
- As per 2011-12, telecom equipment worth INR 600 billion was consumed in India
- Mobile handsets account for around 26% of the total telecom equipment industry in India

- Despite competition from foreign handset giants such as Apple, Samsung and others, domestic companies such as Micromax, Lava and Karbonn Mobiles, amongst others, have come up with innovative handsets and Tablets at affordable price
- Chinese and European telecom equipment products dominate the market in India at present
- Lack of domestic manufacturing has resulted in large volume of import which has increased over the years
 - Increase in import is primarily because of Indian telecom industry embracing modern telecom technology at par with countries having advanced telecommunication infrastructure
 - Telecom equipment import had grown at a CAGR of around 118% between 2008 and 2011
- Domestic companies, leveraging on benefits provided by the government, are gradually establishing manufacturing units in India
 - This has led to boost in the export figures for telecom equipment
 - Between 2008 and 2011, an increase of 22.5% was witnessed in telecom equipment export
- Arrival of next-generation telecom network technologies, broadband wireless access services and 4G roll-out has resulted in rapid increase in demand for telecom equipment
- Capitalizing on this window of opportunity, the focus of government and policy makers is on establishing and developing manufacturing facilities for telecom equipment in the country
- As per available from TRAI, domestic production of telecom equipment had grown at CAGR of 19.1% between 2004 and 2007
 - Domestic production increased by 74.4% in 2008 from the previous year
 - Growth rate of the same was around 12.2% between 2008 and 2010

Strategic Insights:

- **Establish domestic production unit to take advantage of government policies**
 - Telecom equipment companies need to setup manufacturing units in India to take advantage of various government policies and mandates
 - Telecom product manufactured in India are preferred by the government departments and agencies due to reduced security concerns associated with the telecom equipment
 - Companies will also be able to provide the domestically produced telecom equipment at lower price, increasing the chances of consumption
- **Leverage on location based services (LBS) mandate by the Government of India with various telecom equipment products**
 - Location based service market is estimated to break the INR 100 bn mark by 2016
 - In the GPS oriented locational services segment, navigation and tracking held around 74% and 26% of the market share respectively
 - The DoT has instructed telecom operators to establish location based services across India
 - Mandate to increase of location based services accuracy creates opportunities for telecom equipment makers, especially in the areas of users device and institutional equipment to enhance service performance

Drivers and Challenges to the Telecom Equipment Market:

Drivers

- Growth in Wireless Subscriber Base
- Next Generation Voice and Data Services
- Government Initiatives and Progressive
- Reforms in the Industry

- IPv4 to IPv6 Migration

Challenges

- Security Concerns
- High Telecom Equipment Imports

Primary Government Bodies/Associations:

A. Telecom Regulatory Authority of India (TRAI)

Acts as a regulator for the telecom sector.

B. Department of Telecommunication (DoT)

Responsible for overall supervision, policy making, performance review, licensing of new players, enforcing regulatory measures and international cooperation in the field of telecommunication in India.

C. Telecom Equipment Manufacturers Association of India (TEMA)

Government of India recognized national body that represents telecom technology providers, private and public domestic as well as foreign companies.

SECTION IV – BUSINESS OVERVIEW

1. OUR BUSINESS AND OPERATIONS

Frog Cellsat manufactures cost-effective in-building repeater solutions for mobile service providers (MSPs) and mobile service operators (MSOs). Frog Cellsat also provides installation, repair and maintenance services to its customers.

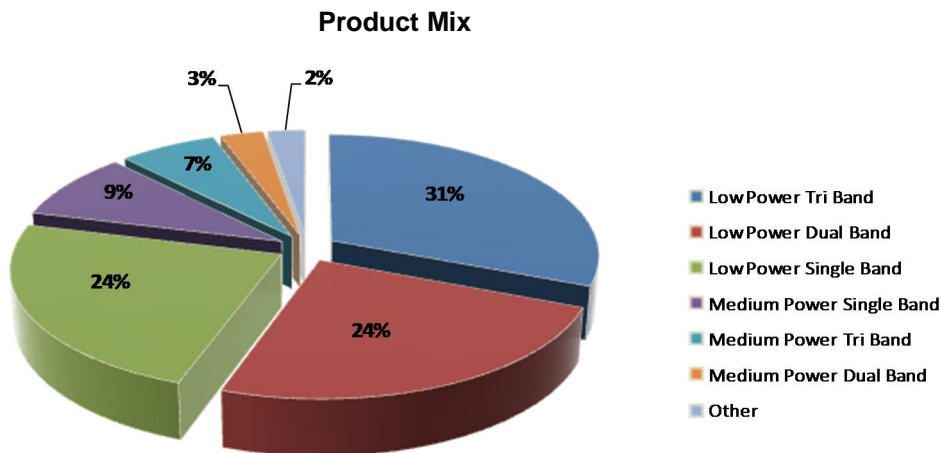
Frog Cellsat was founded in 2004 to address the demand for infrastructure products in India's rapidly growing wireless telecommunication industry. Initially Frog Cellsat forged an alliance with an Israeli manufacturer for marketing and distributing its repeater products in India and later on since 2008 Frog Cellsat began designing and manufacturing its own repeaters in India.

Products – Repeater Solutions

Frog Cellsat designs, manufactures, and markets repeater solutions for in-building 2G, 3G, and 4G voice and data services. Our repeater products are low-cost, standards based, future-proof and reliable. Our products include radio frequency (RF) indoor and outdoor repeaters, RF cables, antennas, combiners, diplexers, duplexers, rejection filters, power tappers, power splitters, directional couplers, etc.

Types of Repeaters

Frog Cellsat manufactures several different types of cellular repeaters. The current range of repeaters include single, dual and tri-band repeater configurations and each type of repeater is manufactured in low, medium and high powered versions.



Outdoor Repeater



Indoor Repeater



How the product works?

Repeaters are used to amplify cell phone signals in buildings with limited reception. The repeater improves an indoor cell phone signal by capturing and enhancing an outside signal by means of a receiver and then re-routing it indoors. Repeaters are capable of increasing the signal strength for voice and data transmissions (EDGE, 2G, 3G and 4G standards) and air cards.



Services

Frog Cellsat offers end-to-end solutions for telecom operators. Providing a full array of services to complement its product lines, the company offers installation, repair, service, and maintenance of its equipment. The company has presence in more than 10 locations across India and technicians frequently travel to provide such services after the company has made a product sale. Frog Cellsat has a competitive advantage not only by manufacturing quality products but also by providing timely after-sales support.

Our services cover network walk test and drive test solutions (2G/3G), multi-operator benchmarking, network verification and audits, electro-magnetic field (EMF) testing, base transmitter station (BTS) site implementations, in-building site implementations, and acceptance testing.

Customers

Our customers consist of companies in the telecommunications industry including mobile wireless network operators and managed service providers. Some of our major customers include Airtel, Uninor, Loop Mobile, MTNL, Ericsson, Nokia Siemens Networks, Huawei Telecommunications Ltd.

