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S-CAP

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Equity Market – The Fall

Turnaround Story of Ajanta Pharma

A Dynamic Relation of Auditor with Company

Population, Productivity & Economic Growth

Significant Beneficial Ownership

Compliance Risk on KMPs in a Company

SARTHI

PREFACE

The market plunged sharply lower and breached their crucial supports recently.The weakness in currency and a steady rise in crude oil price soured the sentiment, which further deteriorated with feeble global cues and change in the monetary policy committee stance.

The decline was widespread, with almost all the sectoral indices ended lower recently. Valuations, global liquidity, trade conflict, rising interest rates, and crude oil can be attributed as root causes.

Looking at the long-term prospects, India is still a good story with fundamentals beginning to show up with improving numbers. The GDP numbers are a bit down, now, but India is a good long-term story for investments. If one is looking at the market for short term, it is not the right time to invest but if one is looking at the market for a period beyond a year, it is a good time to pick up some of the good stocks.

In one of the reports the statistics mentioned are very interesting. As the report says, in the seven elections in the past 27 years, if an investor entered the market six months before the general elections and held on for two years, the investor would have made average annualised returns of 23 per cent. This strongly implies that the 27-year track record has never yielded principal erosion when entering pre-elections.

In the coming month, it will be earnings season and would pave the way forward. Also, in the upcoming five states election, it will be interesting to observe the outcomes.

In the current environment the role of Auditor is very important; we have covered the topic "A Dynamic Relation of Auditor with Company" in this issue of S-Cap along with other issues of importance like "Significant Beneficial Ownership" and "Compliance Risk on KMPs in a Company" for your readings.

With the festive season starting, we thank for your patronage and look forward to serve you better and better and wish you all the best.

Regards,

Deepak Sharma

Group Managing Director

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Inside

Equity Market – the Fall

Kunj Bansal
CIO & Director, Acepro Advisors Pvt. Ltd.

September 2018 came as a surprise month for the Indian equity market. After a broadly upward movement for a long time, market suddenly went down in September. Market going down was not a surprise but the extent of fall in a short span of time was a complete surprise. It caught all the market participants off-guard. Nifty fell 6.4% in September with the fall continuing further in first week of October. The total fall has been more than 10% from the life highs touched in August to the low levels in October. The trigger for this correction was default by ILFS however, the developing macroeconomic scenario over the last few months was pointing towards deterioration.

Indian rupee is down by almost 15% since the start of this year. Crude prices are nearly double in the past one year and there are predictions of it touching $100 per barrel. This is double whammy. As per some estimates, every extra rupee on the exchange rate translates into an additional import burden of nearly ?12,000 crore on the current account (on an annualized basis). And every extra dollar per barrel is an additional outgo of ?8,000 crore.

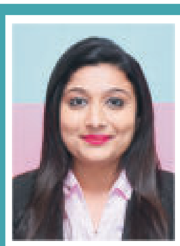
The rise in oil price impacts both the current account and fiscal deficit. The current account deficit (CAD) this year is estimated to cross 3% of gross domestic product (GDP) and, in absolute terms, will be higher than the 5% recorded in 2013. It has also been made worse by surging imports of coal, iron ore, fertilizer, electronic goods and gold, as also the rising payment for foreign education. The fiscal deficit is also impacted by higher oil prices, because of implied higher subsidies for kerosene and cooking gas, as also because of politically necessary cutbacks in excise on petrol and diesel.

Impact of increasing oil prices had started showing up on the trade deficit and the CAD (2.4% in Q1FY19), but its impact is now showing up on the 'fiscal deficit' after the government's decision to cut excise duty on auto fuels by Rs1.5/litre (Rs105bn impact on the fiscal deficit). Also, indirect impact on the fiscal deficit would be by way of the disinvestment target as value of PSU companies dip post OMCs having to bear the burden of Rs1/litre thereby diluting the important reform of deregulation of pricing of auto fuel.

FII equity selling increased in first week of Oct'18 to US$1.7bn (Sep'18 outflows at US$1.3bn). In 2018 till date, FIIs have sold Indian equities worth US$3.7bn, and debt worth US$7.2bn – this makes CY18 outflow at US$10.9bn - the worst calendar year in terms of portfolio outflows. The next worst was CY08 with US$12.9bn of equity outflows and US$2.7bn of debt inflows, aggregating to US$10.2bn. MF equity flows however have been comforting as they pumped in US$13.7bn in equities in 2018 till date. AMFI monthly data for Sep'18 show that total equity inflows rose to Rs137bn from Rs77bn in Aug'18.

The RBI's MPC kept true to its inflation mandate by keeping interest rates on hold, beating a consensus expectation of a rate hike, while reducing CPI forecasts and keeping GDP growth outlook unchanged at 7.4% for FY19.

With the announcement of state assembly elections, political activity has started to pick up and with model code of conduct in place, it will be difficult for the government to announce any significant new policy measures. Besides politics, another key monitorable will be second quarter results which have started to roll in. Globally, crude price movement will remain a key monitorable in addition to on-going trade war.



Sneh Velani, *Manager*
Legal & Compliance, Sarthi Capital

A Dynamic Relation of Auditor with Company

Introduction: In the past, companies often relied on accountants from their audit firms to assist in reconciling accounts, preparing, adjusting journal entries and writing financial statements. Small companies, in particular, often lacked the level of accounting sophistication necessary to carry out these tasks. Relying on the audit firm often made sense from the perspective of efficiency and cost containment. Currently there is an increased focus on auditor independence.

Under Companies Act, 2013 (hereinafter referred as 'the Act') sections 138 to 148 deals with accounts, audit, and auditors. An auditor is an independent professional person qualified to perform a review. An auditor is someone who is responsible for examining the accounts and financial statements which are prepared by the company, after which it becomes reliable.

Appointment of Auditor Under Companies Act 2013

As per section 139, it is a prime requirement for every company that it shall at its first Board Meeting appoint an auditor who is either an individual or a firm. It is important to note that the term Appointment includes reappointment. Thereafter the Auditor shall be appointed by the members of the Company.

The manner and procedure of selection of auditors by the members of the company will be such as prescribed in the Act. It is compulsory that before such appointment of the auditor is made, the written consent from him to such appointment, and also a certificate from him stating that the appointment, if made, shall be on par with the conditions/norms as may be prescribed, shall be obtained.

An individual can be appointed as an auditor for more than a term of 5 consecutive years and if an audit firm is appointed as auditor then for more than two terms of 5 consecutive years.

Powers and Duties of Auditors and Auditing Standards towards the Company

Section 143 of the Companies Act, 2013

(1) Every auditor of a company shall have a right of access at all times to the books of account and vouchers of the company, whether kept at the registered office of the company or at any other place and shall be entitled to require from the officers of the company such information and explanation as he may consider necessary for the performance of his duties as auditor and amongst other matters inquire into the following matters, namely:—

(a) whether loans and advances made by the company on the basis of security have been properly secured and whether the terms on which they have been made are prejudicial to the interests of the company or its members;

(b) whether transactions of the company which are represented merely by book entries are prejudicial to the interests of the company;

(c) where the company not being an investment company or a banking company, whether so much of the assets of the company as consist of shares, debentures and other securities have been sold at a price less than that at which they were purchased by the company;

(d) whether loans and advances made by the company have been shown as deposits;

(e) whether personal expenses have been charged to revenue account;

(f) where it is stated in the books and documents of the company that any shares have been allotted for cash, whether cash has actually been received in respect of such allotment, and if no cash has actually been so received, whether the position as stated in the account books and the balance sheet is correct, regular and not misleading

(2) The auditor shall make a report to the members of the company on the accounts examined by him and on every financial statements which are required by or under this Act to be laid before the company in general meeting and the report shall after taking into account the provisions of this Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of this Act or any rules made thereunder or under any order made under sub-section (11) and to the best of his information and knowledge, the said accounts, financial statements give a true and fair view of the state of the company's affairs as at the end of its financial year and profit or loss and cash flow for the year and such other matters as may be prescribed.

What auditors do?

The outside, independent auditor is engaged to render an opinion on whether a company's financial statements are presented fairly, in all material respects, in accordance with financial reporting framework. The audit provides users such as lenders and investors with an enhanced degree of confidence in the financial statements.

To form the opinion, the auditor gathers appropriate and sufficient evidence and observes, tests, compares and confirms until gaining reasonable assurance. The auditor then forms an opinion of whether the financial statements are free of material misstatement, whether due to fraud or error.

Some of the more important auditing procedures include:

- Inquiring of management and others to gain an understanding of the organization itself, its operations, financial reporting, and known fraud or error
- Evaluating and understanding the internal control system
- Performing analytical procedures on expected or unexpected variances in account balances or classes of transactions
- Testing documentation supporting account balances or classes of transactions
- Observing the physical inventory count
- Confirming accounts receivable and other accounts with a third party

At the completion of the audit, the auditor may also offer objective advice for improving financial reporting and internal controls to maximize a company's performance and efficiency.

What auditors don't do?

For a clear picture of the role of external auditors, it helps to understand what you should not expect auditors to do. The emphasis is on "independent."

First and foremost, auditors do not take responsibility for the financial statements on which they form an opinion. The responsibility for financial statement presentation lies squarely in the hands of the company being audited.

Auditors are not a part of management, which means the auditor will not:

- Authorize, execute or consummate transactions on behalf of company
- Prepare or make changes to source documents
- Assume custody of company assets, including maintenance of bank accounts
- Establish or maintain internal controls, including the performance of ongoing monitoring activities for company
- Supervise company employees performing normal recurring activities
- Report to the board of directors on behalf of management
- Sign payroll tax returns on behalf of company
- Approve vendor invoices for payment
- Design a company financial management system or make modifications to source code underlying that system
- Hire or terminate employees

This list is not all-inclusive. But, in short, the auditor may not assume the role and duties of management.

Management's responsibilities in an audit

The words, "The financial statements are the responsibility of management," appear prominently in an auditor's communications, including the audit report.

Management's responsibility is the underlying foundation on which audits are conducted. Simply put, without management having responsibility for the financial statements, the demarcation line that determines the auditor's independence and objectivity regarding the client and the audit engagement would not be as clear.

It is important for a company's management to understand exactly what an audit is – and what an audit does and does not do. The auditor's responsibility is to express an independent, objective opinion on the financial statements of a company. This opinion is given in accordance with auditing standards that require the auditors to plan certain procedures and report on the results of the audit, while considering the representations, assertions and responsibility of management for the financial statements.

As one of their required procedures, auditors ask management to communicate management's responsibility for the financial statements to the auditor in a representation letter. The auditor concludes the engagement by using those same words regarding management's responsibility in the first paragraph of the auditor's report.

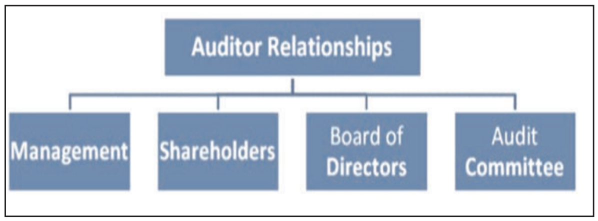
Auditors cannot require management to do anything or to make any representation. However, to conclude the audit with the hope of a "clean" unqualified opinion issued by the auditor, management has to assume the responsibility for the financial statements. Auditing standards are very clear that management has the following responsibilities fundamental to the conduct of an audit:

1. To prepare and present the financial statements in accordance with an applicable financial reporting framework, including the design, implementation and maintenance of internal controls relevant to the preparation and presentation of financial statements that are free from material misstatements, whether from error or fraud

2. To provide the auditor with the following information:

- All records, documentation and other matters relevant to the preparation and presentation of the financial statements
- Any additional information the auditor may request from management
- Unrestricted access to those within the organization if the auditor determines it necessary to obtain audit evidence objectivity.

It is not uncommon for the auditor to make suggestions about the form and content of the financial statements, or even assist management by drafting them, in whole or in part, based on information provided by management. In those situations, management's responsibility for the financial statements does not diminish or change.



Relationship of Auditors with Management

The management, with help of the internal auditors, has the duty to prepare the financial statements in accordance with the established accounting principles. The external auditor has the responsibility to audit these financial statements. For verification of these financial statements, the auditor requires access to all necessary documents and a truthful explanation of all the procedures. It is unlikely that this can be expected from the inside management whose very actions are the subject of the auditing process. Even if the management were truthful, there is a need to insulate the verification process from the influence of the inside management so that outsiders perceive the audit process as independent, since they cannot directly observe the manager's truthfulness

Relationship of Auditors with Shareholders

Shareholders appoint auditors as per the provisions of Section 139(6) of the Companies Act, 2013. The auditors are supposed to monitor the performance of the management on behalf of the shareholders. They act as watchdogs to ensure that the financial statements prepared by the management reflect the true and fair view of the financial performance and position of the firm.

Relationship of Auditors with Board of Directors

The auditor participates in Board meetings dealing with the financial statements. At the same meetings, the auditor explains his/her view on the company's accounting policies, risk areas, internal control routines and accounting processes.

