

27th
ANNUAL REPORT
2010-11

GUJARAT TOOLROOM LIMITED

27th ANNUAL REPORT 2010-11

BOARD OF DIRECTORS

Shri Suryakant H. Parikh	<i>Managing Director (w.e.f. 12/08/2011)</i>
Shri Bhavin S. Parikh	<i>Director (w.e.f. 30/06/2011)</i>
Shri Vishal M. Shah	<i>Director (w.e.f. 30/06/2011)</i>
Shri Devang J. Gadoya	<i>Director</i>
Shri Kalpesh J. Jariwala	<i>Director</i>
Shri Hemantparvat K. Goswami	<i>Director (upto 19/01/2011)</i>
Shri Viral N. Shah	<i>Additional Director (w.e.f. 12/08/2011)</i>
Shri Tushar S. Shah	<i>Additional Director (w.e.f. 12/08/2011)</i>
Shri Kunjan N. Vora	<i>Additional Director (w.e.f. 12/08/2011)</i>
Smt. Sangita D. Gadoya	<i>Director (upto 12/08/2011)</i>
Shri Nareshbhai M. Shah	<i>Additional Director (upto 12/08/2011)</i>
Shri Prakashsinh Rehvar	<i>Additional Director (upto 12/08/2011)</i>

AUDITORS

M/s. Shyam Sunder & Associates
Chartered Accountants
Ahmedabad

BANKERS

Union Bank of India
UCO Bank Ltd.

REGISTERED OFFICE

402, Sheel Complex,
Nr. Mithakhali Under Bridge,
Navrangpura, Ahmedabad – 380 009.
Website: www.gujarattoolroom.com
E-mail Id : info@gujtoolroom.com
gujtoolroom@gmail.com

REGISTRAR FOR TRANSFER

Sharepro Services (India) Pvt. Ltd.
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyash Ashram, Ellisbridge,
Ahmedabad-380006
Tel Nos.079 26582381/82/83/ 84
Fax No. 079 26582385
Email: sharepro.ahmedabad@shareproservices.com

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NOTICE

NOTICE is hereby given that the 27TH ANNUAL GENERAL MEETING of the Members of **GUJARAT TOOLROOM LIMITED** will be held on 27th September, 2011 at 11.00 A.M. at Ground Floor, Aditi Flats, Ellisbridge, Ahmedabad-380006 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and the Audited Profit & Loss Account for the year ended on that date, together with the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Devang J. Gadoya, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kalpesh J. Jariwala, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:**5. Appointment of Mr. Suryakant H. Parikh as a Director and Managing Director of the company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Mr. Suryakant H. Parikh, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 22(d) of the Articles of Association of the company, be and is hereby appointed as a Director of the Company not liable to retire by rotation."

"RESOLVED FURTHER THAT in accordance with the provisions of Sections 198, 269, 309 and 314 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the appointment of Mr. Suryakant H. Parikh as a Managing Director of the company, for a period of 5(Five) years with effect from 12th August, 2011 on the terms and conditions including remuneration as set out in Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

6. Appointment of Mr. Viral N. Shah as a Director of the Company

To Consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Viral N. Shah who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 12, 2011 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. Appointment of Mr. Tushar S. Shah as a Director of the Company

To Consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Tushar S. Shah who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 12, 2011 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

8. Appointment of Mr. Kunjan N. Vora as a Director of the Company

To Consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Kunjan N. Vora who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 12, 2011 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

9. Increase in Authorised Share Capital of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of Section 94(1)(a) of the Companies Act, 1956 and Article 3 of the Articles of Association and other applicable provisions, if any, the Authorised Share Capital of the Company be and is hereby increased from Rs. 5,00,00,000/- (Rupees Five Crore Only) divided into 50,00,000 (Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs.6,00,00,000/- (Rupees Six Crore Only) divided into 60,00,000 (Sixty Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each by creation of additional Equity Shares of Rs. 1,00,00,000/- (Rupees One Crores Only) divided into 10,00,000 (Ten Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each to rank pari passu with the existing Equity Shares."

"FURTHER RESOLVED THAT subject to the provisions of Section 16 of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company be and is hereby altered and substituted by the following new Clause V:

"The Authorised Share Capital of the Company is Rs.6,00,00,000/- (Rupees Six Crore Only) divided into 60,00,000 (Sixty Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each."

