

OUT OF CITY TRAVEL SOLUTIONS LTD

31ST ANNUAL REPORT F.Y. 2011 - 2012

REGISTERED OFFICE

C-250, 2nd Floor, Oshiwara Industrial Estate,

Opp. Goregaon Depot, Off Link Road,

Goregaon (West), Mumbai: 400104.

Web site: www.tilakfinance.com

Email Id: tilakfin@gmail.com

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REG.OFFICE:- C-250, 2nd Floor, Oshiwara Industrial Estate, Opp. Goregaon Depot, Off Link Road, Goregaon (West),
Mumbai: 400104.

31st ANNUAL REPORT

BOARD OF DIRECTORS

Mr. GIRRAJ KISHOR AGRAWAL	-	Managing Director
Mrs. TANU GIRIRAJ AGARWAL	-	Director
Mr. PRAVEEN VASISHTH	-	Director
Mr. TUSHAR RANE	-	Additional Director

BANKER:

HDFC BANK LTD
AXIS BANK LTD

AUDITORS:

M/S PRAVIN CHANDAK & ASSOCIATES,
403, NEW SWAPANALOK CHS LTD,
NATAKWALA LANE,
BORIVALI(W),
MUMBAI-400092

REGISTAR & TRANSFER AGENT

SHAREX DYNAMIC (INDIA) PVT LIMITED
UNIT NO 1 LUTHARA IND PREMISES
SAFED POOL, ANDHERI KURLA ROAD,
ANDHERI EAST, MUMBAI 400072

CONTACT US:

Web site: www.tilakfinance.com

Email Id: tilakfin@gmail.com

NOTICE

Notice is hereby given that the **31st** Annual General Meeting of the Members of **Out of City Travel Solutions Ltd** will be held on 28th September, 2012 at **04.30 P.M** at Registered Office of the Company at C-250, 2nd Floor, Oshiwara Industrial Estate, Opp. Goregaon Depot, Off Link Road, Goregaon (West), Mumbai: 400104 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2012, the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint Mrs. Tanu Giriraj Kishor Agarwal as Director of the company, who retires by rotation and, being eligible, offers herself for reappointment.
3. To appoint auditor and to fix his remuneration in consultation with the board.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass, with or without modification, the following resolution an Ordinary Resolution.

“RESOLVED THAT Mr. Tushar Ramchandra Rane, who was appointed as an Additional Director w.e.f 19th June, 2012 pursuant to Section 260 of the Companies Act, 1956, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for time being in force) and subject to provisions of Articles of Association of Company, the consent of the Company be and is hereby accorded for appointment of Mr. Girraj Kishor Agrawal as Managing Director of the Company, for a period of Five years with effect from 19th June, 2012 to 18th June, 2017 on the terms and conditions including remuneration as set out in the agreement entered into between the Company and Mr. Girraj Kishor Agrawal and reproduced in the Explanatory Statement enclosed herewith, which is hereby specifically sanctioned, with liberty to the Board of Directors (hereinafter referred to as “the Board” which shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said appointment and / or remuneration and / or agreement in the best interest of the Company so as not to exceed the limits specified in Schedule XIII to the Companies Act 1956, including any statutory modification or re-enactment thereof, for the time being in force or any amendments and / or modification that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. Girraj Kishor Agrawal.

RESOLVED FURTHER THAT the board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To Increase the Authorised Capital of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 94(1)(a), 97 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 12,25,00,000/- (Rupees Twelve Crores Twenty Five Lacs Only) divided into 12,25,00,000 (Twelve Crores Twenty Five Lacs) Equity Shares of Rs. 1/- (Rupees One Only) each to Rs. 13,25,00,000/- (Rupees Thirteen Crores Twenty Five Lacs Only) divided into 13,25,00,000 (Thirteen Crores Twenty Five Lacs) Equity Shares of Rs. 1/- (Rupees One Only) each.”

"RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association with respect to Capital Clause be and is hereby deleted and in its place the following Clause V is substituted:

V.A The Authorised Share Capital of the Company is Rs. 13,25,00,000/- (Rupees Thirteen Crores Twenty Five Lacs Only) divided into 13,25,00,000 (Thirteen Crores Twenty Five Lacs) Equity Shares of Rs. 1/- (Rupees One Only) each."