Relationship of Auditors with Audit Committee

External auditors and audit committees are two important governance mechanisms designed to ensure that a company produces relevant, adequate, and credible information that investors as well as independent observers can use to assess the performance of the company. The external auditor and the audit committee certify both the quantity as well as the quality of the information produced. In discharging its functions, the auditor verifies and certifies that the information produced by the company is in accordance with the various statutes prescribed under the country's legal framework and is in accordance with the stipulations laid down by the regulator(s). The audit committee on its part ensures that the external auditor receives all the necessary information that is required to carry out the audit process independently and effectively, and that its functioning is not subjected to the pulls and pressures of the inside management. The audit committee evaluates the audit program and ensures that the scope of the audit and the terms of engagement of the external auditor are in accordance with what is set out in the Companies Act.

Corporate Governance- Role of Auditors

Code of corporate governance enhances the effectiveness of audit in the interests of stockholders and stakeholders and that is why they are relying on auditor heavily. Auditor has power to detect wrongdoer in management and report on the company objectively. An independent auditor can play his role effectively and maintain good governance. They can also remove bias from company's financial reports. initiatives have been taken by drawing up the Code in ensuring that the Board of Directors is responsible and accountable. So the independent directors in auditing committee can encourage auditor to perform his role diligently and honestly.

Much more stress is placed on auditors in the perspective of corporate governance because in most of cases, auditors will be the first person to spot corporate abuse. This is due to the nature of auditing function and the purpose of auditing company accounts. It can also be a case of the only person who is aware of the misuse besides the wrongdoers. Thus, in many cases the auditors prefer to fall short to discover the wrongdoing at the expense of their duties and obligations. Auditor has to be bold enough to bring forth all the facts in his report and there should be no hesitation on his part in disclosing the defects, defaults, irregularities, discrepancies etc., even if the management of the company is involved in the same. He must perform his duties in right earnest and honestly. For the same, audit committee should monitor auditor's performance. The audit committee should discuss various matters with the auditor related to their independence and what audit committee expects from auditor in interest of shareholders and other stakeholders except management. But it is not only expected from auditor to do his duties diligently but also audit committee should have guts to ask questions to management regarding any matter which is related to shareholders and investing community. ■

Significant Beneficial Ownership

Nikhil Arya
Compliance Officer, Acepro Advisors

Background

A legal concept that separates the personality of a corporation from the personalities of its shareholders, and protects them from being personally liable for the company's debts and other obligations. This protection is not ironclad or impenetrable. Where a court determines that a company's business was not conducted in accordance with the provisions of corporate legislation it may hold the shareholders personally liable for the company's obligations under the legal concept of lifting the corporate veil. To lift the corporate veil it is important that there should be transparency in the shareholding and the actual individual beneficiary shall be known.

To bring transparency to the manner in which shares of companies are held, the Ministry of Corporate Affairs (MCA) notified on June 13, 2018 (i) Section 90 of the Companies Act, 2013 (the Act); and (ii) the Companies (Significant Beneficial Owners) Rules, 2018 (SBO Rules). These prescribe detailed requirements for identifying the individuals who hold 'ultimate' control over a Company.

Beneficial owner is a legal term where specific property rights ("use and title") in equity belong to a person even though legal title of the property belongs to another person. A beneficial interest is different from the rights of someone like a trustee or an official who has the responsibility to perform and/or title to the assets but does not share in the benefits.

Important Terms

Registered Owner

A person whose name is entered in the register of members as holder of shares but does not hold beneficial interest in such shares.

In simple language, these person are not the actual owners of shares. He cannot participate in dividend, distribution for right issue of shares, bonus shares etc. Only their name is mentioned in the register and they enjoy following rights-

Voting rights, vote on the poll, entitled to sign proxy form and will be counted in quorum.

Beneficial Owner

Every person holding or acquiring beneficial interest in shares of company not registered in his name.

In simple language, these person are the actual owner of shares, just their name is not mentioned in the register. They are entitled to exercise any or all beneficial rights attached & receive and participate in the dividends and other distributions like bonus shares, rights issue, etc.

Beneficial Interest

As per newly notified section 89(10) beneficial interest includes directly or indirectly, through any contract or arrangement or otherwise, exercise or cause to be exercised any or all of the rights attached to such share; or receive or participate in any dividend or other distribution in respect of such shares.

Under the Companies Act, 2013

In order to reveal the identity of the beneficial owner which is unknown to the Company the provisions of Section 89 read with rule 9 of the Companies (Management and Administration) Rules, 2014 provides for the mandatory declarations to be made with respect to beneficial interest in the shares held.

Declarations are to be made as follows:

The person or a company, who holds the beneficial interest in any share shall submit the declaration in Form MGT 4 along with the covering or request letter to the company in which they hold the beneficial interest within thirty days from the date of acquisition or change in beneficial interest.

The person or the company, whose name is to be entered into the register of members of the company shall submit the declaration in Form MGT 5 within thirty days from the date of acquisition or change in beneficial interest to the company.

On receipt of declaration in Form MGT 4 & 5 by the company, the same shall be placed before the board for approval. The company shall also intimate the Registrar of Companies ('ROC') in e-Form MGT 6 within thirty days from the date of receipt of declaration in Form MGT 4 & 5.

Amendment in Section 90 and the issue of Companies (Significant Beneficial Owners) Rules, 2018

The Ministry of Corporate Affairs on June 13, 2018 amended Section 90 and issued the Companies (Significant Beneficial Owners) Rules, 2018 (SBO Rules).

Section 90 of the Act requires every individual who, either by himself or with others (including a trust and persons resident outside India), qualifies as a significant beneficial owner (SBO) of a company to make a declaration to that company specifying the nature of his beneficial interest.

Section 90 requires every company to do, inter alia, the following:

maintain a register of the interest declared by individuals along with the prescribed particulars of such individuals and keep the register open for inspection by shareholders; file a return of SBOs of the company with the Registrar of Companies, containing the prescribed particulars; give notice to any person whom the company believes to be a SBO of the company or to have been a SBO of the company during the preceding three years and who is not registered as a SBO; and if a person fails to provide the information sought by a company, the company is required to apply to the National Company Law Tribunal (NCLT) for an order directing that the shares in question be subject to prescribed restrictions including those with respect to transfer of shares and suspension of rights attached to the shares, amongst others.

Significant Beneficial Owner (SBO) means- "an individual referred to in *sub-section (1) of section 90 (holding ultimate beneficial interest of not less than 10%) read with sub-section (10) of section 89, but whose name is not entered in the register of members of a company as the holder of such shares, and the term 'Significant Beneficial Ownership' shall be construed accordingly".

***Individual here means**

Every individual (natural person) acting individually or together (directly) or through other person (indirectly) includes Trust or person residing outside India (NRI's/Foreign Nationals)

For calculation of 10% of beneficial interest in shares, it includes instruments in form of GDR, Convertible Preference Shares or Compulsorily Convertible Debentures.

Determination of SBO

Member	SBO	Holding
Company	Natural person (whether acting individually or together, or through 1 or more of person or Trusts)	Atleast 10% of Share Capital or whoever has significant influence or control of the company or through other means.
Partnership firm	Natural person(whether acting individually or together, or through 1 or more of person or Trusts)	Atleast 10% of profits in firm or whoever has significant influence or control of the company or through other means.
No artificial person identified in company/firm	The senior officials of the same	Atleast 10%
Trust	Author of the Trust, the trustee, beneficiaries holding atleast 10% interest	Atleast 10% interest in the Trust or any other who has ultimate control or ownership of trust.

Declarations, Disclosures and Forms

Forms	Declaration/Disclosures
BEN-1	SBO declares to the company in this form- (i) within 90 days w.e.f 13.06.2018 & (ii) within 30 days in case of any change or new acquisition thereafter.
BEN-2	Company intimates to Registrar in this form within *30 days of receipt of declaration in Form BEN-1
BEN-3	Company maintains register of SBO's in this form which is kept open for inspection by the members
BEN-4	Company gives notice seeking information in accordance with under #sub-section (5) of section 90.

*The Ministry of Corporate Affairs had notified vide notification dated September 6, 2018 that the time limit for filing Form BEN-2 would be 30 days from the date of deployment of BEN-2 e-form on the MCA-21 portal and no additional fee shall be levied if the same is filed within 30 days from the date of deployment of the said e-form.

Section 90(5)

Company gives notices to any person (not compulsorily to be a member) whom they believe to be-

- significant beneficial owner of company;
- having knowledge of identity of SBO or to other person of such knowledge; or
- SBO of the company at any time during 3 years immediately preceding the date on which notice is issued, and they have not registered themselves as SBO.

Non-applicability

These rules are not made applicable to the holding of shares of companies/body corporate, in case of pooled investment vehicles/ investment funds such as Mutual Funds, Alternative Investment Funds (AIFs), Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) regulated under SEBI Act, 1992.

Penalties

Member	Section 89	Section 90
Registered owner or Beneficial owner (Section 89) & SBO (Section 90)	Fine upto Rs. 50,000/- sand if its continuing one it may extend to 1,000 Rs. per day	Fine upto Rs. 1,00,000/- sand if its continuing one it may extend to 1000 Rs. per day
Company	Fine upto Rs. 500/- which may extend to Rs. 1,000/- and if its continuing one it may extend to Rs. 1,000/- per day	Fine upto Rs. 1,00,000/- which may extend to Rs. 50,00,000/- and if its continuing one it may extend to Rs. 1000/- per day

Conclusion

The notification of Section 90 of the Act and the SBO Rules is expected to prevent the misuse of corporate vehicles by bringing in transparency regarding both the legal and beneficial owners (natural persons who are significant beneficial owners), the source of the corporate's assets, and its activities. The filing of information with Registrar of Companies will make this information easily available to various Government Authorities and would allow these Authorities to trace the flow of money and prevent money laundering. The term 'beneficial interest' has now been defined under Section 89 of the Act and recognises that the rights attached to the shares of a company are separable and assignable. To determine the natural persons who hold ultimate control over companies, the SBO Rules have prescribed a pass through from the veil of non-individual shareholders. This can be a beginning of new era in which the transparency in the shareholding of companies will curtail the importance of corporate veil.

■

Hotel Industry in India

Bhaskar Maheshwari
Analyst, Acepro Advisors

Overview

After years of sluggish performance Indian hotel industry is on the cusp of writing a turnaround story and this throws up an excellent opportunity for the investors on Dalal Street to ride a growth story at an early stage.

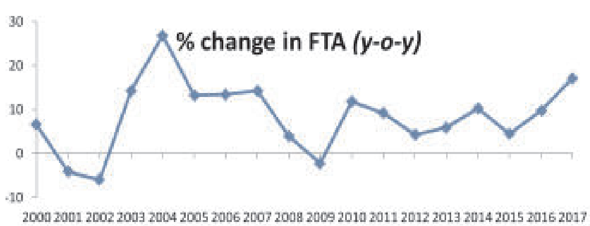
The hospitality sector was in a pretty good shape before 2008 but decelerated during 2008-15 due to weakness in the global economy, poor infrastructure and policy paralysis at the central government level. All of this resulted drop in foreign tourist arrivals (FTA). Today the sector has not only recovered from the slump but is registering robust growth.

Shares of Royal Orchid Hotels and Taj GVK hotels have rallied the most in last 5 years reaching a peak of Rs 223 in April 2018 and Rs 235 in August 2018 respectively. Apart from this Indian Hotels company and Jindal Hotels have also risen from 110% to 180%.

Growth Drivers

1) Travel and tourism

Domestic as well as International tourists are a key driver for growth in revenues of the hotel industry in India._The number of foreign tourist arrivals in India increased by 13.5% in FY 2018 and reached a figure of 10.5 million while domestic tourists for the same period were 1650 million. Indian tourism and travel industry is estimated to grow at 7.5% annually to reach around a size of 250 billion by 2025. Around 83% of the total revenue comes from domestic tourism.



2) Cheap Air Travel

The continuous falling prices of air tickets coupled with rising disposable incomes with the middle class of India has given an impetus to travel which ultimately has surged the demand of hotels in India. Apart from this change in behavioral pattern and attitude change has also played a huge part.

3) Government Policies

Government has taken certain measures to boost Tourism in India as it contributes to around 9.4% of GDP and 15.4% in foreign exchange earnings. 'Swadesh Darshan scheme was launched with the objective of theme based tourist circuits developed on the principles of high tourist value, competitiveness and sustainability in an integrated manner. The e-tourist facility has been a great facilitator for growth in FTA with the facility having been granted to 161 countries.

Industry Outlook

The room demand growth rate in India continues to outpace supply growth driving up occupancy rate and ARR (Average Room revenue). For the FY2017-18

FY 2017-18	
Demand rate of Rooms	5%
Supply rate of Rooms	3.20%
Average room Rate(ARR)	5649
Revenue per Average room(RevPar)	3658
Occupancy Rate	65%

ARR for the industry has increased by 2.4% while RevPar for the industry has increased by 3.2%.For the first time in 9 years occupancy rates in hotels crossed 65%.

Geographically, most of the key cities saw a healthy increase in demand with the exception of Chennai and Gurgaon.

Chandigarh with increase in demand of 15.30% leads while cities such as Pune, Ahmdabad and Hyderabad also posted a demand growth of around 6%.

With respect to the industry performance by the star category, each of the category hotels registered a y-o-y growth in Revpar with 3-star category displaying the highest increase of 8.2% followed by 2-star hotels who improved this metric by 7%.

Another interesting observation is that even though 40% of the new supply was in the 4-star segment, it still showed good numbers with 5.9% increase in Revpar over 2016-17. Lastly at Rs 6874 the Revpar of the of the 5-star deluxe category was highest since 2008-09.

