



Dhirubhai Shah & Co.
Chartered Accountants.
1st floor, Cama Chambers 23,
Nagindas Master Road,
Mumbai : 400023

STRICTLY PRIVATE & CONFIDENTIAL

November 21, 2013

To,

The Board of Directors
LA TIM Metal & Industries
Limited
301-302, Navkar Plaza,
Bajaj Road, Vile Parle
(West), Mumbai --
400056.

The Board of Directors
LA TIM Sourcing (India)
Private Limited
201, Navkar Plaza, Bajaj
Road, Vile Parle (West),
Mumbai – 400056.

Sub: Recommendation of Fair Exchange ratio for the purpose of proposed amalgamation of LA TIM Sourcing (India) Private Limited ("LSIPL") into LA TIM Metal & Industries Limited ("LMIL").

Dear Sirs,

As requested by the management of LA TIM Metal & Industries Limited (LMIL) and LA TIM Sourcing (India) Private Limited (LSIPL), we have undertaken the valuation exercise of the equity shares of LMIL and LSIPL (hereinafter collectively referred to as "the Companies") to recommend exchange ratio of shares for the proposed amalgamation of LMIL into LSIPL with effect from April 1, 2013 or any other date the court deems fit to appoint ("Appointed Date").

1. PURPOSE OF VALUATION

1.1 We have been informed that the management of LMIL and LSIPL (hereinafter collectively referred to as "the Management") are considering a proposal for the amalgamation of LSIPL into LMIL pursuant to the provisions of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 (hereinafter referred to as "amalgamation"). Subject to the necessary approvals, LSIPL would be amalgamated into LMIL with effect from the "Appointed Date". Accordingly, the valuation date for



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Branch Office : 204, Sakar Complex, Opp. ABS Tower, Old Padra Road, Vadodara : 390015 Mob.:9879007663.

to the necessary approvals, LSIPL would be amalgamated into LMIL with effect from the "Appointed Date". Accordingly, the valuation date for calculation of the fair share exchange ratio has been taken as March 31, 2013. ('Valuation Date')

- 1.2 In this connection, Dhirubhai Shah & Co., Chartered Accountant has been appointed to carry out the relative valuation of equity shares of LMIL and LSIPL to recommend the share swap ratio for the same.
- 1.3 The information contained herein and our report is confidential. It is intended only for the sole use and information of the Companies, and only in connection with the proposed merger as aforesaid including for the purpose of obtaining requisite approvals. Any person / party intending to provide finance / invest in the shares / businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed merger as aforesaid, can be done only with our prior permission in writing.

2 BRIEF BACKGROUND OF THE COMPANIES

2.1 LA TIM Sourcing (India) Private Limited ("LSIPL")

- LSIPL is a private limited company incorporated under the Companies Act, 1956 having its registered office at 201, Navkar Plaza, Bajaj Road, Vile Parle (West), Mumbai – 400056.
- The company is engaged in the business of import and export of steel and other related metal items.
- Almost the entire equity share capital of LSIPL is held by two shareholders namely; Rahul Timbadia and Karna Timbadia.
- The equity shares of LSIPL are not listed on any recognized Stock Exchange.

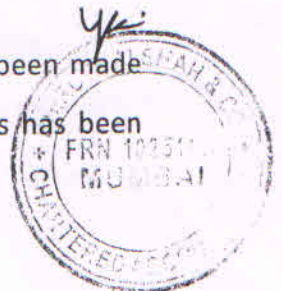


2.2 LA TIM Metal & Industries Limited ("LMIL")

- LMIL was incorporated as a private limited company under the Companies Act, 1956 on November 28, 1974 in Mumbai under the name of "Drillco Metal Carbides Private Limited".
- The Company was incorporated to carry on the business of manufacture of tungsten and tungsten carbide products, drilling rods and drilling bits.
- The Company was converted into a public limited company on August 22, 1975.
- In 2010, Timabadia family acquired the Company.
- The name of the Transferee Company was changed from "Drillco Metal Carbides Limited" to "LA TIM Metal and Industries Limited" and a fresh certificate of incorporation consequent on change of name was issued on October 10, 2013.
- The equity shares of LMIL are listed on Bombay Stock Exchange and Pune Stock Exchange.

3 EXCLUSIONS AND LIMITATIONS

- 3.1 Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 3.2 Our work does not constitute an audit or certification of the historical financial statements including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the Valuation Date mentioned in the report is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 3.3 No investigation on the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been



assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

- 3.4 The Report sets out our recommendation of the swap ratio on a going concern basis and discusses the methodologies and approach considered in the computation of swap ratio.
- 3.5 A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the Companies have drawn our attention to all material information, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair value of the equity shares of the Companies for the purpose of the proposed amalgamation, including any significant changes that have taken place or are likely to take place in the financial position of the Companies, subsequent to the report date. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- 3.6 During the course of work, we have relied upon assumptions and financial estimates made by management of the Companies. These assumptions require the exercise of judgment and are subject to uncertainties. There can be no assurance that the assumptions are accurate. The fact that we have considered the financial estimates in this exercise of valuation should not be construed or taken as our being associated with or a party to such estimates.
- 3.7 Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed amalgamation.
- 3.8 This report is prepared only in connection with the proposed amalgamation exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law.



3.9 Dhirubhai Shah & Co., nor the partners, managers, employees or agents or any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

4 SOURCES OF INFORMATION

For the purpose of the valuation exercise, we have relied upon the following sources of information provided by the management.

- (a) Audited financial statements of LSIPL and LMIL for the year ended March 31, 2013.
- (b) Projected Income Statement of LSIPL.
- (c) Market data of LMIL
- (d) Draft Composite Scheme of Arrangement ("the Scheme") under sections 391 to 394 read with section 100 to 103 of the Companies Act, 1956.
- (e) Other relevant details regarding the Companies such as their history, their promoters, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data, including information in the public domain.
- (f) Such other information and explanations as we required and which have been provided by the management of the Companies.