B. Paid up Capital of the Company shall be minimum of Rs. 5,00,000 (Rupees Five lakhs only)."

"RESOLVED FURTHER THAT any of the directors of the Company and / or any one authorized on his behalf be and are hereby severally authorized to do all such deeds, acts, matters and things necessary to give effect to the above resolution including signing and filing the necessary forms with the Registrar of Companies, Mumbai in order to give effect to the above resolution."

7. To consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution.

"Resolved that in accordance with the provisions of section 81, 81(IA) and other applicable provisions if any of the Companies act, 1956 and in accordance with the existing guidelines issued by the Securities and Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permissions and / or sanctions of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board, Secretariat of Industrial Approvals under the Foreign Exchange Management Act, 1999 (including any statutory modification or reenactment thereof, for the time being in force) and other applicable laws, and enabling provisions in the Memorandum and Articles of association of the company and the listing agreements entered into by the company with the stock exchange where the shares of the company are listed and subject to such terms and conditions as may be determined by the board of directors of the company (herein after referred to as "The Board" which expression shall include a committee, constituted for the time being in force, thereof) and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board, the consent and approval of the company be and is hereby accorded to Board and the Board be and is hereby authorized to offer, issue and allot on preferential basis, up to 80,30,000 (Eighty Lakhs Thirty thousand only) Equity Shares of Face Value of Rs. 1/- each at a premium of Rs. 22/- per share aggregating to Rs.18,46,90,000/- (Rupees Eighteen Crores fourty Six lakhs Ninety thousand only) to persons falling under non promoters group, being the price which is in accordance with the guidelines for Preferential Issue contained in Chapter VII of the SEBI (issue of Capital and Disclosure Requirement) Regulations,2009,(SEBI ICDR Regulations") persons mentioned below on a Preferential basis:

Sr. No	Name of the proposed Allottees	Address of the Proposed Allottees	No. of equity shares to be allotted	Category	Allottee is : QIB/MF/FI /Trust/Banks
1	Prakashkumar Ravjibhai Khokhariya/Vaishali P Khokhariya	97-98, Ankur Society , Varachha Road, Surat City, Surat - 395006	1,00,000	Non- Promoter	No.
2	Mohanbhai N Nayani	1309, C Wing, Plot A, Upvan Tower, Uppar Govind Nagar, Malad (E), Mumbai - 400097	1,00,000	Non- Promoter	No.
3	Dahyabhai Muljibhai Dhameliya	38/39, Kantareswar Society, Kantargram Road, Surat, Gujrat - 395004	1,00,000	Non- Promoter	No.
4	Chhayaben Mansukhbhai Khunt/Labhuben M Khunt/Asmitaben Khunt	66 Kamal Park, Bangla Type A Karanj 23 Surat, 395006	2,00,000	Non- Promoter	No.
5	Rajeshbhai Khokhariya/Shobhana Rajeshbhai Khokharia	39,2nd Floor, Shri Plaza, Tata Road, Mumbai - 400 004	1,00,000	Non- Promoter	No.
6	Jayesh J Shah	104,Silver Tower, Nivetia Road, Malad- E, Mumbai - 400 097	50,000	Non- Promoter	No.
7	Dharmendra J Shah	104,Silver Tower, Nivetia Road, Malad- E, Mumbai - 400 097	50,000	Non- Promoter	No.
8	Rashmi Vinay Bhatt	182, A Heera Panna Hsg Road, 18th Floor Haji Ali, Bd Road, Mumbai-400 026	1,30,000	Non- Promoter	No.
9	Pushpa Damani	D-101, Mota Nagar, Sir M. V. Road, Sir M. V. Road, Andheri (East), Mumbai 400099	50,000	Non- Promoter	No.
10	Amardeep Kadam	1002,A-wing, Lord, Plot NO35/35A, Sector-15,	4,00,000	Non- Promoter	No.