"FURTHER RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered by adding the following new Articles 3 in place of the existing Article 3 thereof:

The Authorised Share Capital of the Company shall be as per paragraph V of the Memorandum of Association of the Company capable of being increased in accordance with the company regulations and the legislative provisions for the time being in force in that behalf. The Authorised Share Capital in the Company, for the time being whether original or increased may be divided into several classes with any preferential, qualified or other special right, privilege, conditions or restrictions attached thereto whether in regard to dividend, voting, return on capital or otherwise. If and when the capital of the company is divided into shares of different classes, the right of any such class may be varied, modified, affected, extended, abrogated or surrendered as provided by the Articles of Association.

The Company may from time to time by ordinary resolution increase the capital by such sum to be divided into shares of such amount as may be specified in the resolution."

"FURTHER RESOLVED THAT any one director of the company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary of expedient for giving effect to the said resolution."

10. Issue of warrants

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI (ICDR) Regulations, 2009") as in force, the regulations/guidelines, if any, issued by the Government of India, the Reserve Bank of India and any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with the stock exchanges where the shares of the Company are listed, and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges and any other relevant statutory, governmental authorities or departments, institutions or bodies ("Concerned Authorities") in this regard and further subject to such terms and conditions or modifications thereto

as may be prescribed or imposed by any of the Concerned Authorities while granting such approvals, and permissions as may be necessary or which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to, the consent and approval of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to create, offer, issue and allot from time to time to the person belonging to promoters and non-promoters group on the preferential basis up to 25,00,000 (Twenty Five Lakhs) convertible warrants at a price calculated in accordance with SEBI(ICDR) Regulations, 2009 or at such a higher price as may be decided by the Board convertible into 25,00,000 (Twenty Five Lakhs) Equity Shares of face value of Rs.10/- each of the company aggregating to Rs. 2,50,00,000/- (Rupees Two Crores and Fifty Lakhs Only) conversion of which should be made within period of not exceeding 18 months from the date of allotment of warrants in one or more tranches, in accordance with SEBI(ICDR) Regulations, 2009 and on such terms and conditions and in such a manner as the Board may think fit."

"RESOLVED FURTHER THAT the relevant date for the purpose of determining the issue price under SEBI (ICDR) Regulations, 2009 for preferential issue shall be 28th August, 2011."

"RESOLVED FURTHER THAT the Warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of rights attached to such warrants shall be subject to lock in requirement as per the provisions of Chapter VII of the SEBI(ICDR) Regulations, 2009."

"RESOLVED FURTHER THAT the Equity Shares allotted in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to issue or allotment of the aforesaid warrants and resultant equity shares to the holders of warrants upon exercise of right to subscribe the shares and listing thereof with the stock exchanges as appropriate and to resolve and settle any questions, difficulties or doubt that may arise in regards to proposed issue, offer and allotment of any said warrants and utilization of the issue proceeds and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto, expressly by authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors or any other Director(s) or Officer(s) of the Company to give effect to this resolution."

Regtd. Office

402, Sheel Complex,
Nr. Mithakhali Under Bridge,
Navrangpura, Ahmedabad – 380 009.

Date: 12/08/2011

By order of Board of Directors
For, **Gujarat Toolroom Limited**

Suryakant H. Parikh
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED TO BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business as set above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
3. Pursuant to Section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the Company will remain closed from **Tuesday, 20th September, 2011 to Tuesday, 27th September, 2011 (both days inclusive)**.
4. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.

5. Members are requested to:
- Intimate, if shares are held in the same name or in the order and names, but in more than one account to enable the Company to club the said accounts into one account.
 - Notified immediately the change in their registered address, if any, to the Company.
6. The Equity Shares of the Company are available for dematerialization. Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. **The ISIN No. of the Equity Shares is INE145J01016.**