Research & Development Activities

Our manufacturing facility is backed by an innovative Research & Development centre to produce a range of RF repeater products conforming to the applicable standards from ETSI, 3GPP, TEC and other standards bodies. Our design, development, manufacturing and quality control processes are ISO 9001:2008 certified.

Our R&D is strong and robust with well layered systems and processes to maintain the standards in innovation and production that meets the demands of our clients. The Research & Development department is headed by Mr. Tarun Sharma, Chief Operating Officer of our Company. Mr. Sharma has rich experience of more than 25 years in the field of wireless communication. In the R&D activities, Mr. Sharma is supported by Mr. Yusuf Saifi, Vice President (R&D) with more than 20 years of experience in embedded software development for various RF circuits, Mr. Ram Bhagat Khatri, DGM (R&D) with more than 25 years of experience in designing and developing RF products for mobile communications and a team of qualified and experienced personnel.

Sources and availability of raw materials

Frog Cellsat sources components from domestic and international vendors. Software and instruction sets embedded in each product are based on customer specifications. Software development is done in-house as well as outsourced to a development partner.

Company has been procuring raw material from the domestic and international market and do not foresee any challenges in procuring the raw material from the open market.

Competitive Strengths

1. **Established RF Repeater Manufacturer**
Frog Cellsat is a front runner in the fast growing Indoor Wireless Coverage Enhancement market and it has been making profits since inception. By delivering quality products and excellent customer service, Frog Cellsat has established itself as a leader in India's RF repeater market.
2. **Customized Products**
The company is able to understand its customers' complex requirements and translate them into customized solutions.
3. **Research & Development**
By investing in new product development and continued research, the company has maintained its status as an industry innovator, while its proximity to its clients enables it to provide superior post-sales services.
4. **Broad Spectrum within the mobile space**
The company's expertise encompasses a broad spectrum within the mobile space, which includes services and product offerings in TDD and FDD based technologies (GSM, CDMA, DCS, WCDMA, WiMax, LTE, etc.), and in-building wireless solutions.
5. **Wide network of service and repair outlets**
The company maintains a wide network of service and repair outlets, allowing it to deliver and maintain products in a timely manner.
6. **Our management:**
The Company is professionally managed with an experienced management team possessing extensive industry experience.

Competition

Frog Cellsat faces competition from both domestic and international firms. The Company continues to be successful by exploiting its competitive advantages such as its culture of innovation, the depth of its products and services, superior customer service and labor arbitrage.

Our Strategy

1. **Extending our reach to international markets**
The Company's growth plan focuses on continued growth within the Indian and Sri Lankan markets as well as international expansion into African and European markets.
 - I. **Expansion into African Markets** - Growth for the core repeater products is projected to come from geographic expansion in Africa. The African telecommunication market is still in its early stages and mobile operators are looking to install the existing generation of cost-effective and proven products. The Company's current line of

repeaters will be compatible in Africa. Frog Cellsat plans to expand sales in other African markets where there is sufficient demand for repeaters.

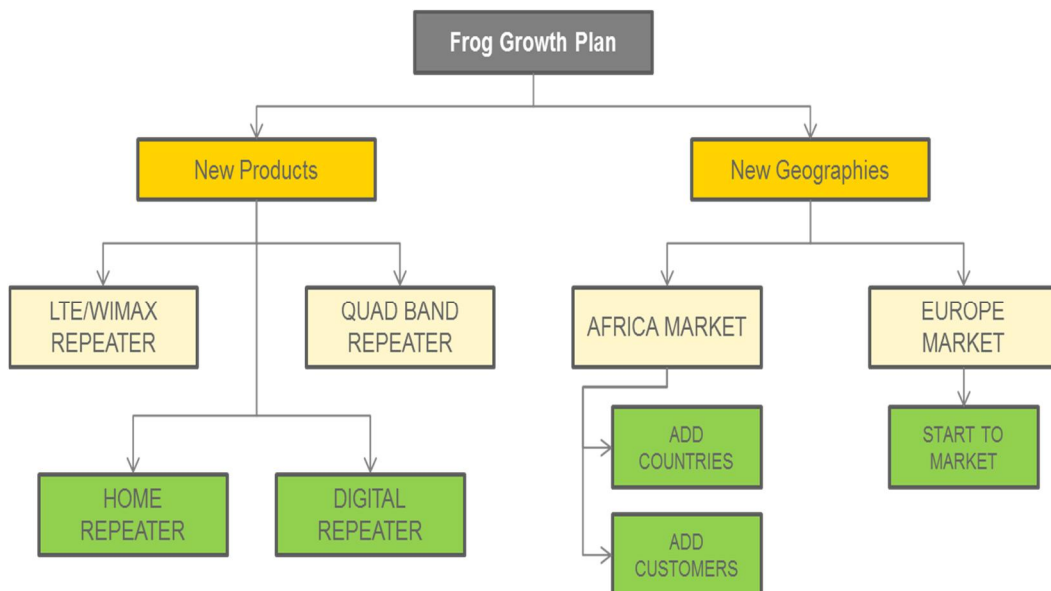
II. **Further expansion into Europe** - Frog Cellsat products have experienced limited growth in European markets. The company now plans to increase its marketing efforts to drive sales through a combined value proposition of cost and quality. The Company will focus on expanding in the United Kingdom

2. **Increasing our product portfolio**

The Company is also planning to expand its services and has undertaken new product development initiatives that include 4G network (both LTE and WiMAX standards) compatible products as well as residential and quad-band repeaters. These products are already receiving an increase in demand in the Company's core markets.

Frog Cellsat is in the final stages of developing of a 4G (LTE) repeater. The prototype should be ready by mid 2014 and will include low, medium, and high-powered models. The company also has an interest in manufacturing repeaters for next generation European 4G networks (both LTE and WiMAX standards).

New quad-band repeaters (capable of boosting 2G, 3G, and 4G signals simultaneously) are also in development. These units will be in production by the end of 2014.

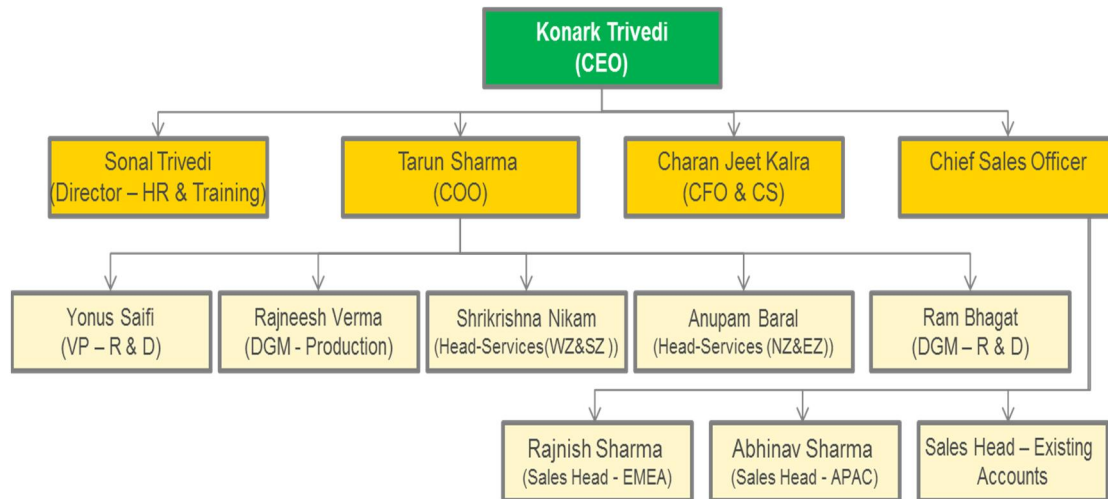


Human Resources:

Currently the total employee strength is 141 full-time employees of whom 115 are technical and the remaining 26 are non-technical employees. All employees go through a mandatory training program and employees who require specialized training are provided with the necessary specialized training. Frog Cellsat operates eight-hour shifts, Monday through Saturday and the Company operates more than one shift to meet the high demand. As on date, there is no Employee Stock Option Plan or Employee Stock Option Scheme or Employee retention plan.

Organizational Structure:

Our Organizational Structure is provided below:



Working Capital

We have been availing working capital facilities from HSBC since 2008. The credit limit of Rs. 1.65 crores from HSBC has been used for working capital which generally comprises of trade receivables, inventories, cash and bank equivalents, short-term loans and advances, other current assets and current investments.

As on March 31, 2013 our working capital comprised of the following:

Particulars	March 31, 2013	March 31, 2012
A. Current assets		
(a) Current investments	27,145	27,145
(b) Inventories	4,03,22,413	5,17,70,190
(c) Trade receivables	5,23,97,200	3,11,41,887
(d) Cash and Bank equivalents	2,70,84,202	4,06,52,202
(e) Short term loans and advances	22,90,790	4,89,940
(f) Other current assets	3,81,688	4,53,707
Total (A)	12,25,03,438	12,45,35,071
B. Current Liabilities		
(a) Short-term borrowings	-	18,24,752
(b) Trade payables	79,61,845	61,46,884
(c) Other current liabilities	1,98,33,873	1,85,69,310
(d) Short-term provisions	3,98,10,152	3,53,82,876
Total (B)	6,76,05,870	6,19,23,822
Working Capital (A - B)	5,48,97,568	6,26,11,249

2. FINANCIAL INFORMATION

The audited financial information of the Company comprising of the Balance Sheet, Profit & Loss Account and Cash Flow statement along with the notes to accounts for the fiscal 2012-2013 is provided below:-

A. Balance Sheet as at 31st March, 2013

(Amounts in Rupees)

	Particulars	Note No.	Fiscal 2012-13	Fiscal 2011-12
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	1,00,000	1,00,000
	(b) Reserves and surplus	2	13,83,58,780	11,14,57,136
2	Non-current liabilities			
	(a) Long-term borrowings	3	1,39,22,000	49,22,000
	(b) Deferred tax liabilities (net)	4	82,325	2,21,273
3	Current liabilities			
	(a) Short-term borrowings	5	-	18,24,752
	(b) Trade payables	6	79,61,845	61,46,884
	(c) Other current liabilities	7	1,98,33,873	1,85,69,310
	(d) Short-term provisions	8	3,98,10,152	3,53,82,876
	Total		22,00,68,975	178,624,231
B	Assets			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	3,26,04,554	1,91,54,012
	(ii) Intangible assets		5,76,677	7,52,794
	(iii) Capital work- in -progress		-	-
	(b) Non-current investments		-	-
	(c) Long-term loans and advances	10	6,43,84,306	3,41,82,354
2	Current assets			
	(a) Current investments	11	27,145	27,145
	(b) Inventories	12	4,03,22,413	5,17,70,190
	(c) Trade receivables	13	5,23,97,200	3,11,41,887
	(d) Cash and Bank equivalents	14	2,70,84,202	4,06,52,202
	(e) Short term loans and advances	15	22,90,790	4,89,940
	(f) Other current assets	16	3,81,688	4,53,707
	Total		22,00,68,975	17,86,24,231

B. Statement of the Profit and Loss for the period ended 31st March, 2013.

(Amounts in Rupees)

Particulars	Note No	Fiscal 2012-13	Fiscal 2011-12
Continuing operations			
Income			
Revenue from operations	17	27,98,09,332	25,11,25,276
Other income	18	13,58,378	67,18,738
Total revenue		28,11,67,710	25,78,44,014
Expenses			
Cost of Material Consumed	19	8,85,63,092	7,44,57,412
Purchases of traded goods	20	-	32,73,008
Manufacturing and Operating Cost	21	1,74,96,407	1,81,00,499
(Increase)/decrease in inventories of finished goods	22	25,96,940	(20,64,185)
Employee benefits expense	23	6,74,06,361	4,99,29,532
Other expenses	24	3,76,77,160	2,49,29,932
Total		21,37,39,960	16,86,26,198
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		6,74,27,750	8,92,17,816
Finance costs	25	10,93,536	12,03,182
Depreciation and amortization expense	26	47,04,766	31,81,742
Profit/(loss) before tax		6,16,29,448	8,48,32,892
Tax expense			
Current tax(MAT)		-	-
(Less) MAT credit (where applicable)		-	-
Current tax expense relating to prior years		-	-
Net current tax expense		-	-
Deferred tax		1,38,948	(93,537)
Total Tax expense		1,38,948	(93,537)
Profit/(loss) for the year		6,17,68,396	8,47,39,355
Minority shareholders interest- loss/(profit)			
Share in loss of associates		-	-
Profit/ (Loss) for the year from continuing operations (A)		6,17,68,396	8,47,39,355
Discontinuing operations		-	-
Profit/(loss) before tax from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(loss) after tax from discontinuing operations (B)		-	-
Profit/(loss) for the year (A+B)		6,17,68,396	8,47,39,355
Earnings per share	27		
Basic		6,176.84	8,473.94
Diluted		6,176.84	8,473.94

C. Cash Flow Statement for the period ended 31st March, 2013

(Amount in Rupees)