For the purpose of the valuation, we have relied upon the financial statements and the information and explanation given to us, without carrying out any audit or other tests to verify the accuracy thereof.

5 VALUATION APPROACH

5.1 For the purposes of our valuation of LSIPL we have adopted the following approaches:

- (a) "underlying asset" approach.
- (b) "income" approach
- (c) "peer group" approach



5.2 For the purpose of our valuation of LMIL, we have taken average market price of the preceding twelve (12) months quoted over the Bombay Stock Exchange.

6 "UNDERLYING ASSET" APPROACH

6.1 In case of the "Underlying Asset" approach, the value is determined by dividing the net assets of the company by the number of shares. We have considered it appropriate to determine the fair market value of the properties. However, the remaining operating assets have been considered at their book values.

6.2 We have also made appropriate adjustments for appreciation in the value of assets, Contingent Liabilities, to arrive at the equity value of the Company.

6.3 The underlying value for equity shareholders as arrived above is divided by the outstanding number of equity shares to arrive at the value per share.

7 "INCOME APPROACH"

7.1 Under the "Income Approach", shares of LSIPL have been valued using "Discounted Cash Flow" (DCF) Method.

7.2 Under the DCF method the projected free cash flows from business operations are discounted at the Weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.

7.3 The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to profit before tax, (i) depreciation and amortizations (non-cash charge), (ii) interest on loans and (iii) any non-operating item. The cash flow is adjusted for outflows on account of capital expenditure, tax and change in working capital requirements, if any.

7.4 WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the Company. In other words, WACC is the weighted average of the firm's cost of



equity and debt. Considering an appropriate mix between debt and equity for the Company, we have arrived at the WACC to be used for discounting the Free Cash Flows of the Companies.

7.5 The equity value so arrived at is divided by the number of equity shares to arrive at the value per share.

8 "PEER GROUP" APPROACH

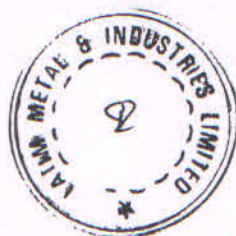
In this approach, comparable company trading multiples analysis use the valuation multiples of similar or comparable publicly-traded companies to value a target private company. Peers can be grouped based on any number of criteria, such as industry focus, private company size, or growth. The multiples can be Enterprise Value (EV) based multiples like EV/Sales, EV/EBITDA or EV/EBIT, and Equity based multiples like Price to Earnings (P/E). The multiples derived from this type of analysis are at a given point in time and generally change over time. It is important to note that trading multiples do not reflect control premiums or potential synergies. Generally, the following steps are applied to compare your target private company to a similar public company:

- (a) Compile and select the list of comparable listed companies
- (b) Calculate relevant financials and compare multiple of Price to Earnings (PE)
- (c) Apply valuation and analyze the results

9 VALUATION OF LMIL

Since the shares being valued are listed on the stock exchange, we have taken cognizance of the market value in the following manner:

We have arrived at the valuation by determining the average market price taking into account the stock market quotations over the Bombay Stock Exchange in the preceding twelve (12) months from November 2012.



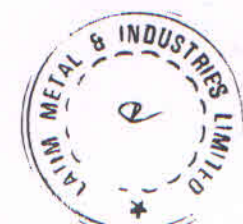
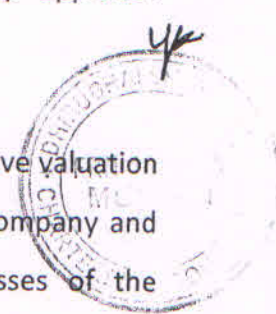
10 **RECOMMENDATION OF FAIR EXCHANGE RATIO**

10.1 The fair basis of amalgamation of the Companies would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above approaches, for the purposes of recommending a ratio of exchange it is necessary to arrive at a single value for the shares of each company. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of shares of the Companies to facilitate the determination of a ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.

Considering the fact that, after the amalgamation, the business of the Companies is intended to be continued on a "going concern" basis and that there is no intention to dispose off the assets, to arrive at relative value of LSIPL, we have considered it appropriate to give a higher weightage of "0.7" to the value determined under the "income approach" as compared to the weightage of "0.2" to the value determined under the "underlying asset approach" and a weightage of "0.1" to the value determined under the "peer group approach".

In case of LMIL, average market price quoted over the Bombay Stock Exchange has been considered, since listing on the Bombay Stock Exchange is a true reflection of the market price. Moreover, since no operations have been carried out in the Company in the recent times, thus applicability of Income approach, Underlying asset approach and Peer group approach cannot be justified.

10.2 The share exchange ratio has been arrived on the basis of a relative valuation of the shares and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the



companies, having regard to information base, management representations and perceptions, key underlying assumptions and limitations.

10.3 In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. These principles have also been recognized in judicial decisions.

10.4 Based on all of the above we have arrived at a fair value of Rs 60.23 for LSIPL and Rs 29.86 for LMIL.

10.5 On the basis of the foregoing, in our opinion, a fair ratio of exchange in the event of amalgamation of LSIPL into LMIL would be:

2 (Two) Equity shares of LMIL of Rs. 10/- each fully paid up for every 1 (One) Equity shares of LSIPL of Rs. 10/- each fully paid up.

Thank you,
Yours faithfully,

For Dhirubhai Shah & Co.

Yash Shah
Yash Shah
Partner



For LA-TIM METAL & INDUSTRIES LIMITED

R. L. D. D.
DIRECTOR





LA TIM METAL & INDUSTRIES LTD.


(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

DECLARATION REGARDING PAID UP SHARE CAPITAL AND NETWORTH

We hereby declare that anytime in the history of the company, the paid up capital was not more than Rs.3 crores or net worth was not more than Rs.25 crore

For,
La Tim Metal and Industries Ltd


Director





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

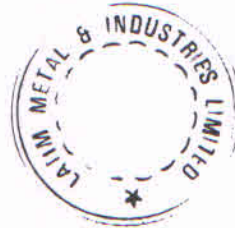
DECLARATION REGARDING NON APPLICABILITY OF CLAUSE 49 OF LISTING AGREEMENT ON COPORATE GOVERNANCE

As per SEBI Circular No. SEBI/CFD/DIL/2004/12/10 dated October 29, 2004, Clause 49 of the Listing Agreement is applicable for all companies having a paid up capital of Rs.3 crores or more or net worth of Rs.25 crore of more at any time in the history of the company.