NAME OF DIRECTORS	DEVANG J. GADOYA	KALPESH J. JARIWALA	SURYAKANT H. PARIKH	VIRAL N. SHAH	TUSHAR S. SHAH	KUNJAN N. VORA
Age (Date of Birth)	45 Years (08/09/1966)	34 Years (08/09/1977)	64 Years (05/11/1946)	33 Years (24/12/1977)	45 Years (25/10/1965)	24 Years (20/11/1986)
Date of Appointment	23/03/2009	06/06/2008	12/08/2011	12/08/2011	12/08/2011	12/08/2011
Qualification and experience in specific functional area	Graduation in Commerce, having good experience of administration, marketing and taxation	Graduation in Commerce, having 5 years of experience in the field of Account and Taxation	Graduation in Science having more than 40 years of Experience of Textile, Real Estate, Finance and Administration	Graduation in Commerce, L.L.B., having 7 years of experience in relevant matters as an Advocate	Graduation in Commerce, having experience of 20 years in the field of Finance & Securities Transactions	Qualified Chartered Accountant engaged in the business of Electronics and Communication
Directorship held in other companies*	2	1	Nil	Nil	4	Nil
Membership / Chairmanships of Committee in other Public Companies	None	None	None	None	Yes	None

***Pvt. Companies excluded**

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

In conformity with the provisions of Section 173 (2) of the Companies Act, 1956, following Explanatory Statement sets out all material facts relating to the Special Business mentioned as item No. 5,6,7,8,9 and 10 of the accompanying notice dated 12/08/2011 and should be taken as forming part of notice.

Item No.5:

The Board of Directors of the company (the 'Board') at its meeting held on 12th August, 2011, appointed Mr. Suryakant H. Parikh as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 (the 'Act') read with Article 22(d) of the Articles of Association of the company.

In terms of the provisions of Section 260 of the Act, Mr. Suryakant H. Parikh would holds office up to the date of the ensuing Annual General Meeting.

The Company has received notices in writing from members alongwith deposit of Rs.500/- each for proposing candidature of Mr. Suryakant H. Parikh for the office of Director of the Company under Section 257 of the Act.

Mr. Suryakant H. Parikh is not disqualified from being appointed as a Director in terms of Section 274(1)(g) of the Act. Further, the Board appointed, subject to the approval of Members, Mr. Suryakant H. Parikh as a Managing Director of the Company for a period of five years with effect from August 12, 2011.

Mr. Suryakant H. Parikh, aged 64 years, is Science Graduate having more than 40 years of Experience in Textile, Real Estate, Finance and Administration.

It is proposed to seek Members approval for the appointment of and remuneration payable to Mr. Suryakant H. Parikh as Managing Director in terms of the applicable provisions of the Act.

Broad particulars of the terms of appointment of and remuneration payable to Mr. Suryakant H. Parikh is as under:

I. PERIOD:

For a period of 5 years with effect from 12th August, 2011.

II. REMUNERATION

A. SALARY:

The Managing Director shall be entitled to salary of Rs. 50,000/- per month.

B. PERQUISITES:

1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either or put together are not taxable under the Income-tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of Service.
3. Encashment of leave at the end of tenure.
4. Medical Reimbursement:
Medical reimbursement expenses incurred for the Managing Director and family Subject to ceiling of one month's salary per year or three month's salary over a period of five years.
5. Leave Travel Concession for self and family at a rate not exceeding one month's Salary for one year or three month's salary in a block of three years.
6. Free use of Company's car with driver for Company's business and free telephone facility at residence.

III. The Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

IV. The Managing Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any Selling Agency of the Company without the prior approval of the Central Government.

V. DUTIES:

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The Headquarter of the Managing Director shall be at Ahmedabad or at such place as the Board of Directors may decide from time to time.

VI. TERMINATION:

The Managing Director may be removed from his office for gross negligence, breach of duty or trust if a Special Resolution to that effect is passed by the Company in its General Meeting. The Managing Director may resign from his office by giving 90 days' Notice to the Company.

VII. COMPENSATION:

In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director shall be entitled to receive compensation from the Company for loss of office to extent and subject to limitation as provided under Section 318 of the Companies Act, 1956.

As per the provision of Section 198, 269, 309, 314 and all other applicable provisions, if any, of the Companies Act, 1956 consent of the Company accorded by Special Resolution is necessary for holding office as Managing Director of the Company on remuneration.

The terms and conditions mentioned in the above Explanatory Statement may be treated as abstract of the terms of proposed contract under Section 302 of the Companies Act, 1956.

Resolution of the Board of Directors and Draft agreements of appointment are open for inspection at the registered office of the Company between 11.00 A.M to 1.00 P.M.

None of the present Directors is concerned or interested in the business except Mr. Suryakant H. Parikh and Bhavin S. Parikh. The proposed appointee Mr. Suryakant H. Parikh may be treated as concerned or interested in the said business as the business is relating to his appointment as Managing Director of the Company with effect from 12th August, 2011 and Mr. Bhavin S. Parikh is son of Mr. Suryakant H. Parikh.