Particulars	Fiscal 2012-13	Fiscal 2011-12
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Tax and Exceptional items	6,17,68,396	8,47,39,355
<i>Adjustments for:</i>		
Depreciation	47,04,000	31,81,742
MAT transferred to reserves & surplus	-	1,00,00,000
Dividend - provision	-3,00,00,000	-3,00,00,000
Dividend tax provision	-48,66,750	-48,67,500
Operating Profit before working capital change	3,16,05,646	6,30,53,597
<i>Adjustments for:</i>		
Trade & Other Receivables	-2,12,55,313	4,16,49,387
Inventories	1,14,47,777	-1,37,66,654
Short-term loans and advances	-18,00,850	-4,83,961
Other current assets	72,019	8,71,104
Trade & Other Payables	18,14,961	-1,06,21,766
Other current liabilities	12,64,563	-1,44,54,214
Short term provision	44,27,276	2,41,28,865
Deferred tax	-1,38,948	93,537
Cash Flow from Operating Activities (A)	2,74,37,131	9,04,69,894
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Tangible assets	-1,78,53,426	-1,01,29,750
Intangible assets	-1,25,001	-8,36,438
Cash Flow from Investing Activities (B)	-1,79,78,427	-1,09,66,188
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Long-term loans and advances	-3,02,01,952	-3,03,74,942
Short-term borrowings	-18,24,752	10,11,047
Long-term borrowings	90,00,000	-1,15,11,499
Cash Flow from Financing Activities (C)	-2,30,26,704	-4,08,75,394
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	-1,35,68,000	3,86,28,313
Cash and Cash Equivalents at beginning of the year	4,06,52,202	20,23,889
Cash and Cash Equivalents at the end of the year	2,70,84,202	4,06,52,202

D. Notes to the Financial Statements

1. Share Capital

(Amount in Rupees)

S.No.	Particulars	Fiscal 2012-13	Fiscal 2011-12
(a)	Authorized, Issued, Subscribed and paid-up share capital		
	Authorized shares capital		
	10,000 equity shares of Rs.10/- each, fully paid up	1,00,000	1,00,000
	Total	1,00,000	1,00,000
	Issued, subscribed and paid-up capital		
	10,000 equity shares of Rs.10/ each, fully paid up	1,00,000	1,00,000
	Total	1,00,000	1,00,000

(b) Rights / preferences / restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

(c) Details of shareholders holding more than 5% shares in the company

S.No	Particulars	Fiscal 2012-13		Fiscal 2011-12	
		Number	%	Number	%
	Equity shares of Rs. 10 each fully paid up				
1	Mrs. Sonal Trivedi	500	5%	500	5%
2	Mr. Konark Trivedi	9,500	95%	9,500	95%

2. Reserves & Surplus

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
	Surplus/(deficit) in the statement of profit and loss		
(1)	Balance as per the last financial statements	11,14,57,134	5,15,85,237
(2)	Amount Transferred from Income tax (Mat)	-	1,00,00,044
	Profit for the year	6,17,68,396	8,47,39,355
	Less Deterred tax Assets	-	-
	Less: Appropriation		
	Less: Proposed Dividend (Dividend proposed to be distributed to equity shareholders is Rs.3000 per equity share)	(3,00,00,000)	(3,00,00,000)
	Less: Tax on proposed Dividend	(48,66,750)	(48,67,500)
(3)	Net surplus in the statement of profit and loss	2,69,01,646	4,98,71,855
	Total	13,83,58,780	11,14,57,136

3. Long Term Borrowings

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
	Unsecured		
	From Director's Relative		
1	Anita Kaushik	7,00,000	7,00,000
2	Rekha Trivedi	12,45,000	12,45,000
3	S.B Trivedi	6,77,000	6,77,000
4	Subhash Kumar Kaushik	23,00,000	23,00,000
	From Directors		
5	Konark Trivedi	70,00,000	-
6	Sonal Trivedi	20,00,000	-
	Total	1,39,22,000	49,22,000

Note: The loan is repayable on demand.

4. Deferred Tax Liabilities

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Deferred tax liability arising on account of:		
	Employee benefits	(25,335)	1,59,251
2	Deferred tax liability arising on account of:		
	Depreciation	(1,13,613)	(65,714)
3	Opening Balance	2,21,273	127,736
	Less Deferred Tax Assets	-	-
4	Deferred tax liability (Net)	82,325	221,273

5. Short Term Borrowings

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	HSBC (Buyer Credits)	-	18,24,752
	Total	-	18,24,752

Term & conditions:

1. Secured against personal liabilities of the directors for import of goods only
2. Payment term are 120 days net from date of payment for buyer Credit

6. Trade Payables

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Trade payables (Due within 1 year)		
	Sundry creditors		
	(a) Due to Micro and Small Enterprises	-	-
	(b) Due to Others	79,61,845	61,46,884
	Total	79,61,845	61,46,884

Note:

- (a) No interest is paid / payable during the year to any enterprise registered under the MSME.
- (b) The above information has been determined to the extent such parties could be identified on the basis of Outstanding in \$.

7. Other Current Liabilities

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
------	-------------	----------------	----------------

1	Expenses Payable	1,63,12,592	1,51,37,616
2	Statutory Remittance	35,21,281	34,31,694
	Total	1,98,33,873	1,85,69,310

8. Short Term Provisions

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Provision for Taxation	89,98,588	-
2	Provision for employee benefits		
	i. Provision for gratuity	4,33,384	2,44,182
	ii. Provision for leave benefits	3,78,180	2,71,194
3	Proposed Dividend	3,00,00,000	3,00,00,000
4	Tax on proposed Dividend	-	48,67,500
	Total	3,98,10,152	3,53,82,876

9. Fixed Assets

S. No	Particulars	Rate of Depreciation	Gross Block				Depreciation/Amortisation				Net Block	
			Balance as at 1st April, 2012	Additions	Disposals	Balance as at 31st March, 2013	Upto 1st April, 2012	For the Year	Disposals	Up to 31st March, 2013	Balance as at 31st March, 2013	Balance as at 31st March, 2012
I	Tangible Assets											
	FURNITURE & FURNITURE	18.10	35,23,653	47,000		35,70,653	9,73,622	4,61,556		14,35,178	21,35,475	25,50,031
	COMPUTER	40.00	31,09,547	3,96,927		35,06,474	18,88,013	4,88,614		23,76,627	11,29,847	12,21,534
	COMPUTERISED LAB EQUIP	40.00	28,55,960			28,55,960	12,00,268	6,62,277		18,62,545	9,93,415	16,55,692
	INVERTER	13.91	560,586			5,60,586	1,91,962	51,276		2,43,238	3,17,348	3,68,624
	CAR	25.89	24,54,624		2,98,21	21,56,411	5,62,857	4,12,571		9,75,428	11,80,983	18,91,767
	PRINTER	13.91	1,75,856	28,299		2,04,155	66,777	15,173		81,950	1,22,205	1,09,079
	SCOOTER	25.89	41,740			41,740	30,236	2,978		33,214	8,526	11,504
	TOOLS	13.91	2,92,983	32,498		3,25,481	36,320	35,702		72,022	2,53,459	2,56,663
	OFFICE EQUIPMENTS	13.91	18,52,213	28,950		18,81,163	2,98,233	2,16,159		5,14,392	13,66,771	15,53,980
	PLANT & MACHINERY	13.91	2,42,382	75,058		3,17,440	41,115	27,996		69,111	2,48,329	2,01,267
	CAMERA	13.91	1,28,381	9,000		1,37,381	26,904	14,115		41,019	96,362	1,01,477
	PLOT		46,51,600	5,13,130		51,64,730					51,64,730	46,51,600
	BUILDING	10.00		1,36,44,4		1,36,44,423		13,64,442		13,64,442	1,22,79,981	-
	FAN	13.91	34,232	45,318		79,550	14,564	2,736		17,300	62,250	19,668
	GENERATOR	13.91	3,94,756	-		3,94,756	45,759	48,545		94,304	3,00,452	3,48,997
	AIR CONDITIONER	13.91	88,425	-		88,425	31,502	7,918		39,420	49,005	56,923
	CYCLE	13.91	7,000	-		7,000	2,122	679		2,801	4,199	4,878
	HYBRID POWERED SYSTEM	13.91	90,000	-		90,000	1,043	12,374		13,417	76,583	88,957
	Geyser	13.91		23,700		23,700	-	-		-	23,700	-
	STABLIZER	13.91	49,500	6,500		56,000	13,637	4,989		18,626	37,374	35,863
	TESTING EQUIPMENTS	13.91	41,36,179	31,99,778		73,35,957	2,77,036	5,36,807		8,13,843	65,22,114	38,59,143
	Battery	13.91	1,97,640	-		1,97,640	48,564	20,736		69,300	1,28,340	149,076
	UPS	13.91	34,165	-		34,165	16,876	2,405		19,281	14,884	17,289
	Water Tank	13.91	-	77,000		77,000	-	10,711		10,711	66,289	-
	Jet Pump	13.91	-	20,772		20,772	-	2,889		2,889	17,883	-
	Items cost less than Rs. 5,000		30,162	4,050		34,212	30,162	-		30,162	4,050	-
			2,49,51,584	1,81,52,403	2,98,213	4,28,05,774	57,97,572	4,403,648		1,02,01,220	3,26,04,554	1,91,54,012
	Previous Year Total		1,48,18,497	1,01,33,087		2,49,51,584	26,99,474	30,98,098		57,97,572	1,91,54,012	
II	Intangible Assets											
	Computer software	40.00	8,36,438	1,25,001		96,1439	83,644	3,01,118		3,84,762	5,76,677	7,52,794
			8,36,438	1,25,001		96,1439		3,01,118		3,84,762	5,76,677	7,52,794
	Previous Year Total			8,36,438		8,36,438		83,644		83,644	7,52,794	