In view of the above, the Audit Committee has not been constituted in La Tim Metal and Industries Limited and hence Report from Audit Committee is not applicable

For,
La Tim Metal and Industries Ltd


Director





Chartered Capital And Investment Ltd.

418-C, "215 ATRIUM", Andheri Kurla Road, Andheri (East), Mumbai-400 059.

Tel.: 91-22-6692 4111 / 6222 • Fax : 91-22-6692 6222

Website : www.charteredcapital.net

Date: Tuesday, December 31, 2013

Board of Directors

LA TIM Metal & Industries Limited,

301-302, Navkar Plaza, Bajaj Road,
Vile Parle (West),
Mumbai - 400 056,

and

Board of Directors

LA TIM Sourcing (India) Private Limited,

201, Navkar Plaza, Bajaj Road,
Vile Parle (West),
Mumbai - 400 056,

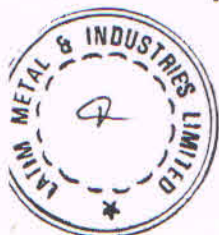
Dear Sirs,

**FAIRNESS OPINION ON VALUATION OF SWAP RATIO FOR THE
AMALGAMATION OF LA TIM SOURCING (INDIA) PRIVATE LIMITED
WITH LA TIM METAL & INDUSTRIES LIMITED (FORMERLY KNOWN
AS DRILLCO METAL CARBIDES LIMITED)**

We, Chartered Capital and Investment Limited (**'Chartered Capital'** or **'CCIL'**), refer to our discussion and letter dated Tuesday, December 24, 2013, which has been duly accepted by you, whereby you have appointed us as an Independent Merchant Banker for furnishing a **'Fairness Opinion'** on the valuation carried out by the Valuer, viz., Dhirubhai Shah & Co., Chartered Accountants, pursuant to Clause 24 (f) of Listing Agreement for the amalgamation of La Tim Sourcing (India) Private Limited with La Tim Metal & Industries Limited.

We have been given to understand that the proposed Swap Ratio upon amalgamation of **LA TIM Sourcing (India) Private Limited** (the **'Transferor Company'**) with **LA TIM Metal & Industries Limited** (the **'Transferee Company'**) has been recommended at **2:1** i.e. shareholders of **LA TIM Sourcing (India) Private Limited** will receive Two (2) shares of face value of Rs. 10/- each fully paid up of **LA TIM Metal & Industries Limited** for every one (1) shares of face value of Rs. 10/- each fully paid up, held by them in **LA TIM Sourcing (India) Private Limited** as LSIPL would be amalgamated into LMIL with effect from the Appointed Date of April 01, 2013, accordingly, **March 31, 2013 has been taken as Valuation Date for calculation of the fair exchange ratio.**

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The methodologies used and corresponding share valuation to arrive at Swap Ratio based on the Valuation Report furnished by Dhirubhai Shah & Co., Chartered Accountants, of **2:1** as proposed under the scheme of amalgamation is **Fair**.

We enclose herewith a Report on the Fairness of the Valuations carried out by Dhirubhai Shah & Co., Chartered Accountants.

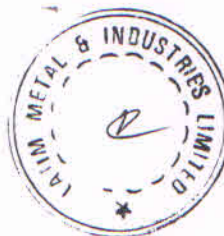
We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of LA TIM Sourcing (India) Private Limited and LA TIM Metal & Industries Limited pursuant to Clause 24(f) of Listing Agreement and to the Registrar of Companies, Mumbai, Maharashtra, BSE Limited (**'BSE'**) and the High Court and any other regulatory / competent authorities in connection with the proposed purpose outlined above.

We highly appreciate the co-operation and support received by us from your representatives during preparation of the said Report on Fairness of Valuation.

Thanking you,

Yours faithfully,
For and on behalf of
Chartered Capital and Investment Limited

Menka Jha
(Vice President-Investment Banking)
Encl: a/a

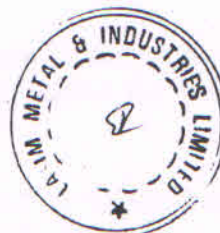




**REPORT ON FAIRNESS OF VALUATION OF SHARES USED IN
AMALGAMATION OF LA TIM SOURCING (INDIA) PRIVATE LIMITED
WITH LA TIM METAL & INDUSTRIES LIMITED**

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- II. Information Received and Relied upon by us for the Fairness Opinion
- III. Disclaimer
- IV. Brief Background of Companies under Reference
- V. Methods of Valuation
- VI. Comments on Valuation of Amalgamation of LA TIM Sourcing (India) Private Limited with LA TIM Metal & Industries Limited by Dhirubhai Shah & Co., Chartered Accountants.
- VII. Opinion on Valuation Report





FAIRNESS OF VALUATION OF SHARES

I. TERMS OF REFERENCE

- 1.1 **LA TIM Metal & Industries Limited (Formerly known as Drillco Metal Carbides Limited)** is a listed Company which is incorporated under the Companies Act, 1956 and the Equity Shares of the Company are listed at BSE Limited (BSE) and Pune Stock Exchange while LA TIM Sourcing (India) Private Limited is a private limited Company incorporated under the Companies Act, 1956. The Boards of LA TIM Sourcing (India) Private Limited and LA TIM Metal & Industries Limited are proposing to amalgamate LA TIM Sourcing (India) Private Limited with LA TIM Metal & Industries Limited under a scheme of amalgamation under sections 391 to 394 of the Companies Act, 1956. The Swap Ratio for the scheme of amalgamation has been decided based on the independent Valuation Report prepared by Dhirubhai Shah & Co., Chartered Accountants (**'Valuer'**), FRN.102511W, Ahmedabad.
- 1.3 For the purpose of ascertaining the fairness of the valuation used by Dhirubhai Shah & Co., Chartered Accountants, Board of Directors of LA TIM Sourcing (India) Private Limited and LA TIM Metal & Industries Limited, have appointed, Chartered Capital and Investment Limited (**'Chartered Capital'** or **'CCIL'**), as Merchant Banker, for furnishing a **Fairness Opinion** on the valuation carried by the aforesaid Valuer.