		CBD Belapur, Navi Mumbai -400614			
11	Sanjay V Parmar	507, Matrachhaya Bldg, 378-80 Narshinatha Street Mumbai-400 009	2,50,000	Non- Promoter	No.
12	Sanjay Kumar Didwania	Flat No-10 Bileshwar Darshan Dixit Rd Vile Parle(East) Mumbai 400-057	2,00,000	Non- Promoter	No.
13	Akash Didwania	Flat No-10 Bileshwar Darshan Dixit Rd Vile Parle(East) Mumbai 400-057	2,00,000	Non- Promoter	No.
14	Urmila Didwania	Flat No-10 Bileshwar Darshan Dixit Rd Vile Parle(East) Mumbai 400-057	2,00,000	Non- Promoter	No.
15	Sanjay Kumar Didwania H.U.F	Flat No-10 Bileshwar Darshan Dixit Rd Vile Parle(East) Mumbai 400-057	2,00,000	Non- Promoter	No.
16	Sushila Devi Didwania	1604 Lilium Tower , Sv Rd Mahendra Garden Goregaon West Mumbai-400104	1,00,000	Non- Promoter	No.
17	Nand Kishor Didwania	1604 Lilium Tower , Sv Rd Mahendra Garden Goregaon West Mumbai-400104.	1,00,000	Non- Promoter	No.
18	Vinod Goenka	H/No-247 Nandanvan Layout New Nandanvan Nagpur Pin-440009.	2,00,000	Non- Promoter	No.
19	Padma Vinod Goenka	H/No-247 Nandanvan Layout New Nandanvan Nagpur Pin-440009	2,00,000	Non- Promoter	No.
20	Vinod Goenka H.U.F	H/No-247 Nandanvan Layout New Nandanvan Nagpur Pin-440009	2,00,000	Non- Promoter	No.
21	Sunil Kumar Bagaria	B-207 Shanti Plaza Station Rd Bhayandar (West) Thane 401101	2,00,000	Non- Promoter	No.
22	Govind Patodia	A-201 Laxminarayan Apt Jesal Park Bhayandar (East) Thane -401105	1,00,000	Non- Promoter	No.
23	Varsha Patodia	A-201 Laxminarayan Apt Jesal Park Bhayandar (East) Thane -	1,00,000	Non- Promoter	No.
24	Abhishek Rao	11 Shree Palace Road No-3 Daulat Nagar Borivali West.	1,00,000	Non- Promoter	No.
25	Mukesh Ramniranjan Ruia	Express zone a-wing 1102/1103, patel vatika w.e. Highway malad east mumbai -400097	1,00,000	Non- Promoter	No.
26	Kalpna Mukesh Ruia	Flat No-2102, Lakshachandi Height B-Wing .Krishna Vatika Marg Gokul Dham Goregoan (East)	4,00,000	Non- Promoter	No.
27	Maheshkumar Murlidhar Saraf	B/1207, Green park, Raheja Estate, Kulupwadi Rd., Near National Park, Borivali - (East) Mumbai - 400 066	6,00,000	Non- Promoter	No.
28	Anju Maheshkumar Saraf	B/1207, Green park, Raheja Estate, Kulupwadi Rd., Near National Park, Borivali - (East) Mumbai - 400 066	2,00,000	Non- Promoter	No.
29	Pawankumar Murlidhar Saraf	B/1207, Green park, Raheja Estate, Kulupwadi Rd., Near National Park, Borivali - (East) Mumbai - 400 066	2,00,000	Non- Promoter	No.
30	Vinita Pawankumar Saraf	B/1207, Green park, Raheja Estate, Kulupwadi Rd., Near National Park, Borivali - (East) Mumbai - 400 066	2,00,000	Non- Promoter	No.
31	Dipti M Doshi	11, Gangavihar, 55 Marine Drive, C Road, Churchgate, Mumbai - 400020	3,00,000	Non- Promoter	No.
32	Sanjay Agarwal	No.46/1 Millers Road, Kilpauk, Chennai -600010	2,00,000	Non- Promoter	No.
33	Babita Agarwal	No.46/1 Millers Road, Kilpauk, Chennai -600010	1,50,000	Non- Promoter	No.
34	Sanjay Agarwal H.U.F	No.46/1 Millers Road, Kilpauk, Chennai -600010	1,50,000	Non- Promoter	No.
35	Suresh Tibrewala	31-B, Bhagwati Bhuvan, Carmichael Road, Mumbai	1,50,000	Non- Promoter	No.