10. Long Term Loan & Advances

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
(a)	Capital advances (Unsecured, considered good)		
	Advance for Property	1,19,51,444	1,19,51,444
(b)	Security deposits (Unsecured, considered good)		
1	Rent	2,15,000	5,23,200
2	Water	-	1500
3	Telephone	3,750	750
4	Sale Tax	25,500	25,500
5	Others	84,000	-
(c)	Advance to Parties (Unsecured, considered good)	1,18,25,850	16,09,029
(d)	Mat Credit Entitlement	4,02,78,762	2,00,70,931
	Total	6,43,84,306	3,41,82,354

11. Current Investments

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Gold ETF 10 Numbers	27,145	27,145
	Total	27,145	27,145

12. Inventories

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
(a)	Raw Materials	3,33,00,753	4,21,51,590
(b)	Finished Goods	70,21,660	96,18,600
	Total	4,03,22,413	5,17,70,190

12 (a) Details of Raw Materials

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	PCB Populators	35,93,744	76,59,900
2	Electronics Components	2,01,59,181	2,39,33,854
3	Metal & Screws	37,90,163	29,02,611
4	Others	57,57,665	76,55,225
	Total	3,33,00,753	4,21,51,590

12 (b) Details of Finished Goods

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Repeater	70,21,660	96,18,600
	Total	70,21,660	96,18,600

13. Trade Receivables

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
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(a)	Trade receivables outstanding for more than six months from the date they became due for payment:		
	Unsecured considered good	34,67,639	92,77,547
	Less: Provision of bad Debts	-	-
(b)	Other receivables		
	Unsecured, considered good	48,929,561	218,64,340
	Total	5,23,97,200	3,11,41,887

14. Cash and Bank balances

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
	Cash and cash equivalents		
1	Cash on hand	2,61,177	1,66,518
2	Balances with banks:		
	i. On current accounts	2,62,74,775	95,85,684
	ii. Fixed Deposit	5,48,250	3,09,00,000
	Total	2,70,84,202	4,06,52,202

15. Short term loans and advances

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
	Unsecured. considered good		
	Advances recoverable in cash or kind		
1	Staff Advance	21,90,850	3,90,000
2	Advance to ICICI	99,940	99,940
	Total	22,90,790	4,89,940

16. Other Current Assets

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Prepaid Insurance	3,81,688	3,11,807
2	Accrued interest on Fixed Deposit	-	1,41,900
	Total	3,81,688	4,53,707

17. Revenue from operations

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
	Revenue from operations		
A	Sale of products		
1	Export	5,92,38,324	1,01,06,141
2	Domestic	19,92,60,319	22,41,76,108
	Total	25,84,98,643	23,42,82,249
B	Sales of services		
1	Export	19,27,824	-
2	Domestic	1,93,82,865	1,68,43,027
	Total	2,13,10,689	1,68,43,027
	Revenue from operations (Gross)	27,98,09,332	25,11,25,276
	Less: Exercise duty	-	-

	Revenue from operations (Net)	27,98,09,332	25,11,25,276
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17(a) Details of products sold

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Manufactured goods		
	Repeater	25,84,98,643	23,33,52,749
2	Traded goods		
	Repeater Accessories	-	9,29,500
	Total	25,84,98,643	23,42,82,249

17(b) Details of services sold

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	-Installation Services	1,82,31,830	1,51,26,802
2	-Management, Maintenance & Repair	30,78,858	17,16,225
	Total	2,13,10,688	1,68,43,027

18. Other Income

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Interest on Fixed Deposit	13,01,920	9,89,784
2	Foreign Exchange Fluctuation	-	(3,69,971)
3	Profit/(loss) on Foreign Currency on loan	1,23,866	-
4	Others	22,856	83,387
5	Sundry Balance written Off	(42,051)	60,15,538
6	Profit/(loss) on sale of Fixed Assets	(48,213)	-
	Total	13,58,378	67,18,738

19. Cost of Materials Consumed

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Raw materials and components		
	Opening stock	4,21,51,590	2,82,93,762
2	Add: Purchases during the year	7,97,12,255	8,61,59,881
		12,18,63,845	11,44,53,643
3	Less: Closing stock	33,30,0753	3,99,96,231
	Total	8,85,63,092	7,44,57,412

19(a) Imported and Indigenous Raw Materials consumed:

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13		Fiscal 2011-12	
		Amount	%	Amount	%
1	Imported	5,08,94,087	0.57	3,87,17,854	0.52
2	Indigenous	3,76,69,005	0.43	3,57,39,558	0.48
		8,85,63,092		7,44,57,412	

19(b) Raw Materials Opening Stock

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	PCB Populators	76,59,900	9,94,470

2	Electronics Components	2,39,33,854	2,27,25,290
3	Metal and Screws	29,02,611	14,04,674
4	Others	76,55,225	31,69,328
	Total	4,21,51,590	2,82,93,762