ARR of different star categories (in Rs)

Category	2014-15	2015-16	2016-17	2017-18
Five star-Deluxe	8815	8881	10099	10399
Five star	5559	5484	6051	6160
Four star	4361	4424	4505	4641
three star	3039	3155	3016	3166
two star	2063	2122	2049	2223

Expansion in the industry

In 2017-18 Indian Hospitality industry saw capital investments f 2.71 trillion representing growth of 18.4% over last year. Most of these investments have been in premium-4 star and 5 star categories. However, the industry has suffered from high debt and sluggish demand as a result of which there are up to 68 billion worth of assets for sale today.

IHCL (Taj hotels) opened 10 new hotels in FY-18 that included one Taj property in Andamans and nine ginger hotels in key cities such as Gurgaon, Lucknow and Ahmedabad. It has already signed 5 new hotels across brands – a 150 key Taj Hotel in Mumbai and another 150 key Vivanta in Bhopal and 3 ginger hotels. EIH hotels (Oberoi group) over the next 3 years plan to open 6 new hotels which consist of 893 rooms. Mahindra Holidays and Resorts added 320 rooms to its inventory in the current year and also opened a 115 unit Greenfield project in Naldehra, Himachal Pradesh. Hotel Leela ventures also has upcoming projects planned that includes a resort in Jaipur, a palace hotel in Agra and business hotels in Bengaluru and Hyderabad in 2019. Overall, industry is set for robust capital expansions.

Analysis

For the purpose of analysis companies included are Taj Hotels, EIH Hotels, Mahindra Holidays and Leela Ventures in large market capitalization (=>1000 Cr) and Asian Hotels, Jindal Hotels, Blue coast hotels and Royal Orchid hotels that have a market capitalization of less than 500 Cr.

Employee expenses are a significant part of expenditure for the hotel business. Small chains (market cap of <500 Cr) have an average employee expense of 19% of sales while Large chains (>than 1000 Cr) have around 28% of their sales as employee expenses.

Hotel Leela Venture with an EBITDA of 27% is the outstanding performer

Mcap>1000Cr

Hotel Name	Employee Expense
IHCL Hotels(Taj Hotels)	33%
EIH Hotels(Oberoi Hotels)	29%
Mahindra Holidays and Resorts	23%
Hotel Leela Ventures	27%

Mcap <500 Cr	
Hotel Name	Employee Expense
Royal Orchid Hotels	20%
Blue Coast Hotels	19%
Jindal Hotels	20%
Asian Hotels (East)	19%
Asian Hotels (West)	16%
Asian Hotels (North)	23%

EBITDA as a % of sales

Mcap>1000 Cr	
Hotel Name	EBITDA(%)
IHCL Hotels(Taj Hotels)	16%
EIH Hotels(Oberoi Hotels)	19%
Mahindra Holidays and Resorts	16%
Hotel Leela Ventures	27%

Mcap<500 Cr	
Hotel Name	EBITDA(%)
Royal Orchid Hotels	35%
Blue Coast Hotels	21%
Jindal Hotels	32%
Asian Hotels (East)	20%
Asian Hotels (West)	31%
Asian Hotels (North)	30%

Ratio Analysis

One ratio that should be used to position the company in this industry is EBITDA/room as it incorporates operational efficiency as well as inventory.

Other ratios that can be used to value this industry are EV/EBITDA and EV/Sales. Trailing EV/Sales on an average for the industry is 3.88.

EBITDA/ROOM	(In Lakhs)
IHCL Hotels(Taj Hotels)	3.91
EIH Hotels(Oberoi Hotels)	6.10
Royal Orchid Hotels	1.17
Mahindra Holidays and Resorts	10.64
Hotel Leela Ventures	7.23

Hotel Name	EV/Sales
IHCL Hotels(Taj Hotels)	4.44
EIH Hotels(Oberoi Hotels)	5.50
Mahindra Holidays and Resorts	1.23
Hotel Leela Ventures	7.80

Hotel Name	EV/Sales
Royal Orchid Hotels	3.58
Blue Coast Hotels	3.43
Jindal Hotels	2.58
Asian Hotels (East)	2.11
Asian Hotels (West)	2.72
Asian Hotels (North)	5.47

On the other hand average trailing EV/EBITDA for the industry is 16.48

Hotel Name	EV/EBITDA
IHCL Hotels(Taj Hotels)	27.17
EIH Hotels(Oberoi Hotels)	29.38
Mahindra Holidays and Resorts	7.71
Hotel Leela Ventures	28.88

Hotel Name	EV/EBITDA
Royal Orchid Hotels	10.12
Blue Coast Hotels	16.56
Jindal Hotels	8.01
Asian Hotels (East)	10.36
Asian Hotels (West)	8.71
Asian Hotels (North)	17.97

Conclusion

Some of the challenges the industry is currently facing is ARR growth in the industry is very slow. GST@28% is penalizing the industry though the decision to levy taxes on actual tariff has come as a sign of huge relief. Overall with proper policy support, rising disposable incomes and surge in demand the hotel industry is finally looking towards a brighter future.

Compliance Risk on KMPs in a Company

Mr. Harinder Singh
Director, Proind

Group of personnel who are responsible for managing and controlling the affairs of the company are generally considered as Key Management Personnel (KMP). In India before enactment and notification of Section 203 of new Companies Act, 2013 in April 2014, under Companies Act, 1956; the responsibility of managing operations of the company was recognised for Managing Director, Whole Time Director and Manager only, but Section 203 of revised statuette has introduced term of KMP, which not only covers above stated positions as person responsible for managing company operations but also includes key functional people like Chief Executive Officer, Chief Financial Officer, Company Secretary, and other Key operation heads. The new act also introduced collective responsibility of KMPs rather than individual roles & responsibilities.

KMP as per Companies Act, 2013

As per Section 2(51) of the Companies Act, 2013, the definition of term KMP is:

"Key managerial personnel, in relation to a company, means:

(i) The Chief Executive Officer or the managing director or the manager;

(ii) The company secretary (CS),

(iii) The whole-time director (WTD),

(iv) The Chief Financial Officer (CFO) and

(v) Such other officer as may be prescribed"

The definition given in statute is comprehensive but point number (v) gives freehand to the competent authority or government official to consider any other office of the company as part of Key Managerial Personnel as may be considered appropriate at the time of assessment.

Companies are required to appoint KMP, as mandatory requirement

Section 203 of the Companies Act, 2013, to be read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following categories of Companies shall have whole-time key managerial personnel:

- Every Listed company and
- Every other public company having paid up share capital of Rs. 10 Crores or more

A company shall file a return of appointment of following positions within sixty (60) days of the appointment, with the Registrar in Form No. MR.1 together with such fee as may be specified for this purpose:

(I) Managing Director, or Whole-Time Director or Manager,

(ii) Company secretary and

(iii) Chief Financial Officer

Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, also mandates, a company having paid up share capital of Rs. 5 Crores or more shall have a whole time Company Secretary, beside category of companies mentioned above.

Role & Responsibilities of KMP

On a perusal of the various provisions of the Act, it can be seen that onerous responsibilities, obligations and liabilities have been casted on KMP and that they are also included in the definition of 'officers in default' and 'related party' under the Act.

Under Companies Act, 2013 some of the key provisions related to KMP are outlined below:

- Section 2 (59): KMP are included in the definition of 'officer';
- Section 2(60): KMP are included in the definition of 'officer who is in default';
- Section 2 (76): KMP and his relatives are included in the definition of 'related party'
- Section 102: The nature of concern or interest of KMP on the matters proposed to be transacted in a meeting, are to be disclosed in the explanatory statement to the notice of such meeting,

- Section 141: A relative of KMP is not eligible to be appointed as auditor,
- Section 149: A KMP or his relative cannot be appointed as an independent director,
- Section 170 and rules made thereunder: The details of securities held by each KMP in the company or its holding, subsidiary, subsidiary of company's holding company or associate companies is to be recorded in a separate register,
- Section 177: KMP shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote,
- Section 178: The Nomination and Remuneration Committee shall formulate and recommend to the Board a policy, relating to the remuneration for the KMP,
- Section 179: The appointment or removal of KMP shall be made in a board meeting,
- Section 189: Every KMP shall, within a period of thirty days of his appointment, or relinquishment of his office, disclose to the company his concern or interest in the other associations or such other information relating to himself as may be prescribed,
- Section 194: KMP are prohibited from forward dealings in securities of company;
- Section 195: KMP shall not enter into insider trading,
- Section 196 read with Section 170: For appointment of KMP, a return in Form DIR-12 & MR-1 is required to be filed with the Registrar of Companies within 60 days of appointment,
- Section 203:
  - A whole-time KMP shall not hold office in more than one company except in its subsidiary company at the same time,
  - Whole-time KMP holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company in which he wishes to continue to hold the office of KMP,
  - If the office of any whole-time KMP is vacated, the resulting vacancy shall be filled up by the Board at a meeting within a period of six months from the date of such vacancy,
  - Notice of meeting ordered by tribunal pursuant to a proposed compromise and arrangement shall be accompanied by a statement explaining its effect on KMP.
- Section 232: A report adopted by the directors of the merging companies explaining the effect of compromise on each KMP shall be circulated by the company for the meeting ordered by the Tribunal pursuant to proposed merger or division of the company.

Keeping these requirements in mind, the law cannot be read to permit the exclusion of certain KMPs from their prescribed obligations and liabilities by designating only one person as KMP. Thus, where a company has appointed both a CEO and a MD, the company is given the option to name one of them to be KMP, it would amount to excluding the other from the ambit of officer in default or related party, which cannot be the intention of law and although the word used under section 2(51) (i) and section 203(1) (a) of the Act, is 'or' yet it must be read as 'and' so as to carry out the intention of the legislature.

Thus, in case a company has appointed MD and CEO or CEO and manager, both will be treated as KMP with no regard to the question because whether such company is mandatorily required to appoint KMP in terms of section 203 of the Act or not and whether the appointment of MD and CEO or CEO and manager, is made on whole time or part-time basis.

KMPs are also identified as 'officers' of the company, by virtue of which, KMPs may be made liable for contraventions by a company depending on the facts of each case.

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DEAL CORNER

Bank of Baroda, Dena Bank, Vijaya Bank merger to up operating efficiencies

The government's move to merge two stronger banks- Bank of Baroda and Vijaya Bank with the weak Dena Bank would ensure stability of operations and credit profile of the merged entity. The merged entity would be India's third largest lender. According to credit ratings, the success of the merger will be crucial as it will pave the revival path for other weak public sector banks (PSBs) , mainly those under the RBIs' prompt corrective action(PCA) framework.

Further, the merger will reduce the capital burden for the government over the long term and enable better management of a smaller set of large PSU banks. With fewer PSB banks around, capital allocation, performance milestones and monitoring would become easier for the government. The government has also assured that jobs of employees will be protected and service conditions will not be adversely impacted, which reduce the potential for employee discontentment.

Vito India Advisors and Altor Executive Search to merge and form VitoAltor Advisors

Vito India Advisors has entered into an agreement with Altor Executive Search to form VitoAltor Advisors LLP. The new entity will be India's largest financial services executive search specialist by market share, with a combined share of 60+ search consultants in Mumbai and New Delhi. Reuben Mistry, CEO, Vito India will be the new CEO of the merged entity, which will commence joint operations from October 1. VitoAltor Advisors will serve over 200 clients in India across mid-market corporates and financial institutions.

Blackstone makes all-cash offer for PNB Housing Finance

Private-equity fund Blackstone has expressed an all-cash deal interest to buy out PNB Finance. The senior management of PNB Finance would continue even after the deal is completed. Blackstone is likely to form a consortium after winning the bid. Over 20 large private-equity majors and large home financiers, including Warburg Pincus, KKR, Dewan Housing Finance, Indiabulls, the Kotak Group and Godrej had bid to acquire a large stake in the company. The successful bidder will get to buy 51% in PNB Housing Finance. Then it will raise stake to 66% or beyond by doing an open offer. The Promoters PNB and Carlyle, which own about 66% stake in the company are looking to sell their entire stake to a large investor. The new bidder will have to bring in around Rs 15,000 crore for the stake.

Manipal Group takes a stake in Cigna TTK

The Manipal Group will buy a stake in the Cigna TTK Health Insurance Company. Cigna Corporation will continue to hold its 49% stake in the Indian health insurance venture, while Manipal Group and TTK Group will jointly hold 51% stake in the joint venture. The new partnership will help Cigna TTK bridge the gap between healthcare delivery and healthcare financing, enabling the company to provide customers with a more comprehensive, innovative, personalized

and affordable suite of healthcare solutions. The combination of Cipla's global expertise in health and wellness, its ability to offer customized solutions for the Indian market, and Manipal Group's integrated healthcare expertise with multi-speciality hospital networks will create a true differentiation for healthcare in India.

Suzlon inks JV with CLP Indiafor two solar projects in Maharashtra

Wind turbine maker Suzlon announced a joint venture (JV) with CLP India for two solar projects with of 50 megawatt (MW) and 20 megawatt (MW) in Dhule, Maharashtra. As per the agreement, CLP India has agreed to acquire 49% stake in Gale Solarfarms Ltd and Tornado Solarfarms Ltd, two special purpose vehicles (SPV) set up by Suzlon. CLP has the option to acquire the balance 51% stake in the future.