II. INFORMATION RECEIVED AND RELIED UPON BY US FOR THE FAIRNESS OPINION

- 2.1 We, CCIL, have prepared the **Fairness Opinion** on the basis of the following information provided to us and collated by us from publicly available sources:
- (a) Valuation Report of Dhirubhai Shah & Co., Chartered Accountants dated November 21, 2013.
 - (b) Annual Reports of LA TIM Sourcing (India) Private Limited and LA TIM Metal & Industries Limited for the Financial Years 31st March 2013.
 - (c) Share price and trading volume history of the equity shares of LA TIM Metal & Industries Limited on BSE.
 - (d) Working sheet for valuation from the Valuer.





- 2.2 This Report is issued on the understanding that LA TIM Sourcing (India) Private Limited and LA TIM Metal & Industries Limited have drawn our attention to all the relevant matters, of which they were aware of, concerning the respective company's financial position and businesses, which may have an impact on this Report.
- 2.3 Our work does not constitute an audit or certification of the historical financial statements of LA TIM Sourcing (India) Private Limited and LA TIM Metal & Industries Limited, including their working results referred to in this Report. Accordingly, we are unable to and do not express any opinion on the accuracy of any financial information referred to in this Report. We assume no responsibility for any errors in the information submitted by the Managements and their impact on the present exercise. **This Fairness Opinion has been furnished on the methodologies and resultant share valuation used by the Valuer.**

III. DISCLAIMER

- 3.1 We have not considered any finding made by other external agencies in carrying out this work.
- 3.2 This report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in LA TIM Metal & Industries Limited or deal in any form in the securities of the Company and should also not be considered as a final equity value of the Company.
- 3.3 Our report is for the benefit of and confidential use by the Company. This report is not meant for save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Company is prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.
- 3.4 In no circumstances whatsoever, will Chartered Capital and Investment Limited, its Directors and employees, accept any responsibility of liability towards any third party for consequences arising out of the use of this report.
- 3.5 This Valuation Report shall by no means be considered as basis for Investment by any Investor.





IV. BRIEF BACKGROUND OF COMPANIES UNDER REFERENCE

LA TIM Metal & Industries Limited ("LMIL or Transferee or Transferee Company")

- 4.1 LA TIM Metal & Industries Limited (formerly known as Drillco Metal Carbides Limited) was originally incorporated on November 28, 1974 as Drillco Metal Carbides Private Limited with Registrar of Companies, Maharashtra, Bombay. The name of the company was changed from Drillco Metal Carbides Private Limited to Drillco Metal Carbides Limited and had consequently obtained fresh certificate of incorporation on August 22, 1975. The name of the Transferee Company was changed from "Drillco Metal Carbides Limited" to LA TIM Metal and Industries Limited and a fresh certificate of incorporation consequent on change of name was issued on October 10, 2013. The Registered Office of the Company is currently situated at 301-302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400056.
- 4.2 The Company was incorporated with an object of carrying business of manufacturing, buying, selling and dealing in tungsten carbide products, drilling rods and drilling bits.
- 4.3 The equity shares (ISIN: INE501N01012) of the Transferee Company are currently listed at BSE Limited, Mumbai ("BSE") and Pune Stock Exchange Limited ("PSE").
- 4.4 The Authorized Share Capital of the Target Company is Rs.5,00,00,000/- (Rupees Five Crores Only) comprising of 45,00,000 equity shares of Rs. 10/- each and 5,00,000 Redeemable Preference Shares of Rs. 10/- each. The total Issued, Subscribed and Paid-up Equity Share Capital of the Target Company is Rs. 2,19,43,750/- (Rupees Two Crores Nineteen Lakhs Forty Three Thousand and Seven Hundred Fifty Only) comprising of 21,94,375 equity shares of Rs 10/- each fully paid up. (Source: Annual Accounts of March 31, 2013).
- 4.5 Other details of LA TIM Metal & Industries Limited, including history and financial data have been covered under the valuation report of the Valuer, and hence not incorporated herein, deliberately.





LA TIM Sourcing (India) Private Limited ("LSIPL")

- 4.6 La Tim Sourcing (India) Private Limited was incorporated on December 21, 2000 under the Companies Act 1956 with the Registrar of Companies, Mumbai as private limited company. The Registered Office of Company is situated at 201, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400056.
- 4.7 The Authorized Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crores Only) comprising of 50,00,000 equity shares of Rs. 10/- each. The total issued, subscribed and paid-up equity share capital of the Target Company is Rs. 2,02,00,200/- (Rupees Two Crores Two Lakhs and Two Hundred Only) comprising of 20,20,020 equity shares of Rs 10/- each fully paid up. (Source: Annual Accounts of March 31, 2013)
- 4.8 The Company is a private limited Company and is engaged in the business of import and export of steel and other metal items.
- 4.9 Other details of La Tim Sourcing (India) Private Limited, including history and financial data have been covered under the valuation report of the Valuer, and hence not incorporated herein, deliberately.