The Board of Directors recommends the resolution for approval of shareholders.

Item No.6:

Under section 260 of the Companies Act, 1956, Mr. Viral N. Shah was appointed as an Additional Director of the Company in the Meeting of the Board of Directors held on August 12, 2011. Mr. Viral N. Shah holds his office upto the date of ensuing Annual General Meeting. Due notice under section 257 of the Act has been received from a member alongwith requisite fee, proposing the appointment of Mr. Viral N. Shah as Director of the Company liable to retire by rotation.

None of the Director of the Company except Mr. Viral N. Shah is concerned or interested in this resolution. The Board of Directors recommends the resolution for approval of shareholders.

Item No.7:

Under section 260 of the Companies Act, 1956, Mr. Tushar S. Shah was appointed as an Additional Director of the Company in the Meeting of the Board of Directors held on August 12, 2011. Mr. Tushar S. Shah holds his office upto the date of ensuing Annual General Meeting. Due notice under section 257 of the Act has been received from a member alongwith requisite fee, proposing the appointment of Mr. Tushar S. Shah as Director of the Company liable to retire by rotation.

None of the Director of the Company except Mr. Tushar S. Shah is concerned or interested in this resolution. The Board of Directors recommends the resolution for approval of shareholders.

Item No.8:

Under section 260 of the Companies Act, 1956, Mr. Kunjan N. Vora was appointed as an Additional Director of the Company in the Meeting of the Board of Directors held on August 12, 2011. Mr. Kunjan N. Vora holds his office upto the date of ensuing Annual General Meeting. Due notice under section 257 of the Act has been received from a member alongwith requisite fee, proposing the appointment of Mr. Kunjan N. Vora as Director of the Company liable to retire by rotation. None of the Director of the Company except Mr. Kunjan N. Vora is concerned or interested in this resolution. The Board of Directors recommends the resolution for approval of shareholders.

Item No.9:

Members of the Board keeping in view of the increased level of the business activities in future decided that the company would require more working capital funds for business activities. To accommodate this working capital requirement, company needs to increase the Paid up Share Capital and in view of this, it is proposed to increase the Authorized Share Capital of the Company from Rs.5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs.6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 (Sixty Lacs) Equity Shares of Rs.10/- (Rupees Ten Only) each. The proposed increase in Authorized Share Capital of the Company requires consequential amendment in Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company and therefore approval of the shareholders of the Company is required through Special Resolution. The Board proposes this resolution for the approval of the shareholders.

None of the Director of the Company is interested in the resolution.

Item No. 10:

Your Company is proposing to create, offer, issue and allot up to 25,00,000 (Twenty Five Lakhs) Convertible warrant at a price calculated in accordance with the SEBI (ICDR) Regulations, 2009 or at such higher price as may be decided by the Board, convertible into 25,00,000 (Twenty Five Lakhs) Equity Shares of face value of Rs.10/- each of the Company aggregating to Rs.2,50,00,000/- (Rupees Two Crores and Fifty Lakhs only) to the person belonging to promoters as well as non-promoters group on preferential basis.

I. Object of the Issue:

Object of the issue is to meet the long term working capital requirements of the company, enhancements of competitiveness and strengthening of its financial position through long-term resources, expansion of the present activity, Investment and/Loan to Other Bodies Corporate as a strategic investment.

II. Intention of the person belonging to Promoters and Non-Promoters Group to subscribe to offer

The persons belonging to promoters and non-promoters group intend to subscribe to the issue.

III. Shareholding Pattern before and after the issue:-

Class of Shareholders	Pre Preferential issue		Post Preferential issue (assuming full conversion of Warrants into equity Shares)	
	No. of Shares	% of total Shares	No. of Shares	% of total Shares
Promoter & Promoter Group				
a. Indian promoter	393800	11.33	868800	14.54
b. Foreign Promoter	Nil	Nil	Nil	Nil
Total Promoter Group	393800	11.33	868800	14.54
Public Shareholdings				
Institutional	77500	2.23	77500	1.30
Non Institutional:				
Bodies corporate	116912	3.36	116912	1.96
Individual	2888488	83.08	4913488	82.21
Any Other (clearing member, etc)	100	0.003	100	0.002
NRI	Nil	Nil	Nil	Nil
Total public shareholding	3083000	88.67	5108000	85.46
Total	3476800	100.00	5976800	100.00

IV. Proposed time within which the allotment shall be completed:

The Board Proposes to allot the Convertible Warrants within a period of 15 days from the date of passing of the Special Resolution by the shareholders of the Company provided that when the allotment on preferential basis is pending on account of any approval or permission for such allotment by any regulatory authority or the Central Government, the period of 15 days shall be counted from the date of such approval or permission.