Brookfield to acquire Ambani gas pipeline

Canadian investor Brookfield is set to buy the lossmaking East West Pipeline Ltd. (EWPL) for an enterprise valuation of Rs 14,000 crore. Brookfield is uniquely sponsoring an InvIT called India Investment Trust as the acquisition vehicle to take over the 1400km common carrier pipeline from Kakinada on the east coast to Bharuch in Gujarat. The CCI has approved the transaction.

The pipeline housed under EWPL is being transferred to an entity called Pipeline Infrastructure Pvt. Ltd. (PIPL), a wholly owned subsidiary owned subsidiary of Reliance Industries Holding Pvt. Ltd. The 2 billion will be evenly split between equity and debt and Brookfield is currently in negotiations with Indian lenders such as ICICI Bank for financing. As part of the contract with Brookfield, Ambani is also negotiating a clause that would allow buying back the asset after 20-25 years.

KKR-Radiant buys 49.7% stake in Max Health for USD 293 million

South Africa-based hospital group Life Healthcare has sold its entire 49.7% stake in Max Health to Mumbai-headquartered Radiant Hospital backed by private equity player KKR for USD 293 million. KKR Radiant will be buying more than 266 million shares in Max Healthcare at Rs 80 per share.

Aurobindo Pharma acquires dermatology business from Sandoz in a USD 900 million cash deal

Hyderabad based Aurobindo pharma will acquire the dermatology and oral solid business from Sandoz Inc, a subsidiary of Swiss drug maker Novartis for an upfront purchase price of USD 900 million in cash, making it the second largest generic player in the US by number of prescriptions. The transaction will be an all cash transaction which Aurobindo will finance through a fully committed debt facility. The acquisition will add approximately 300 products including projects in development as well as commercial and manufacturing capabilities in the US for Aurobindo. The portfolio that Sandoz is divesting generated sale to the tune of USD 600 million in 1st half of 2018. The acquisition is expected to be accretive to normalized EPS from first full year of ownership. Some of the portfolio of products under the deal includes topical antibiotics, gynaecological and dermatological antifungal agents, anti-acne agents, local anaesthtic analgesics, anti-itch and a dermatological chemotherapeutic agent. ■

Population, Productivity & Economic Growth

Economic development can mean a lot of different things. It can just refer to any growth in the value of an economy as a whole. But more generally, economic development is the continued, active efforts of the public and private sectors of a country that promote the standard of living and economic health of the country. The economic health of a country relates to the economic growth of the country and the general freedom and competitiveness of the market in the country. Generally, as a country becomes more economically developed, the well-being of its citizens improves in a lot of ways: their health, education, security, freedom, and self-sufficiency.

But what factors affect economic development? The two factors that drive long run economic growth are population and productivity. Population growth helps the process of development in certain ways and hampers it in certain other ways. This is so because the relationship between population growth and economic development is intricate, complex and interacting.

On the positive side, an increasing population means an increase in the supply of labour— a basic factor of production. And growth of population and labour supply has all along been one major source of growth in recorded history. It is to be noted that human labour, assisted by necessary tools and implements, was always and still is the greatest productive asset of nations.

A growing population leads to an increasing total output. But it also makes for a greater number of persons among whom this output must be divided. There are more productive hands but there are also more mouths to feed. The effect of population growth on a society's per capita output level depends on the pattern of population growth as also its institutional framework. In other words, it depends on the age composition of the population.

If, for example, population growth is associated with high fertility and an increasing number of children relative to adults, then the number of consumers will be growing more rapidly than the number of producers, the dependency burden on the active workers of the society will be heavier, and the effect may be negative. But if there is a rise in life-expectancy which extends the productive years of the workers of the society, then the problem of an increased burden of dependency may be at least partially offset.

In this context the following points may be noted:

(I) The pattern of spending reflects the age distribution. An ageing population—one that contains a rising proportion of old people—requires an increasing quantity of products connected with old age and relatively fewer connected with the young. The industrial system has to adjust itself to the changing demand for goods and services. This adjustment could cause problems, particularly because the labour force is less adaptable in an ageing population.

(ii) Young workers are generally more productive and adaptable. Although older people may have the advantage of experience, they are likely to be less energetic and enterprising. Moreover, in an ageing population, the young may have to wait longer to reach positions of responsibility and this could have a discouraging effect. A young population should also provide a larger flow of school-leavers able to start work in the industries where labour is most needed.

(iii) Production depends on the working age group. It is obviously possible to produce more goods and services and so achieve a higher standard of living if a larger proportion of the population is in the working age group — between school-leaving and retirement ages — which must provide the bulk of the country's labour force. A growing population, within a limited geographical area, usually puts heavy pressure on the existing factor endowments, especially natural resources of the community. Moreover, if the society has a limited stock of capital, labour may have to be substituted for capital in which case the production function will exhibit the law of diminishing returns.

This occurs if the variable factor is labour, while capital is a fixed factor. Diminishing returns may become a serious problem if population growth is rapid and there occurs practically no or at best, a marginal increase in natural resources (land) or man-made resources (capital goods). However, technological progress convert the operation of the law, at least temporarily.

A growing population means a growing market for most goods and services and we know that division of labour is limited by the extent of the market. A potentially expanding market may stimulate entrepreneurs to invest more and more in capital goods and machinery. Business activity will be spurred as a consequence. And more income and employment will be created in the process. Moreover, it will provide an outlet for the products of efficient large-scale, mass-production industries. The net effect may be favourable to the country.

Of course, the size of the domestic market of a country does not only depend on the numbers, but also on the per capita income level. But given the same low level of income per head, a country like India offers a more favourable environment for setting up heavy capital goods industries which depend so much on the economies of scale for their success.

Population growth has been a favourable factor in stimulating growth in many countries in the last two centuries, when vast areas remained largely unsettled. Even in the USA, in the 1930s, it was apprehended that a slowing down of the rate of population growth would lead to long-run stagnation. Population growth may be either favourable or unfavourable to economic development, depending on where, when, and how it takes. It is to be noted that while large populations of the advanced countries have grown up after, and as a consequence of, economic development, that large populations of the developing countries exist before development. This makes development not only more desirable but also more difficult.

Productivity i.e the Per capita income is calculated by dividing national income by the size of the population. When population is increasing faster than national income or GNP the standard of living of the average citizen does not improve. In most developing countries population is growing steadily even today. This is important obstacles to development. The most serious problem for most developing countries seem to be controlling the growth of their population.

Population growth has a negative effect on growth for the following three reasons:

(i) Capital shallowing: Rapid population growth reduces per capita availability of capital and thus lowers labour productivity.

(ii) Age dependency: Rapid population growth produces a large number of dependent children whose consumption requirements lower the ability of the economy to save.

(iii) Investment diversion: Rapid population growth shifts government expenditures from the country's infrastructure (roads, communications, etc.) to education and health care.

The harmful effects of population growth seems to be more pronounced in countries where arable land and water are relatively scarce. The World Bank has started the population growth above 2% per annum acts as a brake on economic development. However, there is a two-way causation. As there is effect of population growth on economic development, in a like manner, economic development may also have important effects on population growth.

The last two centuries have witnessed a fall in the death rate and the consequent growth of population in today's economically advanced countries. But birth rate also fell. Economic development brought in its wake higher standards of living, better food, adequate clothing and shelter as also protection from the natural disasters of drought and famine. There also occurred improvement in medical facilities and health care. These led to fall in infant mortality and more healthier people and longer life-expectations. These were all related to the economic progress these countries were making.

When we turn to 'population explosion' problem of developing countries we see that these countries have shown very little economic growth. Yet their populations are expanding rapidly. These countries are importing western technology to start modern industrialisation programme but are unable to emulate or import the growth process itself.

Population growth (with the associated, although delayed, increase in the labour force) has traditionally been considered a positive factor in stimulating economic growth. A large labour force means more productive manpower, while a larger overall population increases the potential size of domestic markets. However, it is questionable whether rapidly growing manpower supplies in labour-surplus developing countries exert a positive or negative influence on economic progress. Obviously, it will depend on the ability of the economic system to absorb and productively employ these added workers, an ability largely associated with the rate and type of capital accumulation and the availability of other related factors such as managerial and administrative skills.

CASE STUDY

Turnaround Story of Ajanta Pharma

Bharat Agarwal
Analyst, Acepro Advisors

Ajanta is a classic case of turnaround from mired debt to be one of the best in class business model ticking most boxes on the efficiency parameter. Started by first generation entrepreneur, Mr. Purshottam Agarwal as a repackaging unit in 1973, Ajanta has now established itself as a well-know chronic player in the Indian industry apart from providing its mettle in the EM driven by second generation entrepreneurs. After a slow start and many challenge such as weak product portfolio, currency crises in Russia, Ajanta reinvented its business by launching 'first to market' products in India and other Ems. Despite a late entry in the fastest growing US generics market, Ajanta reported 25% sales CAGR over FY11-17 from branded markets and RoCE of 45% in FY18 driven by superior execution.

History

Ajanta Pharma launched its first product in liquid gripe water in early 80's. Woodwards Gripe water was the 2nd largest player with a rural market focus. It then launched a multi-vitamin OTC product '30-plus'. It was a blockbuster product for Ajanta and was exported to other Asian countries followed by more OTC products such as Pinkoo. It also forayed into institutional sales. In 1994-96, the company ventured into the overseas market through joint ventures. It entered into a JV with six CIS countries and set up a wholly owned subsidiary in Mauritius with manufacturing facilities in each of this countries. The 1998 Ruble crisis had a severe impact on the business of Ajanta in the CIS countries forcing the company to write-off its investments. Mired with debt, in 2004 led by Yogesh and Rajesh Agarwal, Ajanta shifted to branded formulations focusing on CVs, Ophthalmic and derma therapies. During 2005-09, Ajanta spent more on its R&D rather on focusing on profitability. This led to introduction of products such as Gatifloxacin, Moxifloxacin etc. in India. Also in 2006-07 Ajanta entered into WHO and in 2008 it entered into South Asia market through Philippines to market its existing portfolio in the domestic market. In FY13 Ajanta focused towards the US generics market and adopted strategy of gaining market share through competitive pricing and received its first approval in FY15.

Problem

During early 2000s company had weak portfolio of products, financials were also not encouraging. Company debuted on bourses on 23rd march 2000 with an issue size of Rs.68 crore. In 2001-02, the company had sales of around Rs 88 crore with an annual loss of Rs 1.09 crore and a debt of Rs 125 crore. In the following years, company did see growth in their revenue but operationally the condition did not improve. Company was barely making profits along with debt burden, cash flows were also inconsistent.

Ajanta Pharma, as any other old-generation Indian generic pharmaceuticals company, was making most of the generic drug formulations, active Pharma ingredients or bulk drugs, over-the-counter products including herbal brands. Its sales revenue was mainly from government supply of generic medicines or institutional sales, some from exports of bulk drugs

Key Parameters	Mar-02	Mar-03	Mar-04	Mar-05	Mar-06	Mar-07	Mar-08	Mar-09
Gross Sales	88.72	124.45	148.34	202.03	236.07	266.49	315.94	352.29
Total Income	85.51	122.82	145.88	200.41	230.92	258.82	310.91	351.84
Total Expenditure	67.62	97.45	118.23	171.65	195.67	218.33	258.02	284.28
PBIDT	17.89	25.37	27.65	28.77	35.25	40.49	52.90	67.56
PBIT	10.85	15.52	15.29	19.54	26.30	31.75	45.02	53.37
PBT	-0.61	1.53	2.66	9.40	14.25	19.37	28.88	29.81
PAT	-1.09	0.28	2.36	9.95	12.42	14.71	22.03	25.43
Net Worth	134.60	142.16	145.74	97.51	108.17	115.29	134.76	157.02
Total Debt	125.21	122.59	117.67	96.94	98.37	116.37	173.54	250.21
Total Assets	283.99	291.55	288.69	203.35	228.41	259.72	356.98	459.16
CFO	0.00	11.45	20.34	-6.59	25.34	21.13	19.08	34.59
CFI	0.00	-6.45	-3.20	-1.71	-10.81	-24.04	-59.14	-81.94
CFF	0.00	-15.95	-17.71	8.75	-10.62	3.64	38.38	49.65
Free Cash flow	-1.09	-15.01	0.80	-13.40	0.93	-16.48	-61.85	-70.70
Debt to Equity(x)	0.93	0.86	0.81	0.99	0.91	1.01	1.29	1.59
Current Ratio(x)	5.47	5.39	6.00	5.98	4.61	4.83	4.35	5.02
ROCE(%)	4.18	5.92	5.79	8.53	13.11	14.48	16.67	14.91
RONW(%)	-0.81	0.20	1.64	8.18	12.07	13.16	17.62	17.43
EBITDAM(%)	20.16	20.38	18.64	14.24	14.93	15.20	16.74	19.18
PATM(%)	-1.23	0.22	1.59	4.92	5.26	5.52	6.97	7.22

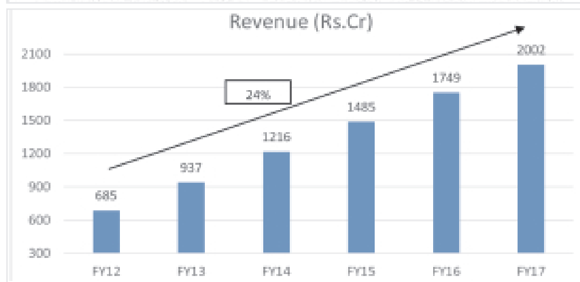
and certain brands that sold in the OTC health and energy space. While the profit from most of these generic market segments was negligible, the government supply that was accounted for at least 30 per cent of the business was completely uncertain.