V. METHODS OF VALUATION

There are several methods / models used for valuing the shares of a company, however Dhirubhai Shah & Co., Chartered Accountants has used some of the valuation methods for arriving the valuation of LMIL and LSIPL which are as under:

For the purpose of valuation of LMIL, Valuer has adopted the following approach:

- (a) Market Value Approach

For the purpose of valuation of LSIPL, Valuer has adopted the following approaches:

- (a) Underlying asset approach
(b) Income approach
(c) Peer group approach





VI. COMMENTS ON VALUATION OF AMALGAMATION OF LA TIM SOURCING (INDIA) PRIVATE LIMITED WITH LA TIM METAL & INDUSTRIES LIMITED BY DHIRUBHAI SHAH & CO., CHARTERED ACCOUNTANTS

The Valuer, viz. Dhirubhai Shah & Co., Chartered Accountants, have arrived at the Swap Ratio considering valuation under following methodologies for arriving the valuation of LMIL and LSIPL:

VALUATION OF LMIL

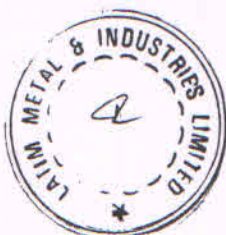
Since the shares being valued are listed on the stock exchange, the Valuer have taken cognizance of the market value in the following manner.

The Valuer have arrived at the valuation by determining average market price of the equity shares traded during the twelve (12) calendar months preceding November 2013 quoted over the BSE Limited and the fair value for LMIL is arrived at Rs. 30.

VALUATION OF LSIPL

(a) Underlying asset approach

- i. In case of the Underlying Asset approach, the value is determined by dividing the net assets of the company by the number of shares. Valuer considered it appropriate to determine the fair market value of the properties. However, the remaining operating assets have been considered at their book values.
- ii. Valuer has also made appropriate adjustments for appreciation in the value of assets, Contingent Liabilities, to arrive at the equity value of the Company.
- iii. The underlying value for equity shareholders as arrived above is divided by the outstanding number of equity shares to arrive at the value per share.





(b) **Income approach**

- i. Under the "Income Approach", shares of LSIPL have been valued using "Discounted Cash Flow" (DCF) Method.
- ii. Under the DCF Method the projected free cash flows from business operations are discounted at the Weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.
- iii. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to profit before tax, (i) depreciation and amortizations (non cash charge), (ii) interest on loans and (iii) any non operating item. The cash flow is adjusted for outflows on account of capital expenditure, tax and change in working capital requirements, if any.
- iv. WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the Company. In other words, WACC is the weighted average of the firm's cost of equity and debt. Considering an appropriate mix between debt and equity for the Company, the valuer has arrived at the WACC to be used for discounting the Free Cash Flows of the Companies.
- v. The equity value so arrived at is divided by the number of equity shares to arrive at the value per share.

(c) **Peer group approach**

In this approach, comparable company trading multiple analysis use the valuation multiples of similar or comparable publicly traded companies to value a target private company. Peers can be grouped based on any number of criteria, such as industry focus, private company size or growth. The multiples can be Enterprise Value (EV) based multiples like EV/Sales, EV/EBIDTA or EV/EBIT, and Equity based multiples like Price to Earnings (P/E). The multiples derived from this type of analysis are at a given point in time and generally change over time. It is important to note that trading multiples do not reflect control premiums or potential synergies. Generally, the following steps are applied to compare your target private company to a similar public company:





- (a) Compile and select the list of comparable listed companies
- (b) Calculate relevant financials and multiple
- (c) Apply valuation and analyze the results

Method	Type of Method	Price per Share	Weightage	Weightage Value
Method 1	DCF	74.79	0.70	52.35
Method 2	NAV	29.42	0.20	5.88
Method 3	Peers Group Approach	19.97	0.10	2.00
	Price per share			60.23

Value Per Equity Share:

Considering the fact that, after the amalgamation, the business of the Companies is intended to be continued on a "going concern" basis and that there is no intention to dispose off the assets, to arrive at relative value of LSIPL, the valuer has considered it appropriate to give a higher weightage of "0.7" to the value determined under the "income approach" as compared to the weightage of "0.2" respectively to the value determined under the "underlying asset approach" and a weightage of "0.1" to the value determined under the "peer value approach" as there are not many comparables that are listed on the stock exchange and Nitin alloys could only be classified as a comparable in business of trading of metal items. In absence of many comparables, the valuer has given a less weightage of "0.10" to this method.

In case of LMIL, average market price quoted over the Bombay Stock Exchange has been considered. Moreover, since no operations have been carried out in the Company in the recent times, thus applicability of Income approach, Underlying asset approach and Peer group approach cannot be justified.

Name of Company	Value per Share (In Rs.)
LA TIM Sourcing (India) Private Limited	60.00
LA TIM Metal & Industries Limited	30.00
Share exchange ratio	2.00





Swap Ratio – From the above calculations and analysis by Valuer, the fair share exchange ratio carried out as on the date of valuation i.e. March 31, 2013, for the proposed amalgamation of LMIL into LSIPL with effect from April 1, 2013 (“Appointed Date”) is taken as follows:

The Share Exchange Ratio is 2:1, i.e. 2 (Two) Equity shares of LMIL of Rs. 10/-each fully paid-up for every 1 (One) Equity shares of LSIPL of Rs. 10/-each fully paid up.

The share exchange ratio has been arrived by the Valuer on the basis of a relative valuation of the shares and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, management representatives and perceptions, key underlying assumptions and limitations.

We are of the opinion that Dhirubhai Shah & Co., Chartered Accountants has used the appropriate valuation methodologies for valuation of shares of LA TIM Metal & Industries Limited and LA TIM Sourcing (India) Private Limited and the corresponding Swap Ratio as it takes into account could be considered fair for both the companies.

VII. OPINION ON VALUATION REPORT

Based on the information, material, data made available to us, including the Valuation Report and working thereto, **to best of our knowledge and belief**, the methodologies used and corresponding share valuation to arrive Swap Ratio suggested by Dhirubhai Shah & Co., Chartered Accountants under the scheme of amalgamation is **Fair**.



Shareholding Pattern

DRILLCO METAL CARBIDES LTD.