		- 400026			
36	Rasikbhai Ratilalbhai Dhameliya	A/5 Trikam Nagar Society, L.H. Road, Surat 395006	1,00,000	Non- Promoter	No.
37	Maheshbhai M Nayani	1309, C Wing, Plot A, Upvan Tower, Uppar Govind Nagar, Malad (E), Mumbai - 400097	1,00,000	Non- Promoter	No.
38	Mahesh P Vaghani	A/402, Kalpana Bldg, 20 Park Road, Ville Parle (E), Mumbai -400 057.	2,00,000	Non- Promoter	No.
39	Kurjibhai Harjibhai Khunt	66 Kamal Park, Bangla Type A Karanj 23 Surat, 395006	1,00,000	Non- Promoter	No.
40	Manshukhbhai Kurjibhai Khunt	66 Kamal Park, Bangla Type A Karanj 23 Surat, 395006	1,00,000	Non- Promoter	No.
41	Mukeshbhai Kurjibhai Khunt	66 Kamal Park, Bangla Type A Karanj 23 Surat, 395006	1,00,000	Non- Promoter	No.
42	Hiteshbhai Harjibhai Khunt	Plot No. 65 to 67, Kamal Park Society 2, Near Spring Mill. Kapodra, Varacha Road, Surat	1,00,000	Non- Promoter	No.
43	Pultibai K Khunt	Plot No. 65 to 67, Kamal Park Society 2, Near Spring Mill. Kapodra, Varacha Road, Surat	1,00,000	Non- Promoter	No.
44	Sujata Tripathi	B 8, Hyderabad Estate, Nepensea Road ,Malabar Hill , Mumbai - 400 026	1,00,000	Non- Promoter	No.
45	Kalawati Ramlakhan Singh	18/20, Amarnath Zaa Marg, Allahabad , U.P. 211002	1,00,000	Non- Promoter	No.
46	Mahendar Singh Arora	601,Dayashreeji Apt, 6th Floor, Gokuldham, Goregaon (E) Mumbai	2,00,000	Non- Promoter	No.
47	Darshana Umakant Rege	1301, A-Wing, Prathmesh Residency, Dadabhai Road, Andheri (W), Mumbai - 58	2,00,000	Non- Promoter	No.
48	Hansrajbhai Mohanbhai Virani	114, Ambika Nagar, I Katargam Road, B/H, Katagram Health Centre, Surat - 395004	1,00,000	Non- Promoter	No.
49	Arpit Tibrewala	31-B, Bhagwati Bhuvan, Carmichael Road, Mumbai - 400026	1,50,000	Non- Promoter	No.
		TOTAL	80,30,000		

"RESOLVED THAT the Equity Shares on Preferential basis shall be issued by the company on the following terms and conditions:"

The equity shares to be issued on preferential basis to above allottees shall be locked in for a period as prescribed under SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.

The entire amount of the value per share i.e. Rs. 23/- (Including a share premium of Rs. 22/- per share) to be paid at the time of application.

"RESOLVED FURTHER THAT for the purpose of giving effect to the said Special Resolution u/s. 81, 81(IA) and other applicable provisions of the Companies Act, 1956 the Board of Directors of the Company are hereby Authorized to take such steps and to do all such acts, deeds, matters and things and agree and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as they deem fit and appropriate and give such directions / instructions as may be necessary to settle any question or difficulty for the offer / issue and allotment of Equity Shares in such manner as may be deemed fit and appropriate by the Board of Directors and or any legal / regulatory body, to be most beneficial to the company. "

"RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby Authorized to delegate any or all the powers conferred upon it by this resolution, to any committee formed thereof for the powers conferred upon it by this resolution, to any individual so authorized by the Board."

"RESOLVED FURTHER THAT the shares referred to above shall in all respect rank pari-passu with the existing fully paid up equity shares of the company, provided that they shall confer on the holders of the right to dividend, if any, for the financial year in which they are allotted pari-passu from the date of allotment of new shares."

"RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby Authorized to determine the terms and conditions of the issue including face value, quantity, issue price (Including Price range), manner of calls etc. in such manner as the Board may deem fit and proper in its absolute discretion to be most beneficial to the company and to approach SEBI and / or any other competent authority to do all such acts, deeds, matters and things as may be necessary, appropriate and proper or expedient for giving effect to the above Resolution."

"RESOLVED FURTHER THAT the funds so raised shall be fulfill the additional fund requirements for capital expenditure including acquisition of companies /business, funding long term working capital requirements, marketing, setting up of offices abroad and for other approved corporate purposes."

"RESOLVED FURTHER THAT the relevant date in relation to the shares for the purpose of determining the issue price under SEBI (Issue of Capital and Disclosure Requirements) Regulation 2009 relating to the shares issued on preferential basis shall be 29/08/2012."