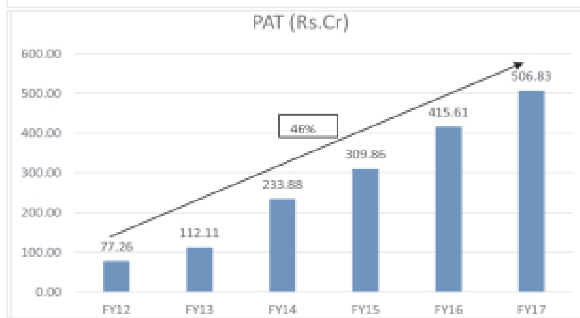
The Turnaround

The company's charge was taken over by the 2nd generation in early 2000s by Yogesh and Rajesh Agarwal. They brought about many changes in the company.

- With the new strategy of differentiated products. It discontinued several of its me-too products in the general therapy area and the company discontinued its OTC and herbal portfolio too.
- After zeroing on the speciality drugs strategy, which demanded additional investment in research and development and manufacturing, the bigger challenge was the limited resources.
- This forced the aspiring young management to limit their focus on four key segments—ophthalmology, cardiovascular, dermatology and pain management in India and niche generic products in the unregulated and semi-regulated markets outside. It had to expand research and upgrade and set up new manufacturing facilities.
- After the changes mentioned above Ajanta grew manifold with stellar RoCE. It had one of the best in class RoCE, credited to his high margin branded business in India, Asia and Africa coupled with low capex.
- Company has successfully reduced its debt and now it's close to being a debt free company
- Ajanta's share price has risen from a mere single digit price in 2010 to Rs.2100 in August 2016, rewarding its investors close to 500x increase in share price

Key Parameters	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17
Gross Sales	412.24	503.77	685.49	936.88	1215.99	1485.21	1749.37	2001.64
Total Income	410.23	508.28	683.61	936.44	1222.05	1490.36	1755.13	2007.12
Total Expenditure	330.58	409.13	545.36	706.35	839.59	968.33	1146.92	1296.38
PBIDT	79.65	99.16	138.25	230.09	382.46	522.03	608.21	710.74
PBIT	58.91	74.41	106.38	195.92	338.58	461.93	563.78	649.53
PBT	38.76	56.39	90.95	176.79	329.85	456.01	558.89	648.17
PAT	34.00	50.71	77.26	112.11	233.88	309.86	415.61	506.83
Net Worth	184.83	228.74	297.94	392.84	592.64	840.57	1190.77	1567.60
Total Debt	227.96	190.63	198.54	124.59	130.49	72.38	80.49	1.28
Total Assets	495.09	522.17	648.81	718.23	949.35	1146.35	1479.38	1823.25
CFO	95.11	95.37	70.35	234.27	212.42	279.42	326.14	609.29
CFI	-42.67	-50.71	-53.07	-103.70	-187.80	-158.36	-209.07	-383.12
CFF	-45.67	-55.89	-12.84	-104.49	-20.13	-105.19	-117.32	-201.77
Free Cash flow	33.44	38.53	-5.40	93.66	68.85	177.08	335.70	593.92
Debt to Equity(x)	1.23	0.83	0.67	0.32	0.22	0.09	0.07	0.00
Current Ratio(x)	3.52	1.13	1.36	1.66	1.89	2.54	2.94	3.45
ROCE(%)	14.37	17.88	23.23	38.62	54.53	56.43	51.61	45.74
RONW(%)	19.89	24.52	29.34	32.46	47.47	43.24	40.92	36.75
PBIDTM(%)	19.32	19.68	20.17	24.56	31.45	35.15	34.77	35.51
PATM(%)	8.25	10.07	11.27	11.97	19.23	20.86	23.76	25.32





Conclusion

Ajanta Pharma has seen its ups downs in this long journey but the vision of its current management has taken the company to new heights. Being present in such a competitive sector and battling against the likes of SunPharma, Aurbindo Pharma, Cipla, Ajanta has really come a long way. Capturing new markets and through continuous R&D Ajanta has proved its might and is set to achieve more milestones going forward.

Market Developments

Incorporated in 2008, Sky Gold Limited is acompany engaged in designing, manufacturing, and marketing of Gold jewellery. Sky has offered equity of Rs. 25.56 cr at a price of Rs. 180 per share at BSE SME. The issue was subscribed 1.08 times. Face value of share was Rs.10.

Incorporated in 2008, Spectrum Electrical Industries Limited is a engaged in business of design and manufacturing of electrical, automobile and irrigation components. The company is a contract manufacturer and component suppliers to leading industry players. The company has offered equity of Rs. 25.87 cr at a price of Rs.65 per share at NSE Emerge Platform. The issue was subscribed 1.27 times. Face value of share was Rs.10.

Incorporated in 1949, Ranjeet Mechatronics Limited is a company engaged in business of providing specialized firefighting solutions as a system integrator. It provides end-to-end solutions in installation, designing, commission, testing, implementation, management and operational support for security and fire solutions. The company has offered equity of Rs 4.50 cr at a price of Rs.25 per share at BSE SME Exchange. The issue was subscribed 69.75 times. Face value of share was Rs.10.

Incorporated in 2005, Ahlada Engineers Limited is a company engaged in the business of manufacturing of steel doors, windows, and clean room equipment. Company's customer base includes the pharmaceutical, biotechnology, food, healthcare, entertainment and real estate industries. The company offers has offered equity of Rs.51.08 cr at a price of Rs. 150 per share at NSE Emerge Platform. The issue was subscribed 2.35 times. Face value of share was Rs.10.

Incorporated in 2005, AKG Exim Limited is a company engaged in the business of merchant trading of products & commodities. It is a global merchandiser and distributor of a range of products including Non-Basmati Rice, Spices, Dry Fruits, Metal Scrap, Iron Scrap and Aluminium Scrap, etc. The company offers has offered equity of Rs.5.52 cr at a price of Rs.31 per share at NSE Emerge Platform. The issue was subscribed 1.18 times. Face value of share was Rs.10.

Incorporated in 2003 , Rajshree Polypack Limited is engaged in the business of plastic packing products. It is one of the leaders in the manufacturing of rigid plastic sheets and thermoformed packing products. The company has offered equity of Rs.35.52 cr at a price of Rs. 121 per share at NSE Emerge Platform. The issue was subscribed 5.36 times. Face value of share was Rs.10.

Name of the Company	Exchange	Issue Size (Rs. crore)	Issue Price (Rs. Per Share)
Silgo Retail Limited	NSE	4.88	36
B & B Triplewall Containers Limited	NSE	19.99	36
Vinny Overseas Limited	NSE	10.37	40
IRIS Clothings Limited	NSE	11.07	90
Kritika Wires Limited	NSE	15.40	32
Parin Furniture Limited	NSE	18.90	63
BCPL Railway Infrastructure Limited	BSE	17.01	35
S. M. Gold Limited	BSE	7.50	30
Veeram Infra Engineering Limited	BSE	10.74	51
Shubham Polyspin Limited	BSE	6.00	40
AKI India Limited	BSE	3.08	11
Marine Electricals (India) Limited	NSE	42.87	66
Sun Retail Limited	BSE	10.12	23
Dolfin Rubbers Limited	BSE	5.20	26

Other Developments

Bank of Maharashtra shuts down 51 branches to cut costs

The BoM had hit headlines after Maharashtra police had nabbed its Chairman-cum-Managing Director Ravindra Marathe and five others for the alleged Rs 2,043-crore scam involving the prominent realtor, DSK Group of Pune. From October 1, the 51 branches - all in urban centres across India which have been identified for the cost-cutting action - were closed and declared non-viable and incurring huge losses, said the official of the Pune-headquartered bank. Declining to be identified, a senior bank official said that these 51 units have been closed down and merged with neighbouring branches.

This is the first such a measure initiated by any PSB in Maharashtra. The BoM has around 1,900 branches all over India. The branches shut are in: Thane (7), Mumbai (6), Pune (5), Jaipur (4), Nashik and Bengaluru (3 each), Amravati, Latur, Aurangabad, Jalgaon, Nagpur, Satara, Hyderabad and Chennai (2 each), NOIDA, Kolkata, Chandigarh, Raipur, Goa, Solapur, Kolhapur (1 each).

The BoM cautioned that since the old IFSC/MICR Codes have been spiked and shall be discontinued permanently from December 31, the customers, henceforth, should conduct all their banking transactions only with the new IFSC/MICR Codes. Earlier on June 29, barely nine days after the arrests of the BoM top brass, the management had relieved CMD Marathe and the Executive Director R.K. Gupta, of all their functional responsibilities. The management action came after Marathe, Gupta, the BoM's MD and CEO Sushil Muhnot and three others were nabbed in the alleged scam, which created a political furore.

Earlier in May, the Pune Police had filed a 36,875-page long chargesheet in the case, pertaining to the mega-scam perpetrated by the Pune-based DSK Group and its owner D.S. Kulkarni and his family members.

The police said that DSK Group and the Kulkarni family had allegedly defaulted on loans availed from various banks including the BoM and had defaulted on paying back thousands of depositors who had invested in their schemes and fixed deposits.

India's export growth may slow down in coming months on domestic, global headwinds: FIEO

Exporters' body FIEO said the growth of country's exports is likely to slow in the coming months owing to various domestic and global factors. Indian exports have always been influenced by the growth in global trade and therefore, the subdued global trade forecast of 3.9 per cent in 2018 and 3.7 per cent in 2019 will have adverse bearing on exports, the Federation of Indian Export Organisations (FIEO) President Ganesh Kumar Gupta said.

While exports have done well in the first five months of the current fiscal, they are likely to face greater challenges in months to come," he said. "While exports have done well in the first five months of the current fiscal, they are likely to face greater challenges in months to come," he said.

The export growth for September to November has to be watched carefully as exports in these months clocked over 25 per cent growth in 2017 and thus would have the disadvantage of high base effect, Gupta said in a statement. He also said that the sanctions on Iran, payment problems in Venezuela, huge depreciation of currencies of Argentina, Turkey, South Africa, Russia, Brazil and banking restrictions on large number of countries like Syria, Sudan, Libya, and Iraq are affecting exports.

On domestic front, he said flow of credit to the export sector is a huge issue as export credit declined by over 41 per cent in April-June.

However, he expressed hope that the country's exports would touch $350 billion exports in 2018-19. Last time in March, exports entered negative zone. It dipped by 0.66 per cent in that month. Exports were up by 16.13 per cent to $136.10 billion in April-August 2018-19.

NBFCs ready fireworks for big bang deals during festive season

Not just ecommerce companies, new-age non-banking financial companies (NBFCs), too, are looking to cash in on the festive season. These NBFCs are seeing huge opportunity in extending working capital loans to merchants who sell on ecommerce platforms so they are prepared to deal with increased demand during the three-month sale period beginning in October. The festive season accounts for more than half of annual online retail in India, as per industry estimates. Mumbai-based Flexiloans has seen a 400% jump in inquiries from ecommerce companies for quick loans for their sellers so they can buy stock to sell during the festive season. Flexiloans works with several large ecommerce companies, including Flipkart, Amazon, Paytm Mall and ShopClues. "We are seeing demand from more than 200 locations mainly for working capital loans for the next three months," said Flexiloans cofounder Manish Lunia. "This is the time that demand for capital is the highest."

Flexiloans has also "partnered with platforms where wholesalers and retailers buy and sell… these have started showing huge jump in demand for loans," said Lunia. The NBFC has also partnered with companies deploying credit and debit card reading machines so it can track the transaction data of merchants and offer multipliers for the festive season.

Digital financial services provider Happy Loans, which lends to merchants on the basis of their digital transaction data, is also preparing for increased demand during the festive season. Happy Loans is already seeing a jump in inquiries from assisted ecommerce and ecommerce sellers across categories such as apparel and electronic items.

Loan aggregating platform Rubique is seeing a three-fold jump in demand for working capital loans from merchants in more than 100 locations, including from small towns. "These merchants are looking for quick loans in the range of ?8- 10 lakh. We expect the ticket size to get pushed up during Diwali," said founder Manavjeet Singh.

IL&FS crisis: SFIO probe to look for diversion of loan money

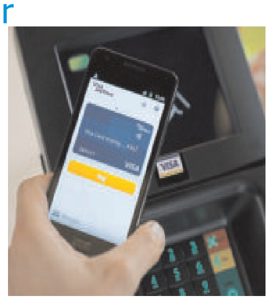
The Serious Fraud Investigation Office will probe whether any of the loans granted to Infrastructure Leasing & Financial Services were diverted for other purposes and if lenders had evaluated its borrowing requirements appropriately, said two officials aware of the development. "We need to find out whether all due diligence was done before sanctioning of such credit. Also, if the firm used some of this amount to retire old debt," said one official. It is possible that some banks did not carry out proper assessments and relied mostly on the company's credit rating while approving the loans, the official said.