Scrip Code : 505693
Date Begin : 01 Oct 2013Quarter Ending : December 2013
Date End : 31 Dec 2013

Partly paid-up shares	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the company
Held by promoter/promoter group	0	0.00	0.00
held by public	0	0.00	0.00
Total	0	0.00	0.00

Outstanding convertible securities	No. of outstanding securities	As a % of total no. of outstanding convertible securities	As a % of total no. of shares of the company assuming full conversion of the convertible securities
Held by promoter/promoter group	0	0.00	0.00
held by public	0	0.00	0.00
Total	0	0.00	0.00

Warrants	No. of warrant	As a % of total no. of warrants	As a % of total no. of shares of the company assuming full conversion of warrants
Held by promoter/promoter group	0	0.00	0.00
held by public	0	0.00	0.00
Total	0	0.00	0.00

Total Paid-up capital of the company assuming full conversion of warrants and convertible securities 2194375

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	As a % of Total No. of Shares
				As a % of (A+B)	As a % of (A+B+C)		
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	4	1094420	1094420	49.87	49.87	0	0.00
Bodies Corporate	1	219744	219744	10.01	10.01	0	0.00
Sub Total	5	1314164	1314164	59.89	59.89	0	0.00
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	5	1314164	1314164	59.89	59.89	0	0.00
(B) Public Shareholding							
(1) Institutions							
Financial Institutions / Banks	4	6000	0	0.27	0.27	0	0.00
Insurance Companies	2	77300	76450	3.52	3.52	0	0.00



Sub Total	6	83300	76450	3.80	3.80	0	0.00
(2) Non-Institutions							
Bodies Corporate	21	100993	94643	4.60	4.60	0	0.00
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	1648	430301	73876	19.61	19.61	0	0.00
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5	190116	190116	8.66	8.66	0	0.00
Any Others (Specify)	15	75501	101	3.44	3.44	0	0.00
Non Resident Indians	9	3200	0	0.15	0.15	0	0.00
Hindu Undivided Families	3	401	101	0.02	0.02	0	0.00
Directors & their Relatives & Friends	2	600	0	0.03	0.03	0	0.00
Overseas Corporate Bodies	1	71300	0	3.25	3.25	0	0.00
Sub Total	1689	796911	358736	36.32	36.32	0	0.00
Total Public shareholding (B)	1695	880211	435186	40.11	40.11	0	0.00
Total (A)+(B)	1700	2194375	1749350	100.00	100.00	0	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued							
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(2) Public	0	0	0	0.00	0.00	0	0.00
Sub Total	0	0	0	0.00	0.00	0	0.00
Total (A)+(B)+(C)	1700	2194375	1749350	0.00	100.00	0	0.00

Notes:

1. For determining public shareholding for the purpose of Clause 40A
2. For definitions of Promoter and Promoter Group, refer to Clause 40A.
3. Public shareholding

Jugal Mimani
Compliance Officer

[Click here](#) for Shareholding belonging to the category "Promoter and Promoter Group"

[Click here](#) for Shareholding belonging to the category "Public" and holding more than 1% of the Total No. of Shares

[Click here](#) for Shareholding belonging to the category "Public" and holding more than 5% of the Total No. of Shares

[Click here](#) for Details of Locked-in Shares

[Click here](#) for Details of Depository Receipts (DRs)

[Click here](#) for Holding of Depository Receipts (DRs), where underlying shares held by 'promoter/promoter group' are in excess of 1% of the total number of shares.





Shareholding Pattern

DRILLCO METAL CARBIDES LTD.

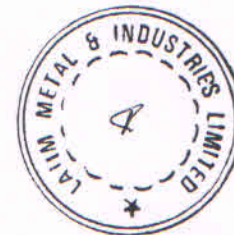
Scrip Code : 505693

Quarter ending : December 2013

Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group

Sl.No.	Name of the Shareholder	Details of Shares held		Encumbered shares (*)			Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares held	As a % of grand total (A)+(B)+(C)	No	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (l)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
1	Kartik Manganlal Timbadia	1,40,210	6.39	0	0.00	0.00	0	0.00	0	0.00	6.39
2	Parth Rahul Timbadia	53,875	2.46	0	0.00	0.00	0	0.00	0	0.00	2.46
3	Rahul Maganlal Timbadia	7,52,250	34.28	0	0.00	0.00	0	0.00	0	0.00	34.28
4	Jalpa Karna Timbadia	1,48,085	6.75	0	0.00	0.00	0	0.00	0	0.00	6.75
5	La-Tim Sourcing India Pvt Ltd	2,19,744	10.01	0	0.00	0.00	0	0.00	0	0.00	10.01
	Total	13,14,164	59.89	0	0.00	0.00	0	0.00	0	0.00	59.89

(*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.





Shareholding Pattern

DRILLCO METAL CARBIDES LTD.

Scrip Code : 505693

Quarter ending : December 2013

Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Public and holding more than 1% of the total number of shares

Sl. No.	Name of the Shareholder	No. of Shares held	Shares as % of Total No. of Shares	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Life Insurance Corporation of India	23550	1.07	0	0.00	0	0.00	1.07
2	New India Assurance Company Ltd	53750	2.45	0	0.00	0	0.00	2.45
3	NCM International Pvt Ltd	79300	3.61	0	0.00	0	0.00	3.61
4	Shyam Kisangopal Lakshani	55725	2.54	0	0.00	0	0.00	2.54
5	Narayanram Nanuram Jakher	24470	1.12	0	0.00	0	0.00	1.12
6	Vishal Dilip Parekh	24450	1.11	0	0.00	0	0.00	1.11
7	Dilip Keshavlal Parekh	54673	2.49	0	0.00	0	0.00	2.49
8	Pratima Dilip Parekh	30798	1.40	0	0.00	0	0.00	1.40
9	Eon Investment Ltd	71300	3.25	0	0.00	0	0.00	3.25
	Total	418016	19.05	0	0.00	0	0.00	19.05





Shareholding Pattern

DRILLCO METAL CARBIDES LTD.

Scrip Code : 505693

Quarter ending : December 2013

Shareholding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company

Sl. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	No. of Shares	Shares as % of Total No. of Shares	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants	As a % total number of warrants of the same class	Number of convertible securities held	% wr.t total number of convertible securities of the same class	
1	Nil	0	0.00	0	0.00	0	0.00	0.00
	Total	0	0.00	0	0.00	0	0.00	0.00



**Shareholding Pattern**

DRILLCO METAL CARBIDES LTD.