V. The Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them:

Sr. No.	Name of the proposed allottees	Category	Pre Issue		No. of warrants proposed to be issued	Post Issue of shares and warrants*	
			No. of Shares	% of total shares		No. of shares	% of total shares
1.	Bhavik S. Parikh	Promoter	0	0	275000	275000	4.60
2.	Vishal M. Shah	Promoter	0	0	200000	200000	3.35
3.	Ashokkumar C. Shah	Public Non-Promoter	0	0	100000	100000	1.67
4.	Alkaben A. Shah	Public Non-promoter	0	0	100000	100000	1.67
5.	Ashil A. Shah	Public Non-promoter	0	0	75000	75000	1.25
6.	Atish A. Shah	Public Non-promoter	0	0	75000	75000	1.25
7.	Krupa A. Shah	Public Non-promoter	0	0	75000	75000	1.25
8.	Mukeshkumar A. Shah	Public Non-promoter	0	0	100000	100000	1.67

Sr. No.	Name of the proposed allottees	Category	Pre Issue		No. of warrants proposed to be issued	Post Issue of shares and warrants*	
			No. of Shares	% of total shares		No. of shares	% of total shares
9.	Aruna M. Shah	Public Non-promoter	0	0	50000	50000	0.84
10.	Bharatkumar C. Shah	Public Non-promoter	0	0	100000	100000	1.67
11.	Chandrika B. Shah	Public Non-promoter	0	0	50000	50000	0.84
12.	Mehulkumar V. Shah	Public Non-promoter	0	0	50000	50000	0.84
13.	Hetal M. Shah	Public Non-promoter	0	0	50000	50000	0.84
14.	Anita A. Shah	Public Non-promoter	0	0	80000	80000	1.34
15.	Ankit M. Shah	Public Non-promoter	0	0	80000	80000	1.34
16.	Mahendra V. Shah	Public Non-promoter	0	0	80000	80000	1.34
17.	Jyotiben M. Shah	Public Non-promoter	0	0	80000	80000	1.34
18.	Yamini A. Shah	Public Non-promoter	0	0	80000	80000	1.34
19.	Chirag S. Shah HUF	Public Non-promoter	0	0	100000	100000	1.67
20.	Sudha S. Shah	Public Non-promoter	0	0	60000	60000	1.00
21.	Amit K. Shah HUF	Public Non-promoter	0	0	70000	70000	1.17
22.	Ruchita A. Shah	Public Non-promoter	0	0	65000	65000	1.09
23.	Veena K. Shah	Public Non-promoter	0	0	65000	65000	1.09
24.	Shantilal M. Shah HUF	Public Non-promoter	0	0	100000	100000	1.67
25.	Sejal C. Shah	Public Non-promoter	0	0	75000	75000	1.25
26.	Anju K. Chowdhary	Public Non-promoter	0	0	80000	80000	1.34
27.	Kirtilal M. Shah	Public Non-promoter	0	0	100000	100000	1.67
28.	Kirtilal M. Shah HUF	Public Non-promoter	0	0	85000	85000	1.42

*on an assumption of full conversion of the Warrants into Equity Shares of the Company

VI. Consequential changes in the Voting Rights:

Voting rights will change in tandem with the shareholding pattern.

VII. Lock in Period

The aforesaid allotment of warrant and/or equity shares arising on conversion of the warrants into equity shares shall be locked in as per the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009.

VIII. Change in the control or composition of the Board:

Subsequent to the proposed issue of warrants on preferential basis, there will neither be change in control nor a change in the management of the Company. However there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the conversion of warrants into equity shares and allotment of such equity on preferential basis.

IX. Pricing of Issue

The shares are proposed to be allotted on preferential basis at a price calculated in accordance with the SEBI (ICDR) Regulations, 2009 or at such higher price as may be decided by the Board based on the relevant date i.e. 28th August, 2011.