State-run Small Industries Development Bank of India, one of the companies to which IL&FS defaulted, has initiated disciplinary proceedings against its chief general manager in the risk management department. Banks also need to be investigated on whether they were aware of the company's financial position and if they continued to lend, ignoring early warning signals, the second government official said. "There are reports which state that the debt of the firm touched Rs 91,000 crore, of which one-third was bank loans. Was there indiscriminate lending?"

A Kotak Institutional Equities report, based on public information on the company, said Bank of India with loans of Rs 2,388 crore was the biggest lender to IL&FS, followed by State Bank of India with Rs 2,140 crore. Punjab National Bank was third with Rs 1,859 crore. Yes Bank, with Rs 1,841 crore, was the largest private sector lender to IL&FS, according to the report. ■

What's in Press

Contactless banking for MSMEs to be the new paradigm: Fin Services Secretary Rajiv Kumar



In a bid to bolster credit growth, the Finance Ministry is planning to expand the scope of the recently launched portal that enables MSMEs to obtain a loan of up to Rs 1 crore within an hour.

A Web portal www.psbloansin59minutes.com for MSME borrowers have been started which may include personal loan, home loan etc." This will help improve credit flow to the MSME sector. This system will stabilise and lay the foundation of a paradigm shift in the way banking is done in the next 6-7 months.

Thisa will set a new benchmark in loan delivery mechanism by reducing the turnaround time from 20-25 days to just 59 minutes and the loan will be disbursed in 7-8 working days. "A user friendly platform has been built where the MSME borrower is not required to submit any physical document for in-principle approval. The solution uses sophisticated algorithms to read and analyse data points from various sources in less than an hour while capturing the applicants' basic details using smart analytics from available documents."

Why microfinance holds the key to fulfilling the MSME sector's credit requirements

Over the last five decades, India's Micro, Small, and Medium Enterprises (MSME) sector has come to play an integral role in the overall economy. The sector has not only contributed to the nation's economic growth, but has also significantly industrialised India's rural areas and reduced the massive burden placed on the agriculture sector to provide employment to people in these geographies. These units have consistently supported large industries by providing them with essential products and services. Cottage and small-scale enterprises have been instrumental in providing employment to the rural populace, especially to women with limited means who want to contribute towards the family income or add to the household income generated from agricultural activities.

The cluster-based approach has been adopted widely by the microfinance sector over the last couple of years to facilitate finance to creditworthy MSMEs, leveraging the social collateral-based lending model combined with a high touch approach.

The handloom cluster of Chanderi in Madhya Pradesh, the handicraft cluster of Moradabad, and block-printed textiles producing cluster of Jaipur have been among the key areas of focus for the microfinance sector. As a result, the number of small-ticket unsecured loans has considerably risen, along with repayment levels, among recipients of microcredit in such rural MSME clusters. The cluster based approach to lending enables NBFC-MFIs to cater to a wide range of needs of the MSME sector. NBFC-MFIs can extend banking services to recognised MSME clusters by partnering with mainstream banks and financial companies. Microfinance has not only emerged as a strong tool for the financial inclusion of MSMEs across the country, but also as a viable business proposition for banks.

India is set to emerge as the third largest economy of the world with a quantum jump in its GDP by 2030, CMD of aluminium major NALCO, Tapan Kumar Chand has said. If the demographic dividend is properly cultivated, then the Gross Domestic Product (GDP) growth will be in double digit with a quantum jump, the NALCO CMD said.

■

SARTHI

SME MARKET STATISTICS

Sr.No.	Company Name	Issue Price (In Rupees)	Turnover (Rs. In cr)	PAT (Rs. In cr)	Net Worth (Rs. In cr)	RoNW %	P/E as per FY18 PAT	Closing Price as on 30-09-18	Annualised Growth Rate
1	Money Masters Leasing & Finance Ltd.	15	2.3	0.3	6.6	4.9	14.6	4.8	-20%
2	Alacrity Securities Ltd.	15	33.3	0.5	25.8	1.9	22.1	7.3	-13%
3	GCM Commodity & Derivatives Ltd.	20	0.5	0.0	16.7	0.2	0.0	5.5	-22%
4	RJ Bio-Tech Ltd.	20	15.7	-15.0	9.6	-88.9	0.0	24.5	4%
5	Subh Tex (India) Ltd.	10	3.1	-0.3	19.5	-1.4	0.0	15.7	9%
6	SRG Securities Finance Ltd.	20	3.2	0.5	11.7	5.1	38.4	35.2	12%
7	Amrapali Capital & Finance Services Ltd.	100	64.8	0.3	81.5	0.4	59.0	28.0	-23%
8	Mitcon Consultancy & Engineering Services Ltd.	61	62.4	2.8	88.5	3.2	23.2	54.2	-2%
9	Stellar Capital Services Ltd.	20	5.5	0.1	45.3	0.2	30.4	3.0	-32%
10	Agrimony Commodities Ltd.	10	10.6	0.0	13.0	-0.3	48.8	3.0	-23%
11	Polymac Thermoformers Ltd.	35	7.6	0.2	10.5	1.6	0.0	32.8	-1%
12	Anisha Impex Ltd.	10	35.2	0.1	17.0	0.7	309.4	30.5	27%
13	Karnimata Cold Storage Ltd.	20	4.9	0.1	6.8	2.1	13.9	9.0	-16%
14	R&B Denims Ltd.	10	220.5	5.8	35.9	17.7	8.1	34.0	31%
15	GCM Capital Advisors Ltd.	20	7.2	0.0	34.3	0.1	40.0	2.1	-40%
16	SPS Finquest Ltd.	75	5.6	-0.1	34.4	-0.2	0.0	161.0	19%
17	Dhanuka Commercial Ltd.	10	2.0	-0.2	18.8	-1.3	0.0	4.3	-18%
18	Tarini International Ltd.	41	2.3	0.4	28.3	1.4	34.8	13.0	-23%
19	Bansal Roofing Products Ltd.	30	37.2	1.1	10.6	12.9	12.2	40.0	7%
20	Bhanderi Infracon Ltd.	120	16.9	0.5	13.4	4.1	41.3	128.7	2%
21	Aryaman Capital Markets Ltd.	12	28.2	0.5	20.2	2.5	64.7	26.5	22%
22	Powerhouse Gym & Wellness Ltd.	30	10.3	-3.4	8.2	-34.7	0.0	7.7	-29%
23	Jet Infraventure Ltd.	125	3.2	0.1	6.2	1.9	133.7	74.0	-13%
24	Captain Pipes Ltd.	40	43.8	-1.5	8.2	-16.9	0.0	33.0	-5%
25	Raghuvansh Agrofarms Ltd.	11	29.2	5.3	31.6	18.2	29.1	93.5	78%
26	Filtra Consultants and Engineers Ltd.	42	53.6	2.2	11.4	21.3	7.8	25.0	-14%
27	Yogya Enterprises Ltd.	15	32.9	0.1	4.2	1.4	33.0	21.0	10%
28	Athena Constructions Ltd.	10	0.6	0.0	7.6	0.2	189.9	11.9	5%
29	OP Chains Ltd.	11	24.3	0.0	30.6	0.1	202.4	13.0	5%
30	Junction Fabrics and Apparels Ltd.	16	79.0	0.8	5.7	15.8	9.6	29.5	20%
31	Ambition Mica Ltd.	40	89.5	1.9	28.3	8.8	19.2	24.4	-14%
32	VMV Holidays Ltd.	10	2.3	0.2	5.7	2.9	43.3	12.8	8%
33	Gala Global Products Ltd.	24	61.6	0.6	17.7	4.8	64.4	36.8	14%
34	Rudra Global Infra Products Ltd.	27	264.3	5.7	53.6	11.3	29.0	171.0	76%
35	Amrapali Fincap Ltd.	120	38.2	0.5	143.1	0.3	15.6	32.0	-34%
36	Mangalam Seeds Ltd.	50	30.2	3.1	23.5	17.1	22.9	69.6	11%
37	Emkay Taps And Cutting Tools Ltd.	330	69.0	19.9	103.8	21.2	71.0	1323.0	55%
38	Universal Auto Foundry Ltd.	15	78.8	3.0	14.0	24.3	11.3	64.0	59%
39	HK Trade International Ltd.	18	4.8	0.1	4.0	2.7	85.3	17.5	-1%
40	PB Films Ltd.	10	0.5	-0.3	14.4	-2.0	0.0	1.3	-49%
41	Shaival Reality Ltd.	100	60.0	3.5	17.6	22.3	0.0	25.5	-36%
42	Sri Krishna Constructions (India) Ltd.	45	13.7	2.2	23.6	9.7	8.9	31.5	-11%
43	Ahimsa Industries Ltd.	25	59.8	1.4	12.6	11.3	17.4	26.2	2%
44	Vishal Bearings Ltd.	25	33.6	0.8	8.9	9.5	9.1	52.0	28%
45	Patdiam Jewellery Ltd.	38	44.8	1.0	32.4	3.2	36.4	83.1	30%
46	Vaksons Automobiles Ltd.	26	44.1	0.0	13.0	0.1	303.9	20.8	-7%
47	Tejnaksh Healthcare Ltd.	80	7.5	1.9	8.1	26.7	33.6	81.6	1%
48	Perfect Infraengineers Ltd.	23	16.7	0.6	12.7	4.8	26.9	14.6	-14%
49	Suncare Traders Ltd.	64	7.8	0.1	38.2	0.4	148.8	57.0	-4%
50	OFS Technologies Ltd.	25	10.0	1.3	13.7	10.2	9.4	19.5	-9%
51	Fourth Dimension Solutions Ltd.	30	1534.1	22.0	69.0	38.2	3.9	70.0	36%
52	Blueblood Ventures Ltd.	50	2.7	0.2	15.2	1.1	16.9	17.0	-33%
53	Vidli Restaurants Ltd.	10	5.5	0.1	4.9	3.1	99.2	33.9	58%
54	Ganga Pharmaceuticals Ltd.	15	3.2	0.1	5.0	1.9	26.1	6.0	-29%
55	Hi-Tech Pipes Ltd.	50	1017.0	21.0	105.4	23.1	20.1	273.7	91%
56	KP Energy Ltd.	60	60.3	1.9	34.7	5.6	157.4	266.0	76%
57	Relicab Cable Manufacturing Ltd.	20	18.9	0.1	6.2	2.4	41.9	40.0	31%
58	HEC Infra Projects Ltd.	100	84.8	3.2	22.9	14.7	9.3	153.9	19%
59	Wealth First Portfolio Managers Ltd.	50	199.2	4.8	19.6	27.4	12.9	176.3	64%
60	CHD Chemicals Ltd.	11	43.3	0.3	7.4	5.2	16.5	8.4	-10%
61	Umiya Tubes Ltd.	10	45.9	1.9	12.1	18.0	20.8	39.3	72%
62	Franklin Leasing And Finance Ltd.	10	4.3	0.2	36.4	0.8	219.7	27.0	49%
63	Lancer Containers Lines Ltd.	12	110.7	6.8	18.8	47.6	6.2	42.6	66%
64	Raghav Productivity Enhances Ltd.	39	42.3	2.5	18.5	18.8	18.2	106.0	49%
65	Nintec Systems Ltd.	10	3.3	0.4	7.2	7.2	20.3	15.4	19%
66	Bajaj Healthcare Ltd.	170	209.6	7.8	57.5	15.1	22.3	490.0	55%
67	Sagardeep Alloys Ltd.	20	62.6	0.5	23.7	2.0	52.3	25.1	10%
68	Darshan Orna Ltd.	60	11.8	0.1	11.8	1.3	161.3	61.9	1%
69	United Polyfab Gujarat Ltd.	45	40.0	1.1	26.2	6.2	17.6	41.5	-3%
70	Shanti Educational Initiatives Ltd.	90	11.8	2.0	46.1	4.9	191.2	187.5	37%
71	Yash Chemex Ltd.	23	102.0	1.6	15.3	11.0	68.0	79.9	71%
72	Zeal Aqua Ltd.	130	175.0	1.8	36.7	6.2	45.2	450.1	73%
73	Advance Syntex Ltd.	12	54.8	1.1	11.2	11.1	20.6	33.2	57%
74	Commercial Syn Bags Ltd.	24	169.2	6.2	47.9	13.8	6.9	36.0	20%
75	Titaanium Ten Enterprise Ltd.	15	117.8	0.4	9.7	5.8	8.2	5.8	-34%
76	KKV Agro Powers Ltd.	320	7.5	1.5	14.1	11.4	12.4	417.9	13%
77	Kwality Pharmaceuticals Ltd.	45	99.5	3.3	24.7	14.4	10.1	45.5	0%
78	Prabhat Telecoms (India) Ltd.	51	320.0	2.4	42.4	5.7	0.0	240.0	103%
79	Shiva Granito Export Ltd.	12	19.1	1.6	13.1	15.5	31.5	8.0	-17%
80	Madhya Bharat Agro Products Ltd	24	89.9	5.1	81.3	6.5	19.3	45.1	35%
81	Mitsu Chem Plast Ltd.	95	112.6	3.5	21.7	20.2	16.1	138.5	20%
82	Narayani Steels Ltd.	32	775.5	2.1	39.4	6.4	24.4	47.0	20%
83	Riddhi Steel & Tube Ltd.	38	241.1	2.7	34.1	9.5	8.2	31.0	-9%
84	Sprayking Agro Equipment Ltd.	21	18.2	0.1	7.4	1.2	63.7	23.5	6%
85	Crown Lifters Ltd.	121	24.9	3.0	28.7	12.5	0.0	58.8	-30%
86	Husys Consulting Ltd.	69	22.9	1.1	7.9	14.7	7.7	37.0	-26%
87	Radhika Jeweltech Ltd.	75	161.6	9.3	106.5	8.9	3.8	18.8	-49%
88	AVSL Industries Ltd.	36	80.4	0.7	12.0	8.0	7.3	32.0	-6%
89	Jet Knitwears Ltd.	39	43.7	1.2	14.9	8.9	23.6	64.4	28%
90	Nandani Creation Ltd.	28	19.1	0.6	6.6	8.5	25.3	45.7	28%
91	DRA Consultants Ltd.	10	17.5	2.3	14.7	18.5	5.6	14.6	21%
92	Gretex Industries Ltd.	19	3.8	0.3	2.8	12.2	77.0	12.3	-20%
93	Sakar Healthcare Ltd.	42	41.4	2.3	17.2	14.6	19.7	61.5	21%
94	Valiant Organics Ltd.	220	58.7	9.8	29.1	38.0	36.0	1002.0	114%
95	Aditya Consumer Marketing Ltd.	15	67.2	1.3	18.4	8.7	61.5	125.5	192%
96	Aurangabad Distillery Ltd.	35	40.9	0.7	23.3	3.5	5.9	21.6	-22%
97	Bindal Exports Ltd.	16	35.3	0.1	8.2	1.8	38.9	12.3	-13%
98	Shashijit Infraprojects Ltd.	15	25.8	0.9	11.0	10.1	22.2	28.5	38%
99	Dhanuka Realty Ltd.	40	15.5	0.7	10.9	6.8	48.1	11.0	-48%
100	Diksat Transworld Ltd.	36	9.7	0.2	20.5	1.1	225.9	102.5	70%
101	India Green Reality Ltd.	30	8.0	1.4	26.6	8.3	7.9	8.7	-46%
102	Art Nirman Ltd.	25	26.0	0.4	13.9	4.0	13.6	20.0	-11%
103	Globe International Carriers Ltd.	24	111.6	1.6	20.7	9.1	12.6	18.5	-12%
104	Agro Phos India Ltd.	19	80.1	1.2	37.2	4.0	76.8	34.0	36%
105	Jet Freight Logistics Ltd.	28	252.8	5.2	21.4	30.0	7.4	33.5	10%
106	Aditya Vision Ltd.	15	362.1	1.7	17.4	12.3	26.9	53.0	100%
107	Veeram Ornaments Ltd.	45	7.5	0.3	9.3	4.8	26.6	45.0	0%
108	Libas Designs Ltd.	68	24.3	1.0	20.2	8.8	16.0	62.0	-5%
109	Prolife Industries Ltd.	38	27.3	0.9	8.7	14.3	7.1	26.1	-19%
110	Maheshwari Logistics Ltd.	68	740.1	9.7	92.1	12.9	23.4	184.0	78%
111	Super Fine Knitters Ltd.	12	86.0	0.8	19.9	4.3	19.9	10.3	-9%
112	Madhav Copper Ltd.	81	35.6	0.7	2.1	37.7	38.9	149.5	44%
113	Steel City Securities Ltd.	55	38.4	5.0	72.5	7.7	9.3	68.0	14%
114	Krishana Phoschem Ltd.	30	80.9	3.3	64.0	5.8	25.3	36.0	12%
115	Global Education Ltd.	140	33.6	6.9	25.2	27.5	4.2	118.0	-10%
116	Tanvi Foods (India) Ltd.	60	59.9	1.1	12.2	11.2	23.3	54.8	-5%
117	Sanginita Chemicals Ltd.	22	154.9	1.1	27.8	5.0	31.8	63.6	96%
118	RMC Switchgears Ltd.	27	84.1	2.5	23.1	13.8	12.5	52.0	52%
119	Akash Infra-Projects Ltd.	125	113.5	4.5	67.9	7.8	32.9	125.0	0%
120	IFL Enterprises Ltd.	20	3.5	-0.1	6.2	-2.0	32.7	20.0	0%
121	Airan Ltd.	45	40.1	5.1	42.1	13.0	84.0	45.0	0%
122	Jash Dealmark Ltd.	40	406.1	0.4	19.9	3.9	27.4	33.5	-11%
123	Chemcrux Enterprises Ltd.	18	27.8	1.5	12.5	14.2	7.0	18.0	0%
124	Manomay Tex India Ltd.	27	286.4	3.3	38.9	8.9	13.7	36.0	21%
125	Manas Properties Ltd.	360	2.0	0.6	9.8	9.0	0.0	365.0	1%
126	Maximus International Ltd.	25	10.3	0.4	9.2	8.3	80.4	49.0	55%
127	Euro India Fresh Foods Ltd.	78	59.5	1.4	57.6	3.5	170.5	78.0	0%
128	Laxmi Cotspin Ltd.	20	142.1	2.6	44.2	5.9	9.0	13.5	-23%
129	Oceanic Foods Ltd.	65	77.0	2.0	17.2	15.1	30.2	104.0	36%
130	Prime Customer Services Ltd.	60	23.9	0.3	6.5	5.0	34.6	99.0	39%
131	Octaware Technologies Ltd.	90	8.0	2.1	13.5	20.0	279.9	106.0	11%
132	Bohra Industries Ltd.	51	101.8	4.0	74.9	7.0	3.7	51.0	0%
133	Creative Peripherals & Distribution Ltd.	71	212.0	1.3	11.5	12.4	45.8	71.0	0%
134	Focus Lighting & Fixtures Ltd.	45	103.3	6.0	20.2	37.3	7.3	45.0	0%
135	Dev Information Technology Ltd.	42	64.4	3.0	16.2	22.1	11.4	42.0	0%
136	Escorp Asset Management Ltd.	15	0.3	0.1	14.8	0.7	129.2	15.0	0%
137	ASL Industries Ltd.	35	56.7	0.5	26.1	1.9	0.0	35.0	0%
138	MK Proteins Ltd.	70	164.6	1.0	4.0	27.1	21.7	74.3	4%
139	Sikko Industries Ltd.	32	17.7	0.4	6.3	6.7	16.4	34.6	5%
140	Panache Digilife Ltd.	75	49.7	1.4	4.2	39.1	21.8	88.4	12%
141	Infobeans Technologies Ltd.	58	97.5	16.7	106.4	20.8	8.2	58.0	0%
142	Pure Giftcarat Ltd.	13	24.1	0.1	23.6	0.6	410.7	23.2	51%
143	CKP Products Ltd.	50	148.3	1.4	6.2	34.9	9.0	50.0	0%
144	Zota Health Care Ltd.	121	79.4	7.3	69.8	15.0	64.0	265.2	74%
145	Bhakti Gems & Jewellery Ltd.	20	22.9	0.2	6.3	3.8	98.3	20.0	0%
146	Jalan Transolutions (India) Ltd.	46	139.0	5.1	18.5	31.6	6.8	46.0	0%
147	Yug Decor Ltd.	26	17.5	0.3	3.6	11.4	33.3	26.5	1%
148	Vadivarhe Speciality Chemicals Ltd.	42	25.9	1.8	27.4	6.9	39.2	54.2	21%
149	Shri Ram Switchgears Ltd.	19	71.5	2.1	11.2	20.8	6.1	13.5	-23%
150	Riddhi Corporate Services Ltd.	130	70.0	2.4	10.3	23.3	62.4	180.0	29%
151	Globe Textiles (India) Ltd.	51	245.6	3.3	34.9	11.0	14.0	51.0	0%
152	Accord Synergy Ltd.	60	64.2	2.8	5.9	63.7	5.4	60.0	0%