Scrip Code : 505693

Quarter ending : December 2013

Details of Locked-in Shares

Sl. No.	Name of the Shareholder	No. of Shares	Locked-in Shares as % of Total No. of Shares
1	Nil		0.00
	Total		0.00





Shareholding Pattern

DRILLCO METAL CARBIDES LTD.

Scrip Code : 505693

Quarter ending : December 2013

Details of Depository Receipts (DRs)

Sl. No.	Type of Outstanding DR (ADRs, GDRs, SDRs, etc.)	No. of Outstanding DRs	No. of Shares Underlying Outstanding DRs	Shares Underlying Outstanding DRs as % of Total No. of Shares
1	Nil			0.00
	Total			0.00





Shareholding Pattern

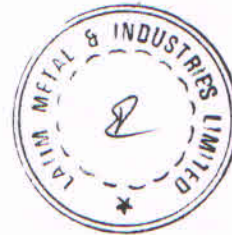
DRILLCO METAL CARBIDES LTD.

Scrip Code : 505693

Quarter ending : December 2013

Holding of Depository Receipts (DRs), where underlying shares held by 'promoter / promoter group' are in excess of 1% of the total number of shares.

Sl. No.	Name of the DR Holder	Type of Outstanding DR (ADRs, GDRs, SDRs, etc.)	No. of Shares Underlying Outstanding DRs	Shares Underlying Outstanding DRs as a % of Total No. of Shares
1	Nil	Nil		0.00
	Total			0.00





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

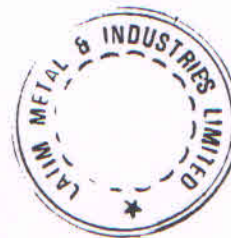
301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

Shareholding Pattern of La Tim Metal and Industries Ltd - Pre Merger

Category of Shareholder	Total No. of Shares	Total Shareholding as a % of Total No. of
(A) Shareholding of Promoter and Promoter Group		
(1) Indian		
Individuals / Hindu Undivided Family	1,094,420	49.87%
Bodies Corporate	219,744	10.01%
Sub Total	1,314,164	59.89%
(2) Foreign		
Total shareholding of Promoter and Promoter Group (A)	1,314,164	59.89%
(B) Public Shareholding		
(1) Institutions		
Financial Institutions / Banks	6,000	0.27%
Insurance Companies	77,300	3.52%
Sub Total	83,300	3.80%
(2) Non-Institutions		
Bodies Corporate	100,403	4.58%
Individuals		
Individual shareholders holding nominal share capital up to Rs. 1 lakh	430,364	19.61%
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	190,443	8.68%
Any Others (Specify)	75,701	3.45%
Non Resident Indians	3,200	0.15%
Hindu Undivided Families	401	0.02%
Directors & their Relatives & Friends	600	0.03%
Overseas Corporate Bodies	71,300	3.25%
Clearing Members	200	0.01%
Sub Total	796,911	36.32%
Total Public shareholding (B)	880,211	40.11%
Total (A)+(B)	2,194,375	100.00%

For La Tim Metals and Industries Limited

Director





LA TIM SOURCING (INDIA) PVT. LTD.

201, Navkar Plaza, 2nd Floor, Bajaj Road, Vile Parle (W), Mumbai - 400 056.
Tel : 26202299 / 3399 / 3434 / 1166, 6456 8600 Fax : 022 - 26240540
Email : latimlifestyle@gmail.com Website : www.latimlifestyle.com

Shareholding Pattern of LATIM Sourcing (India) Private Limited – Pre Merger

Name of Shareholder	Total No. of Shares	Total Shareholding as % of Total No. of
Rahul Timbadia	1,509,810	74.74%
Karna Timabadia	500,000	24.75%
Others	10,210	0.51%
Total	2,020,020	100.00%

For La Tim Sourcing (India) Private Limited

K. Timbadia

Director





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

Shareholding Pattern of La Tim Metal and Industries Limited Post Merger

For every 1 shares of Latim a shareholder gets 2 shares of La Tim Metal and Industries Limited

Category of Shareholder	Total No. of Shares	Total Shareholding as a % of Total No. of
(A) Shareholding of Promoter and Promoter Group		
Individuals / Hindu Undivided Family	5,134,460	70.07%
Bodies Corporate	-	0.00%
Total shareholding of Promoter and Promoter Group	5,134,460	70.07%
(B) Public Shareholding		
Institutions	83,300	1.14%
Non Institutions	100,403	1.37%
Individuals	1,934,140	26.39%
Others	75,701	1.03%
Total Public Shareholding	2,193,544	29.93%
Total Shares	7,328,004	100.00%

For La Tim Metals and Industries Limited

Director





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.

Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

ANNEXURE I

The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: LA TIM Metal and Industries Limited (Formerly known as Drill Co Metal Carbides Limited) (Transferee Company)

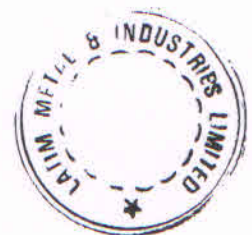
(Rs. in Crores)

	As per last Unaudited Financial Year	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	April to Sept 2013	2012-13	2011-12	2010-11
Equity Paid up Capital	2.19	2.19	2.19	2.19
Reserves and surplus	1.84	1.84	1.84	1.84
Carry forward losses	(6.72)	(6.47)	(5.91)	(5.57)
Net Worth	(2.68)	(2.44)	(1.88)	(1.54)
Miscellaneous Expenditure	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	3.89	3.75	3.14	3.55
Fixed Assets	2.28	2.28	2.28	2.28
Income from Operations	-	-	-	-
Total Income	-	-	-	-
Total Expenditure	0.25	0.56	0.34	0.10
Profit before Tax	(0.25)	(0.56)	(0.34)	(0.10)
Profit after Tax	(0.25)	(0.56)	(0.34)	(0.10)
Cash profit	(0.25)	(0.56)	(0.34)	(0.10)
EPS	(0.01)	(0.03)	(0.02)	(0.00)
Book value	-	-	-	-

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

For LA-TIM METAL & INDUSTRIES LIMITED


DIRECTOR





LA TIM SOURCING (INDIA) PVT. LTD.