REGISTERED OFFICE

C-250, 2nd Floor, Oshiwara Industrial Estate,
Opp. Goregaon Depot, Off Link Road,
Goregaon (West), Mumbai – 400 053
DATED: 29/08/2012

BY ORDER OF THE BOARD

Sd/-
Girraj Kishor Agrawal
Chairman

NOTES

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) The Register of Members and the Transfer Book of the Company will remain closed from 27/09/2012 to 28/09/2012 (both days inclusive.)
- 3) Members / Proxies should bring attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.
- 4) Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat / physical form at Sharex Dynamic Private Limited, Luthra Industrial Premises, Unit No. 1, Safed Pool, Andheri (E), Mumbai – 400 072
- 5) Printed copies of the Balance Sheet, Profit and Loss Account, Director's Report, the Auditor's Report and every other documents required by the law to be annexed or attached to the Balance Sheet for the period ended 31st March, 2012 are enclosed herewith.
- 6) Members seeking any information with regard to accounts are requested to write to the company at least one week in advance so as to enable the management to keep the information ready.
- 7) Proxies in order to be effective must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.
- 8) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is enclosed and forms part of the Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES, 1956.**Item Nos. 4**

Mr. Tushar Ramchandra Rane have been appointed as Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Articles of Association of the Company with effect from 19/06/2012. The terms of the directors expire at the ensuing Annual General Meeting of the Company. The Company has received notice from the member proposing to appoint Mr. Tushar Ramchandra Rane as Director of the Company.

None of the Directors of the Company are interested in passing the resolution, except Mr. Tushar Ramchandra Rane to the extent of his appointment as Director of the Company

Item Nos. 5

The Board of Directors at their meeting held on 19/06/2012 have subject to such consents, approvals and permissions as may be required including that of members in the ensuing general meeting and subject to the provisions of the Articles of Association of the Company, appointed Mr. Girraj Kishor Agrawal as the Managing Director of the Company for a period of period of 5 years with effect from 19/06/2012 to 18/06/2017 on the remuneration determined by the Board in this behalf. Accordingly the company has entered into agreement with Mr. Girraj Kishor Agrawal setting out the terms and conditions of the appointment and remuneration payable to him.

Brief Profile of the Director:

Mr. Girraj Kishor Agrawal is Chartered Accountant. He has over 20 years of experience in the field of Finance and Taxation he is also director of various public listed companies and private limited companies. He has wide and vast experience in Corporate Finance like ICD's , Bill Discounting, Project financing, Hire-Purchase, finance, and investment banking as he had been instrumental in syndicating such services to the clients.

The abstract of the said Agreement is as under:

1. Period: 5 years with effect from 19th June, 2012.

2. Remuneration:

a) Salary of Rs.12,00,000/- (Rupees Twelve Lakhs Only) per annum with such increments as may be decided by the Board subject to a ceiling of Rs. 60,00,000/- (Rupees Sixty Lakhs only) per annum.

b) Commission: Such Remuneration by way of commission, in addition to the above salary and perquisites calculated with reference to the net profits of the Company in a particular financial year and as may be determined by the Board of Directors of the Company, subject to the overall ceilings stipulated under section 198 and 309 of the Companies Act, 1956.

The specific amount payable to the Managing Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after annual accounts have been adopted by the shareholders.

c) Perquisites: The gross amount of salary of Managing Director is including of 40% as a various perquisites.

Minimum Remuneration:

Where in any financial year during the currency of tenure of the managing Director the company has no profit or its profit are inadequate, the company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above . The Board of Directors have liberty to alter and vary the aforesaid terms and conditions relating to remuneration in line with such amendments as may be made from time to time to the companies Act, 1956.

The appointment is terminable by notice by either of three months.

The Board or any Committee thereof is entitled to determine and revise the salary, perquisites, allowances and commission payable to the Managing Director of the Company at any time.

Except Mr. Girraj Kishor Agrawal himself, none of the Directors of the Company may be considered to be interested or concerned in this appointment.

Item Nos. 6

At present the Authorised Share Capital of the Company is Rs 12,25,00,000/- (Rupees Twelve Crores Twenty Five Lacs only) divided into 12,25,00,000 (Twelve Crores Twenty Five Lacs) Equity Shares of Rs.1/- each. For the purpose of expansion of business, it is required to increase authorised share Capital of the Company from Rs. 12,25,00,000/- (Rupees Twelve Crores Twenty Five Lacs only) to Rs. 13,25,00,000 (Rupees Thirteen Crores Twenty Five Lacs only) Consequent upon the increase in the authorised Share Capital of the Company, its Memorandum of Association need appropriate alterations. Hence resolutions No. 6 is recommended by Directors for approval of the members.

None of the Directors of the Company is in any way concerned or interested in the said resolutions except the shares held by them.

Item Nos. 7

As per Section 81(IA) of the Companies Act, 1956, approval of shareholders in the General Meeting is required for allotment of shares on preferential basis and hence the resolution is placed before the shareholders.