Sr.No.	Company Name	Issue Price (In Rupees)	Turnover (Rs. In cr)	PAT (Rs. In cr)	Net Worth (Rs. In cr)	RoNW %	P/E as per FY18 PAT	Closing Price as on 30-09-18	Annualised Growth Rate
153	Pushpanjali Realms and Infratech Ltd.	55	26.1	2.4	13.6	24.2	6.9	33.5	-33%
154	Bansal Multiflex Ltd.	31	47.2	1.4	15.9	8.6	31.7	31.0	0%
155	ACE Integrated Solutions Ltd.	40	21.3	1.3	6.6	21.4	12.1	40.0	0%
156	Transwind Infrastructures Ltd.	27	11.3	0.6	5.2	12.4	20.6	25.6	-4%
157	GG Engineering Ltd.	20	7.5	0.2	3.3	5.3	22.2	20.0	0%
158	7NR Retail Ltd.	27	10.3	0.1	10.4	1.0	230.6	27.0	0%
159	Shrenik Ltd.	40	594.1	7.9	54.9	19.2	127.1	98.6	110%
160	Salasar Techno Engineering Ltd.	108	496.0	29.6	159.0	23.2	12.9	238.2	93%
161	Univastu India Ltd.	40	81.7	3.3	14.9	31.7	14.7	86.1	90%
162	Jigar Cables Ltd.	30	20.0	0.4	13.3	3.0	65.4	30.0	0%
163	Captain Technocast Ltd.	40	0.0	0.0	0.0	0.0	21.1	40.0	0%
164	Shanti Overseas (India) Ltd.	50	115.9	3.8	8.6	44.2	4.4	29.0	-37%
165	Globalspace Technologies Ltd.	66	17.3	1.0	10.3	11.8	32.1	65.0	-1%
166	Keerti Knowledge And Skills Ltd.	52	0.6	0.1	1.7	5.4	39.6	57.5	9%
167	Total Transport Systems Ltd.	45	213.9	7.9	37.9	31.5	5.0	28.0	-33%
168	Surevin BPO Services Ltd.	40	18.3	1.1	9.5	14.0	27.7	87.0	96%
169	Chothani Foods Ltd.	10	5.9	0.1	3.5	4.9	26.8	6.5	-32%
170	Vaishali Pharma Ltd.	71	67.1	0.7	3.9	18.8	44.6	54.0	-22%
171	Lexus Granito (India) Ltd.	41	184.4	7.0	68.3	13.2	8.2	30.0	-24%
172	Geekay Wires Ltd.	33	126.4	0.8	18.5	6.5	33.6	33.0	0%
173	Servotech Power Systems Ltd.	31	83.5	5.1	13.1	47.6	12.8	27.5	-10%
174	Shish Industries Ltd.	30	0.0	0.0	0.0	0.0	26.0	35.7	17%
175	ANG Lifesciences India Ltd.	80	67.9	2.9	7.6	47.2	7.5	53.6	-31%
176	Pashupati Cotspin Ltd.	75	0.0	0.0	0.0	0.0	0.0	55.0	-25%
177	Dhruv Wellness Ltd.	20	101.9	0.4	6.1	6.8	163.1	83.9	285%
178	A&M Febcon Ltd.	18	10.0	0.5	6.3	12.4	0.0	9.9	-43%
179	Nouritrans Exim Ltd.	30	11.6	0.3	4.4	12.7	21.1	3.7	-86%
180	Manav Infra Projects Ltd.	30	18.3	1.0	5.8	19.4	4.6	8.5	-70%
181	Sri Krishna Metcom Ltd.	55	82.1	1.0	13.8	7.7	19.7	61.0	11%
182	Worth Peripherals Ltd.	40	160.7	7.4	65.9	13.8	16.3	69.9	73%
183	AKM Lace And Embrotex Ltd.	25	13.4	0.0	7.8	-0.1	0.0	19.7	-21%
184	Madhya Pradesh Today Media Ltd.	66	19.3	2.3	4.5	70.0	5.8	39.3	-40%
185	Cadsys India Ltd.	70	43.6	11.0	29.0	46.7	11.4	53.6	-23%
186	RM Drip and Sprinklers System Ltd.	53	42.9	1.6	16.2	15.7	19.2	45.0	-15%
187	Aarvi Encon Ltd.	54	175.0	7.8	62.6	15.8	13.0	54.0	0%
188	DP Wires Ltd.	75	196.8	5.0	27.8	19.7	10.0	72.5	-3%
189	Innovative Tyres & Tubes Ltd.	42	140.1	4.4	78.0	7.6	12.0	29.3	-30%
190	Share India Securities Ltd.	41	110.1	8.1	33.0	28.1	14.5	92.0	124%
191	Shree Tirupati Balajee FIBC Ltd.	36	69.8	2.9	17.5	17.9	9.0	45.0	25%
192	Trident Texofab Ltd.	30	89.1	0.8	8.3	12.4	51.7	97.0	223%
193	Airo Lam Ltd.	36	71.5	1.9	17.1	11.7	16.6	36.0	0%
194	Vanta Bioscience Ltd.	50	4.0	0.0	16.6	0.2	0.0	83.8	68%
195	Mehai Technology Ltd.	40	5.7	0.1	12.3	1.6	626.9	60.0	51%
196	RKEC Projects Ltd.	45	200.1	13.1	39.1	40.6	12.6	69.0	54%
197	Goldstar Power Ltd.	25	55.4	0.6	10.6	5.7	108.5	29.3	17%
198	Iris Business Services Ltd.	32	35.6	-5.2	29.9	-21.1	0.0	37.5	18%
199	Jash Engineering Ltd.	115	161.2	10.3	83.7	12.9	16.3	101.2	-12%
200	Reliable Data Services Ltd.	57	43.6	4.9	28.6	25.4	22.4	60.5	6%
201	Beta Drugs Ltd.	85	41.7	5.2	7.4	108.1	9.0	70.6	-17%
202	CMM Infraprojects Ltd.	40	205.0	5.9	27.5	23.9	3.6	20.7	-49%
203	Tirupati Forge Ltd.	29	16.4	0.5	2.7	20.6	16.4	43.5	51%
204	Omfurn India Ltd.	23	33.7	1.9	21.2	10.3	6.3	17.5	-24%
205	Shree Ganesh Remedies Ltd.	36	20.3	2.6	16.5	17.1	11.7	61.0	71%
206	Shreeji Translogistics Ltd.	130	87.7	1.6	14.7	11.4	15.5	135.0	4%
207	Milton Industries Ltd.	34	43.6	1.2	13.3	9.0	18.4	15.5	-56%
208	Sheetal Cool Products Ltd.	80	154.6	2.1	8.2	28.8	38.8	151.8	99%
209	SecUR Credential Ltd.	205	9.8	1.8	2.0	160.4	11.3	119.0	-46%
210	Sanghvi Brands Ltd.	69	26.7	0.1	8.2	1.7	0.0	50.6	-30%
211	Pulz Electronics Ltd.	51	13.8	1.3	3.8	42.4	5.1	30.5	-45%
212	Vertoz Advertising Ltd.	108	37.5	5.7	28.4	35.7	67.1	203.0	108%
213	Sharika Enterprises Ltd.	43	23.5	2.0	10.1	22.2	18.6	39.0	-11%
214	Silver Touch Technologies Ltd.	121	192.6	8.2	61.2	16.6	18.0	121.9	1%
215	Felix Industries Ltd.	35	5.2	0.2	3.9	8.0	45.8	23.0	-40%
216	Zodiac Energy Ltd.	52	38.5	2.0	17.4	21.1	10.3	28.0	-53%
217	ICE Make Refrigeration Ltd.	55	103.3	6.6	44.6	22.1	18.1	76.8	50%
218	Shradha Infraprojects (Nagpur) Ltd.	70	42.5	4.7	30.5	16.8	11.2	40.3	-49%
220	Dynamic Cables Ltd.	40	302.1	7.9	41.3	23.2	10.2	34.5	-17%
221	Ratnabhumi Developers Ltd.	63	1.0	0.2	33.1	0.9	320.8	48.0	-29%
222	MRC EXIM Ltd.	15	16.7	0.1	7.5	1.9	17.8	2.5	-90%
223	Touchwood Entertainment Ltd.	40	18.2	1.5	8.8	26.0	9.9	36.5	-11%
224	One Point One Solutions Ltd.	65	95.8	6.3	17.4	36.0	10.9	52.7	-24%
225	SMVD Ploy Pack Ltd.	55	47.5	2.1	18.3	16.7	4.0	17.2	-78%
226	Ajooni Biotech Ltd.	30	28.6	0.3	1.0	37.0	26.7	17.6	-51%
227	Moksh Ornaments Ltd.	37	239.9	3.1	11.1	32.5	7.5	27.5	-33%
228	Brand Concepts Ltd.	45	62.5	1.4	3.2	57.6	14.8	31.5	-39%