19(c) Raw Materials Closing Stock

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	PCB Populators	35,93,744	76,59,900
2	Electronics Components	2,01,59,181	2,39,33,854
3	Metal and Screws	37,90,163	29,02,611
4	Others	57,57,665	54,99,866
	Total	3,33,00,753	3,99,96,231

19(d) Raw Material purchases

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	PCB Populators	33,35,760	5,75,96,500
2	Electronics Components	5,34,48,793	71,55,193
3	Metal and Screws	1,43,96,766	1,62,09,604
4	Others	85,30,936	51,98,584
	Total	7,97,12,255	8,61,59,881

20. Purchases of traded goods

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
	Accessories	-	32,73,008
	Total	-	32,73,008

21. Manufacturing and Operating Costs

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Custom Duty	79,64,017	79,06,992
2	Demurrage Charges	19,774	12,466
3	Insurance	1,48,610	2,50,406
4	Freight & Cartage	24,22,158	35,34,029
5	Handling Charges	2,00,594	1,33,037
6	Set up Charges	6,84,239	-
7	R&D Cost	20,53,014	10,20,000
8	Consumables	-	16,256
9	Job work	26,39,331	32,98,489
10	Tools & Setup Charges	15,969	3,63,560
11	Packing Charges	31,500	26,042
12	Factory Rent	11,50,000	13,53,090
13	Octroi		37,032
14	Electricity Expenses	1,67,201	1,49,100
	Total	1,74,96,407	1,81,00,499

22. Changes in Inventories of finished goods and traded goods

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Opening stock		

	-Manufactured goods	96,18,600	86,42,775
	-Traded goods	-	10,66,999
		96,18,600	97,09,774
2	Closing Stock		
	-Manufactured goods (Repeater)	70,21,660	96,18,600
	-Traded goods (Accessories)		21,55,359
		70,21,660	1,17,73,959
	Total	25,96,940	20,64,185

23. Employee Benefit Expense

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Salaries & Wages	2,39,29,857	1,91,94,444
2	Contribution to provident fund	11,05,641	10,46,444
3	Incentives & Ex gratia	32,82,462	29,16,877
4	ESI	4,60,474	4,42,994
5	Insurance	4,30,537	3,57,278
6	Provident Fund Admin Charges	96,383	89,511
7	Training Cost	1,22,37,593	56,220
8	Staff welfare expenses	7,11,420	8,95,032
9	Provision for Gratuity	3,64,586	2,44,182
10	Keyman insurance	-	1,01,862
11	Director Salary	2,40,00,000	2,38,08,000
12	Leave Encashment	2,70,421	3,75,590
13	Statutory Bonus	5,16,987	4,01,098
	Total	6,74,06,361	4,99,29,532

24. Other Expenses

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Books & Periodical	6,066	75,615
2	Fees & subscription	2,79,917	2,48,874
3	Electricity Expenses	2,59,458	1,54,549
4	Office expenses	24,72,201	20,81,610
5	Printing & Stationery	1,94,596	1,42,617
6	Other insurance	3,76,419	1,75,106
7	Legal & Professional Charges	48,95,680	4,36,251
8	Commission Expenses	-	20,000
9	Donation	5,25,000	-
10	Repair & Maintenance	-	-
	-Building	99,997	1,31,442
	-Others	3,52,102	7,18,091
11	Fees for ISO Certification(Net)	16,236	51,983
12	Rent Paid	7,60,279	8,73,388
13	Discount	9,76,470	-
14	Business Promotion	2,72,633	1,63,115
15	Installation Cost	40,57,932	30,65,313
16	Courier & Delivery Charges	1,55,973	1,52,180
17	Festival Celebration Expenses	4,97,035	3,53,712
18	Club Fees	19,227	9,213
19	Telephone & Internet expenses	11,72,862	12,13,924
20	Travelling & Conveyance Expenses	1,46,04,741	1,34,12,360
21	Freight outward & Octroi charges	25,20,501	12,04,311
22	Advertisement Cost	43,353	5,323
23	Interest on Income tax/TDS & others	10,54,521	16,235

24	Service Tax Paid as per demand	11,12,082	-
25	Service Tax Paid On Negative List	3,81,997	-
26	Work contract Tax	5,32,772	-
27	Security & Guards	37,110	-
28	Payment to auditor (Refer details below)	-	2,24,720
	Total	3,76,77,160	2,49,29,932

24(a) Payment to Auditor

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
	As auditor:		
1	Audit fee	2,18,540	1,12,360
2	Tax Audit Fees	50,000	56,180
3	Other services (certification fees)	57,777	56,180
	Total	3,26,317	2,24,720

25. Finance Costs

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Interest Expenses	2,19,672	17,339
2	Bank Charges	5,74,827	4,40,710
3	Profit/(loss) on Foreign Currency	2,99,037	7,45,133
	Total	10,93,536	12,03,182

26. Depreciation and Amortization Expenses

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Depreciation of tangible assets	44,03,648	30,98,098
2	Amortization of intangible assets	3,01,118	83,644
	Total	47,04,766	31,81,742

27. Earnings per share

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
	Net profit attributable to equity shareholders		
1	Profit after tax	6,17,68,396	8,47,39,355
2	Nominal value of equity share (₹)	10	10
3	Total number of equity shares outstanding at the beginning of the year	10,000	10,000
4	Total number of equity shares outstanding at the end of the year	10,000	10,000
5	Weighted average number of equity shares	10,000	10,000
6	Basic/ diluted earning per share (Rs.)	6,176.84	8,473.94

28. Value of Imports

	Value of imports (including in-transit) calculated on C.I.F. basis in respect of Raw Material and Components in \$ 8,76,833.06	4,76,81,566	4,65,37,970
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29. Expenditure in Foreign currency on account of:

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Bank Charges & Interest on Buyer Credit (\$1,597.43))	88,001	19,507
2	Consultancy charges (\$32,516)	18,16,763	-
3	Foreign travel (USD 26,079.91, GBP 153.7, EUR 861.79, Israeli Shekel 3,475.55 & ECU 940.09, New Turkish Lira 185.85, Swiss France 94.90, Turaki 390.48)	16,65,463	11,25,319
4	Installation Charges (\$ 12,245.80)	6,58,042	-
5	Training Fee (\$ 2,25,000)	1,22,37,593	41,99,271
	Total	1,64,65,861.88	53,44,096.99

30. Earnings in Foreign Currency:

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Export of goods calculated on FOB basis (\$10,88,185 and previous year \$2,17,932.5)	5,92,38,224	1,01,06,141
2	Export of services calculated on FOB basis (\$36,200 and previous year Nil)	19,27,824	-
	Total	6,11,66,048	1,01,06,141

31. Segment reporting:

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Sale	25,84,98,643	23,42,82,249
2	Services	2,13,10,688	1,68,43,027
	Total	27,98,09,331	25,11,25,276

32. Related Party transactions

(Amount in Rupees)

S.No	Particulars	Fiscal 2012-13	Fiscal 2011-12
1	Konark Trivedi - Director (Nature- Salary)	1,20,00,000	1,20,00,000
2	Sonal Trivedi - Director (Nature- Salary)	1,20,00,000	1,20,00,000
3	Sonal Trivedi - Director (Nature- Rent paid by the Company)	2,40,000	2,40,000
4	Konark Trivedi - Director (Nature - Unsecured Loan received by the Company)	-	69,89,499
5	Sonal Trivedi - Director (Nature- Unsecured loan received by the Company)	6,20,00,000	29,22,000

(Amount in Rupees)

33	Contingent liabilities	Fiscal 2012-13	Fiscal 2011-12
	On account of Sale tax Against "C" form to be received from the customers	5,16,60,174	2,79,96,113

34 The previous year figures have been reclassified/ regroup wherever necessary to conform to this year's classification.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (Annexed to and forming part of the financial statements for the year ended 31st March, 2013)

1. BASIS OF PREPARATION: -

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable accounting principles in India, the applicable accounting standards notified under Section 211 (3C) and the other relevant provisions of the Companies Act, 1956. All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be less than 12 months.