The Directors recommended the resolution for your approval.

All the directors of the company may be deemed to be interested in this resolution to the extent securities that may be allotted if any.

The required disclosure as per 13.1A of SEBI ICDR Regulations regarding Proposed issue is as under:-

- 1) Objects of this issue: - The object of the issue is to fulfill the additional fund requirements for capital expenditure including acquisition of companies /business, funding long term working capital requirements, marketing, setting up of offices abroad and for other approved corporate purposes.
- 2) Intention of Promoters /Directors /Key management persons to subscribe to the offer:

There is no intention of the promoters / directors / key management person to subscribe to the offer.

- 3) Shareholding pattern before and after the issue:-

The shareholding pattern before and after completion of the proposed preferential issue would be as under:-

Sr. No.	Category	Pre – issue		Post – issue	
		No. of shares	% of Capital	No. of shares	% of Capital
A	Promoters Holding				
1	Indian Promoters	74557500	61.013	74557500	57.250
	Foreign Promoters	-	-	-	-
2	Persons Acting in Concert	-	-	-	-
	Sub-Total	74557500	61.013	74557500	57.250
B	Non-Promoter Holding				
1	Institutional investors	-	-	-	-
	Mutual Funds	-	-	-	-
	Banks, FIs, Insurance companies	-	-	-	-
	NRIS/OCBs - NRIS	2000	0.002	2000	0.002
	FIs	-	-	-	-

	Sub-Total	-	-	-	-
2	Others				
	Private Body Corporates	19225617	15.733	19225617	14.763
	Indian Public	28414882	23.253	36444882	27.985
	Clearing Members	1	0.000	1	0.000
	Sub-Total	47642500	38.987	55672500	42.748
	Grand Total	122200000	100.00	130230000	100.00

Notes:-The above shareholding pattern has been prepared on the basis of shareholding as on 24/08/2012 as provided by the Registrar and Share Transfer Agent.

The post- issue shareholding pattern has been arrived on the assumption that 80,30,000 equity shares to be issued to Non Promoters.

4) Proposed Time within which the allotment shall be completed.

The allotment of shares on Preferential basis shall be completed within 15 days from the date of shareholders approval provided where the allotment on preferential basis is pending on account of pendency of any approval by any regulatory authority or Central Government as per SEBI Guidelines, the allotment shall be completed within 15 days from the date of such approval.

5) The Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by him:

The proposed allottees were interested to invest in our company and they approached us in the past when the company decided to raise funds by way of issue of preference share for expanding existing finance related activities and for working capital etc. Subsequently the company approached the allottees to find out their intention to subscribe to preferential issue and the proposed allottees have given their consent to subscribe to the same. The percentage of the post-preferential issue capital held by the proposed allottees is follows:-

Sr. No.	Name and Address of the Allotees	No of Shares		%		Category (Promoter /Non Promoter)
		Pre-Issue	Post-Issue	Pre-issue	Post-Issue	
1	Prakashkumar Ravjibhai Khokhariya/Vaishali P Khokhariya 97-98, Ankur Society , Varachha Road, Surat City, Surat - 395006	-	100000	-	0.08	Non- Promoter
2	Mohanbhai N Nayani 1309, C Wing, Plot A, Upvan Tower, Uppar Govind Nagar, Malad (E), Mumbai - 400097	-	100000	-	0.08	Non- Promoter
3	Dahyabhai Muljibhai Dhameliya 38/39, Kantareswar Society, Kantargram Road, Surat, Gujrat - 395004	-	100000	-	0.08	Non- Promoter
4	Chhayaben Mansukhbhai Khunt/Labhuben M Khunt/Asmitaben Khunt 66 Kamal Park, Bangla Type A Karanj 23 Surat, 395006	-	200000	-	0.15	Non- Promoter
5	Rajeshbhai Khokhariya/Shobhana Rajeshbhai Khokharia 39,2nd Floor, Shri Plaza, Tata Road, Mumbai - 400 004	-	100000	-	0.08	Non- Promoter
6	Jayesh J Shah 104,Silver Tower, Nivetia Road, Malad- E, Mumbai - 400 097	-	50000	-	0.04	Non- Promoter
7	Dharmendra J Shah 104,Silver Tower, Nivetia Road, Malad- E, Mumbai - 400 097	-	50000	-	0.04	Non- Promoter
8	Rashmi Vinay Bhatt	-	130000	-	0.10	Non- Promoter