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229	Rithwik Facility Management Services Ltd.	50	21.0	0.6	11.3	9.3	21.5	44.0	-16%
230	Jhandewalas Foods Ltd.	55	178.0	3.2	32.5	13.8	15.2	47.0	-19%
231	Silly Monks Entertainment Ltd.	130	12.0	1.5	5.5	44.0	40.5	82.0	-48%
232	SKS Textiles Ltd.	150	158.8	1.6	29.5	5.6	5.7	34.5	-88%
233	CRP Risk Management Ltd.	60	82.1	5.1	29.4	18.8	12.0	40.4	-44%
234	Focus Suites Solutions & Services Ltd.	18	27.0	3.0	26.8	18.9	7.0	10.6	-56%
235	A And M Jumbo Bags Ltd.	65	5.2	0.2	0.4	76.9	36.1	72.0	17%
236	Lorenzini Apparels Ltd.	10	16.4	0.1	3.0	8.5	9.6	4.1	-76%
237	Sintercom India Ltd.	63	74.9	5.5	75.6	9.5	28.4	64.0	3%
238	Kenvi Jewels Ltd.	36	7.2	0.0	0.3	8.7	60.0	10.9	-85%
239	Mohini Health & Hygiene Ltd.	40	137.7	3.4	24.5	16.9	12.1	34.0	-23%
240	Bhatia Communications & Retail (India) Ltd.	150	170.5	3.6	28.2	22.5	28.7	164.0	16%
241	Tasty Dairy Specialities Ltd.	45	239.0	4.5	34.3	14.1	11.9	31.0	-46%
242	Arvee Laboratories (India) Ltd.	61	46.4	1.1	13.9	12.0	30.4	60.0	-3%
243	Banka Bioloo Ltd.	115	15.2	1.2	4.0	34.1	23.9	110.0	-7%
244	Angel Fibers Ltd.	27	88.7	3.1	22.5	14.9	18.6	32.4	37%
245	CKP Leisure Ltd.	30	10.8	1.6	13.7	16.0	10.3	12.0	-80%
246	Hindcon Chemicals Ltd.	28	37.0	4.7	27.2	22.1	5.0	19.6	-47%
247	East India Securities Ltd.	920	50.3	27.7	261.1	11.2	8.3	967.0	9%
248	Sarveshwar Foods Ltd.	83	419.9	12.9	48.1	30.9	7.8	33.7	-80%
249	Shreeshay Engineers Ltd.	15	0.2	0.2	1.3	12.6	175.3	20.9	85%
250	Macpower CNC Machines Ltd	126	69.5	0.8	3.7	24.4	22.3	160.0	57%
251	Active Clothing Co Ltd.	65	120.1	1.9	29.5	6.5	21.1	32.3	-74%
252	Ridings Consulting Engineers India Ltd.	18	16.9	1.0	8.9	12.1	18.8	18.7	8%
253	Yasho Industries Ltd.	100	254.2	8.0	33.9	31.2	15.0	110.0	21%
254	LEX Nimble Solutions Ltd.	63	2.0	0.2	5.1	3.4	88.2	35.5	-68%
255	Orissa Bengal Carrier Ltd.	30	386.7	6.4	34.6	20.2	12.9	39.0	70%
256	Taylormade Renewables Ltd.	35	18.2	0.4	1.0	48.6	28.9	28.6	-34%
257	AVG Logistics Ltd.	105	194.9	4.4	21.8	22.6	11.2	82.0	-40%
258	MMP Industries Ltd.	186	243.4	15.4	71.5	24.4	22.7	206.0	24%
259	SS Infrastructure Development Consultants Ltd.	37	24.7	3.8	18.3	23.2	6.7	23.7	-61%
260	Narmada Agrobase Ltd.	32	34.5	0.3	2.5	13.0	51.9	27.5	-29%
261	UH Zaveri Ltd.	36	0.0	0.0	0.0	0.0	11.2	11.0	-93%
262	Power & Instrumentation (Gujarat) Ltd.	33	60.7	1.6	11.9	14.0	8.8	19.5	-69%
263	Garv Industries Ltd.	10	0.0	0.0	0.0	0.0	109.0	7.8	-43%
264	Penta Gold Ltd.	35	228.7	1.7	15.8	11.3	27.9	37.0	13%
265	Bombay Super Hybrid Seeds Ltd.	60	109.7	0.8	4.5	19.8	74.0	133.0	513%
266	Mahickra Chemicals Ltd.	24	0.0	0.0	0.0	0.0	0.0	45.0	322%
267	Aakash Exploration Services Ltd.	56	33.8	1.1	17.0	6.7	18.4	30.0	-76%
268	Dr Lalchandani Labs Ltd.	30	0.0	0.0	0.0	0.0	14.7	28.1	-15%
269	Dhruv Consultancy Services Ltd.	54	30.5	3.1	8.7	43.4	8.7	42.0	-47%
270	Godha Cabcon and Insulation Ltd.	30	0.0	0.0	0.0	-25.0	28.4	26.9	-24%
271	Godha Cabcon and Insulation Ltd.	30	0.0	0.0	0.0	-25.0	28.4	26.9	-24%
272	SoftTech Engineers Ltd.	78	47.2	4.9	31.0	17.3	9.2	47.9	-71%
273	Indo US Bio-Tech Ltd.	51	24.6	0.6	3.9	18.2	18.8	56.0	27%
274	Akshar Spintex Ltd.	40	91.2	2.6	25.9	10.5	7.0	23.9	-73%
275	Five Core Electronics Ltd.	140	336.0	14.0	63.8	32.2	32.3	120.0	-34%
276	Milestone Furniture Ltd.	45	8.9	0.3	4.0	15.1	71.6	25.0	-80%
277	Megastar Foods Ltd.	30	97.8	1.1	7.3	15.6	38.7	51.0	340%
278	Innovators Facade Systems Ltd.	71	102.4	1.8	59.7	3.1	12.3	51.5	-59%
279	SIRCA Paints India Ltd.	151	84.3	13.7	34.1	50.2	25.6	191.7	101%
280	Shree Vasu Logistics Ltd.	45	27.7	0.8	5.8	14.6	59.7	61.5	159%
281	Affordable Robotic & Automation Ltd.	83	41.6	3.7	6.7	55.8	26.8	104.2	100%
282	Suumaya Lifestyle Ltd.	18	212.1	0.4	23.4	1.9	175.9	32.9	530%
283	Latteys Industries Ltd.	66	35.8	0.6	3.1	20.1	47.6	57.5	-35%
284	Arihant Institute Ltd.	30	1.7	0.1	3.6	10.8	139.7	26.0	-36%
285	Debock Sales and Marketing Ltd.	20	16.1	0.5	1.6	38.1	15.5	9.7	-89%
286	Nakoda Group Of Industries Ltd.	35	23.8	0.5	5.4	18.6	26.1	38.2	31%
287	WAA Solar Ltd.	161	54.0	3.9	117.5	4.3	14.5	60.4	-96%
288	PALM Jewels Ltd.	30	5.5	0.0	0.3	4.6	0.0	30.0	0%
289	Sonam Clock Ltd.	36	39.0	0.8	9.3	9.0	45.8	36.9	9%
292	Accuracy Shipping Ltd.	81	201.3	2.0	13.3	20.9	61.5	80.0	-4%
294	Bright Solar Ltd.	36	18.1	1.7	10.2	18.2	45.5	38.2	29%
295	Ganga Forging Ltd.	21	18.7	0.5	3.9	13.2	31.5	19.2	-33%
296	Jakharia Fabric Ltd.	180	77.0	3.4	19.7	18.8	21.6	180.0	0%
297	Rudrabhishek Enterprises Ltd.	41	34.2	3.8	35.4	11.3	16.3	39.0	-20%
298	Ambani Organics Ltd.	66	65.6	1.9	5.9	38.2	18.4	66.1	1%
300	AVON Moldplast Ltd.	51	13.9	0.1	2.7	3.8	175.6	53.8	34%
301	Supershakti Metaliks Ltd.	375	360.1	12.4	54.6	25.6	18.8	403.0	52%
302	Ganesh Films India Ltd.	80	0.0	0.0	0.0	0.0	0.0	80.0	0%
303	Ushanti Colour Chem Ltd.	57	29.6	1.3	6.5	21.7	34.9	61.0	51%
304	Saketh Exim Ltd.	69	62.0	1.1	7.6	17.1	33.5	71.5	30%

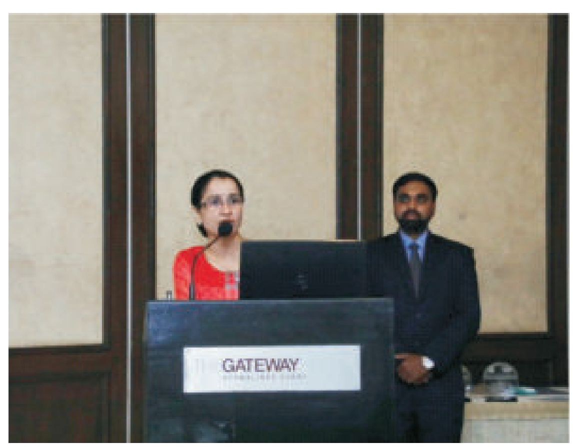
MEDIA COVERAGE

Sarthi Capital Advisors Pvt Ltd in association with National Stock Exchange of India organized Emerging Investment Ideas 2018 Conclave at Surat on September 28, 2018, to showcase some of the exemplary SME businesses to the investor base. 9 SME companies participated in this conference. The event was inaugurated by Hon'ble Shri C.R. Paatil, Member of Parliament.

Ms. Rachna Bhusari, Mr. Deepak Sharma & Hon'ble Shri C.R. Paatil inaugurating the event by lighting the lamp

Seen above are Ms. Rachna Bhusari, Head SME, NSE and Mr. Deepak Sharma, MD, Sarthi Group felicitating Hon'ble Shri C.R. Paatil

Mr. Deepak Sharma giving the welcome speech



Ms. Rachna Bhusari addressing the gathering

Some of the Promoters presenting their Businesses






Promoters being presented with mementos by the Chief Guest, Hon'ble Shri C.R. Paatil






SARTHI
Bridging the Gap

Sarthi Capital Advisors Private Limited
SEBI Registered Category I Merchant Banker
SEBI Registration No. :INM000012011

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