2. USE OF ESTIMATES:-

The preparation of Financial Statements requires estimates & assumptions to be made that affect the reported amount of assets & liability on the date of financial statements and the reported amount of revenues & expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known\ materialized.

3. FIXED ASSETS: -

- (A) Fixed assets are stated at cost after reducing accumulated depreciation until the date of balance sheet. No fixed asset has been revalued in the financial statement.
- (B) Depreciation on fixed assets charged on a proportionate basis for all assets purchased and sold during the year is provided using WDV method based on useful lives of assets as estimated. Depreciation is charged at the rates specified in Schedule XIV of Companies Act, 1956.

4. REVENUE RECOGNITION: -

- (a) Income from Services is recognized when the services are rendered.
- (b) Revenue in respect of other income is accounted on accrual basis except claim received/paid.

5. FOREIGN EXCHANGE TRANSACTION: -

Foreign exchange transaction are recorded using the exchange rates prevailing on the dates of the respective transaction exchange difference arising on foreign exchange transaction settled during the period are recognized in the profit and loss account except that exchange differences related to acquisition of fixed assets are adjusted in carrying amount of the related fixed assets.

6. EMPLOYEES BENEFITS: -

- (A) Contribution to defined schemes such as provident fund, superannuating / pension benefits, gratuity employee's state insurance scheme is charged as incurred on accrual basis. These are in accordance with the respective Act's.
- (B) Leave Encashment: - As per the employment policy of the company the employees avail their annual Leave and provision for leave encashment is made on the basis of unveiled leave to the credit of employees.

- (C) Gratuity - In accordance with the Payment of Gratuity Act, 1972, the company provides for gratuity covering all employees. The plan, subject to the above Act, provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based in the respective employee's salary and the tenure of employment. The company estimates its liability as of each balance sheet date based on an actuarial valuation.

7. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:-

A provision is recognised when there is a present obligation as a result of a past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end. These are reviewed at each year end and adjusted to reflect the best current estimate. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements

8. TAXATION :-

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure realisation. Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period.

9. IMPAIRMENT OF ASSETS:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

3. 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.	Authorised Capital	
	1,00,000 equity shares of face value of Rs. 10/- per share	10,00,000
B.	Issued, Subscribed and Paid-Up Share Capital	
	50,000 equity shares of face value of Rs. 10/- fully paid up	5,00,000

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

Date	Particulars	Share Premium	Cumulative Share Premium
Nil			

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.)	Cumulative share premium
12.7.2004	10,000	10	10	Cash	Cash	10,000	1,00,000	NIL
5.10.2013	40,000	10	10	Bonus	Bonus	50,000	5,00,000	NIL

(II) Shareholding of our Promoters:

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

Mr. Konark Trivedi						
Date of Allotment / Transfer	Consideration Issue /	No. of Equity Shares	Face value per Share (Rs.)	Acquisition / Transfer price (Rs.)	Nature of Transactions	Shareholding %
12.07.2004	Cash	9,500	10.00	10.00	Allotment	95%
05.10.2013	Bonus	38,000	10.00	-	Bonus	95%

Mrs. Sonal Trivedi						
Date of Allotment / Transfer	Consideration Issue /	No. of Equity Shares	Face value per Share (Rs.)	Acquisition / Transfer price (Rs.)	Nature of Transactions	Shareholding %
12.07.2004	Cash	500	10.00	10.00	Allotment	5%
05.10.2013	Bonus	2,000	10.00	-	Bonus	5%

(III) Statement showing Share Holding Pattern of Frog Cellsat 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	4	49,997	49,997	99.99	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-
	Sub-Total (A)(1)	4	49,997	49,997	99.99	-	-
(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)	4	49,997	49,997	99.99	-	-
(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	3	3	3	0.01	-	-
(c)	Qualified Foreign Investors	-	-	-	-	-	-
(d)	Any Other	-	-	-	-	-	-
	Sub-Total (B)(2)						
	Total Public Shareholding (B)= (B)(1)+(B)(2)	3	3	3	0.01	-	-
	TOTAL (A)+(B)	7	50,000	50,000	100.00	-	-

(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. Konark Trivedi	47,495	-
2.	Mrs. Sonal Trivedi	2,500	-
3.	Mr. Satish Bhanu Trivedi	1	-
4.	Mrs. Rekha Trivedi	1	-

(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
	Nil	Nil	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.	Mr. Konark Trivedi	10,000	20.00

The above shares shall be locked-in for a period of 3 years from the date of listing.

4. PROPERTY

The description of properties of the Company are set forth below.

A. Owned Property:

Location	Title	Area (in square meters)
Khasara No. 142 Kha & Gha, Mohabewala Industrial Area, Dehradun 248110	Conveyance Deed dated 19/11/2010	378.25
	Conveyance Deed dated 06/01/2011	109.10
	Conveyance Deed dated 12/09/2012	35.13
	Total Area	522.48

The manufacturing and research & development activities of the Company are carried out at the above property. The property is registered in the name of the Company and is free from all encumbrances. The above property has not been acquired from any of the related parties.

B. Leased Properties:

Apart from the above, the Company has leased the following office premises/support service centres:

1. **Registered Office:** 19, Chawla Complex, A-215, Shakarpur New Delhi 110092, India
2. **Corporate Office:** H-157, Sector 63, Noida-201 307, UP, India
3. **Support Service Centres** at Mumbai, Hyderabad, Bhubaneshwar, Jaipur, Bangalore, Pune, Ahmedabad and Lucknow.

C. 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. Konark Trivedi

	Mr. Konark Trivedi, aged 40 years, is the Whole-time Director of our Company. He has been a Director of our Company since inception. He is an engineer by qualification and has more than 18 years of experience. He holds a Bachelor's degree in Technology (B.Tech) from Aligarh Muslim University (AMU), Aligarh and a Post-Graduation in Mobile and Satellite Communication from Westminster University, London. He has extensive experience in the telecom industry, before setting up Frog Cellsat, Konark has gained experience working with leading companies including HCL and HFCL in the middle management roles.
Personal addresses	3/1304, Vasundhara, Ghaziabad PIN: 201012, Uttar Pradesh, India
Voter Identification Number	GKM9131947
Driving License Number	1412025241/GZB/5/6/12
Passport Number	Z2169363

2. Mrs. Sonal Trivedi

	Mrs. Sonal Trivedi, aged 35 years, is the Whole-time Director of our Company. She has been a Director of our Company since inception. She is a Post Graduate in Psychology (Industrial Psychology) from Garhwal University and she is a University Topper. She has more than 11 years' experience in Human Resources and Administration. Before setting up Frog Cellsat, she has worked for many education institutes including Carrier Launcher and The Finesse. She is also a Certificate in English Language Teaching to Others (CELTA) qualified and a part time teacher at British Council, New Delhi teaching spoken English to adults.
Personal addresses	3/1304, Vasundhara, Ghaziabad PIN: 201012, Uttar Pradesh, India
Voter Identification Number	GKM9131954
Driving License Number	NA
Passport Number	Z2561955

SECTION VII – OUR MANAGEMENT

Under our Articles of Association, our Company is required to have not less than 3 Directors and not more than 12 Directors, subject to Section 252 of the Companies Act. Currently, our Company has 4 Directors out of whom 2 are Independent 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 assuming office in the Company	Tenure	Designation	Address	Directorship in other Companies
Mr. Konark Trivedi 00537897 ACLPT7744H 40 years	12.07.2004	Retirement by rotation	Whole-time Director	3/1304, Vasundhara, Ghaziabad PIN: 201012, Uttar Pradesh, India	Frog Fone Private Limited
Mrs. Sonal Trivedi 00537922 AMUPK9886G 35 years	12.07.2004	Retirement by rotation	Whole-time Director	3/1304, Vasundhara, Ghaziabad PIN: 201012, Uttar Pradesh, India	Frog Fone Private Limited
Mr. Amit Kumar Gupta 06812575 ACSPG1215F 41 years	07-02-2014	Two Years	Independent Director	E-176, East of Kailash, Srinivaspuri SO East of Kailash Phase 1, Delhi – 110065	Nil
Mr. Bharat Bhushan Kalra 01586012 AAEPK8183G 43 years	22-03-2014	Two Years	Independent Director	29/149, 1st Floor, West Patel Nagar , New Delhi 110008	IMO Gresham India Limited, Perfect Cottages Pvt. Ltd., Arc Beverages Pvt. Ltd.

Brief Profile of the Directors:

1. Mr. Konark Trivedi

A brief profile of Mr. Konark Trivedi is provided under the section titled 'Our Promoters' beginning on page no. 45 of this Information Memorandum.

2. Mrs. Sonal Trivedi

A brief profile of Mrs. Sonal Trivedi is provided under the section titled 'Our Promoters' beginning on page no. 45 of this Information Memorandum.

3. Mr. Amit Kumar Gupta

Mr. Amit Kumar Gupta aged 41 years is an independent director of our Company. He holds a diploma in Electronic and Electrical communication. He has more than 15 years of experience in the area of electronic and electrical communication engineering.

4. Mr. Bharat Bhushan Kalra

Mr. Bharat Bhushan Kalra aged 43 years is an independent director of our Company. He is a qualified Chartered Accountant and a B.Com (Hons) from Delhi University. He has more than 19 years of experience in auditing, internal control systems, accounts, finance, direct and indirect taxation, costing, general management and consultancy.

NATURE OF FAMILY RELATIONSHIP AMONG DIRECTORS

Mrs. Sonal Trivedi is the wife of Mr. Konark Trivedi

TERMS OF APPOINTMENT OF OUR DIRECTORS

Mr. Konark Trivedi and Mrs. Sonal Trivedi are whole time directors in our Company and they will 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

The Company will be paying sitting fee to the Independent Directors within the limit as prescribed by the Companies Act.

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 March 22, 2014.

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. Bharat Bhushan Kalra is the Chairman of the Audit Committee.

Composition of Audit Committee

Names of the Director	Designation in the Committee	Nature of Directorship
Mr. Bharat Bhushan Kalra	Chairman	Non-Executive Independent director
Mr. Amit Kumar Gupta	Member	Non-Executive Independent director
Mr. Konark Trivedi	Member	Whole-time Director

Mr. Charan Jeet Kalra, Company Secretary, 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 March 22, 2014.

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. Amit Kumar Gupta 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. Amit Kumar Gupta	Chairman	Non-Executive Independent director
Mr. Bharat Bhushan Kalra	Member	Non-Executive Independent director
Mr. Konark Trivedi	Member	Whole-time Director

Interest of our Directors

All of our Directors may be deemed to be interested to the extent of remuneration 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. Amit Kumar Gupta	07-02-2014	-	-
2.	Mr. Bharat Bhushan Kalra	22-03-2014	-	-

Key Managerial Personnel

Name	Designation	Age	Date of Joining	Qualification and Experience	Particulars of last employment and Position held	Shareholding in our Company
Tarun Sharma	Chief Operating Officer	48	09-02-2009	B.Sc in Electronics & Communications, Diploma in Project Manager(Nortel India) & Diploma in Computer Software Development (NITMA India), more than 25 years of experience in the electronics and communications field.	AAE Systems	1
Charan Jeet Kalra	Chief Financial Officer	46	01-11-2013	B.Com (H), FCS and PGDMA Having experience of more than 21 years in the field of finance, taxation, compliances, operations having worked with MNCs.	Director & CFO of Tyrolit India Superabrasive Tools Private Limited (subsidiary of Austria based MNC)	1

Changes in the Key Managerial Personnel

There are no changes in the key managerial personnel in the last three years except for Mr. Charan Jeet Kalra, who joined our Company on 1st November 2013.

SECTION VIII - RELATED PARTY TRANSACTIONS

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:

I. List of Related Parties

S.No	Related Party
	Directors
1	Konark Trivedi
2	Sonal Trivedi

II. Related Party transactions

(Amount in Rupees)

S.No	Name of related party	Nature of transaction	As on March 31, 2013	As on March 31, 2012
1	Konark Trivedi	Salary	1,20,00,000	1,20,00,000
2	Sonal Trivedi	Salary	1,20,00,000	1,20,00,000
3	Sonal Trivedi	Rent paid by the Company	2,40,000	2,40,000
4	Konark Trivedi	Unsecured loan received by the Company	-	69,89,499
5	Sonal Trivedi	Unsecured loan received by the Company	6,20,00,000	29,22,000

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 thereunder or regulations issued, as the case may be. We further certify that all the statements in this Information Memorandum are true and correct.

Signed by all the Directors

Sd/-

(KONARK TRIVEDI)

Sd/-

(SONAL TRIVEDI)

Sd/-

(AMIT KUMAR GUPTA)

Sd/-

(BHARAT BHUSHAN KALRA)

Signed by the CFO

Sd/-

(CHARAN JEET KALRA)

Date: April 29, 2014

Place: New Delhi