201, Navkar Plaza, 2nd Floor, Bajaj Road, Vile Parle (W), Mumbai - 400 056.
Tel : 26202299 / 3399 / 3434 / 1166, 6456 8600 Fax : 022 - 26240540
Email : latimlifestyle@gmail.com Website : www.latimlifestyle.com

Name of the Company: La Tim Sourcing (India) Private Limited (Transferee Company)

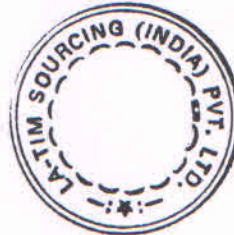
(Rs. in Crores)

	As per last Unaudited Financial Year	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	April to Sept 2013	2012-13	2011-12	2010-11
Equity Paid up Capital	2.02	2.02	2.02	2.02
Reserves and surplus	2.26	2.26	0.93	0.56
Carry forward losses	(0.41)	-	-	-
Net Worth	3.86	4.28	2.95	0.56
Miscellaneous Expenditure	-	-	-	-
Secured Loans	0.09	0.07	0.11	1.53
Unsecured Loans	1.45	-	-	-
Fixed Assets	1.59	1.67	0.21	0.22
Income from Operations	22.66	46.06	21.58	26.78
Total Income	22.88	46.26	21.62	26.82
Total Expenditure	23.30	44.28	21.07	26.50
Profit before Tax	(0.41)	1.98	0.55	0.33
Profit after Tax	-	1.33	0.37	0.18
Cash profit	(0.36)	1.45	0.43	0.22
EPS	(1.76)	6.59	1.82	1.34
Book value	19.13	21.19	14.60	2.77

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

For **LATIM SOURCING (INDIA) PVT. LTD**

[Signature]
DIRECTOR





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

ANNEXURE II

Format of Compliance Report on Corporate Governance

Name of the Company: LA TIM Metal and Industries Limited (Formerly known as Drill Co Metal Carbides Limited)

Date: 31st December 2013

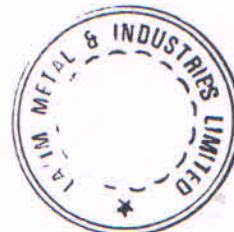
Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
I Board of Directors	49 I	Not Applicable	Refer Note below
(A) Composition of Board	49 (IA)	Not Applicable	
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Not Applicable	
(C) Other provisions as to Board and Committees	49 (IC)	Not Applicable	
D) Code of Conduct	49 (ID)	Not Applicable	
II. Audit Committee	49 (II)	Not Applicable	
(A) Qualified & Independent Audit Committee	49 (IIA)	Not Applicable	
(B) Meeting of Audit Committee	49 (IIB)	Not Applicable	
(C) Powers of Audit Committee	49 (IIC)	Not Applicable	
(D) Role of Audit Committee	49 (IID)	Not Applicable	
(E) Review of Information by Audit Committee	49 (IIE)	Not Applicable	
III. Subsidiary Companies	49 (III)	Not Applicable	
IV. Disclosures	49 (IV)	Not Applicable	
(A) Basis of related party transactions	49 (IV A)	Not Applicable	
(B) Disclosure of Accounting Treatment	49 (IV B)	Not Applicable	
(C) Board Disclosures	49 (IV C)	Not Applicable	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Not Applicable	
(E) Remuneration of Directors	49 (IV E)	Not Applicable	
(F) Management	49 (IV F)	Not Applicable	
(G) Shareholders	49 (IV G)	Not Applicable	
V. CEO/CFO Certification	49 (V)	Not Applicable	
VI. Report on Corporate Governance	49 (VI)	Not Applicable	
VII. Compliance	49 (VII)	Not Applicable	

As per SEBI Circular No. SEBI/CFD/DIL/2004/12/10 dated October 29, 2004, Clause 49 of the Listing Agreement is applicable for all companies having a paid up capital of Rs.3 crores or more or net worth of Rs.25 crore or more at any time in the history of the company.

In view of the above, clause 49 of the Listing Agreement is not applicable to La Tim Metal and Industries Limited and hence Compliance Report on Corporate Governance is not applicable

For,
La Tim Metal and Industries Ltd

Director





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

ANNEXURE IV

Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of amalgamation of LA Tim Sourcing (India) Private Limited into LA TIM Metal and Industries Limited and their respective shareholders and creditors

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013	Whether Complied or not & How
1.	Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI.	Yes The Company has chosen Bombay Stock Exchange (BSE) as the designated Stock Exchange. Attached herewith is the Board Resolution for the same
Compliance as per Part A, Annexure I to the Circular		
2.	Documents to be submitted:	
2.a	Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.	Yes = Draft Scheme of amalgamation has been enclosed herewith
2.b	Valuation Report from Independent Chartered Accountant	Yes - Valuation Report from Independent Chartered Accountant has been enclosed herewith
2.c	Report from the Audit Committee recommending the Draft Scheme	Not Applicable
2.d	Fairness opinion by merchant banker	Yes - Fairness opinion by merchant banker has been enclosed herewith
2.e	Pre and post amalgamation shareholding pattern of unlisted company	Yes - Pre and Post amalgamation shareholding pattern of Listed and Unlisted Company has been enclosed herewith
2.f	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;	Yes - Audited Financial Statements of last 3 years of unlisted company have been enclosed herewith

2.g	Compliance with Clause 49 of Listing Agreement	Not Applicable since paid up capital is below Rs. 3 crores and networth is below Rs.25 crores
2.h	Complaints Report	Yes
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956	
4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	Yes
5.	The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.	Yes
6.	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	Yes No such outstanding warrants
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	Not Applicable

Date : 31st December 2013


Director





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

ANNEXURE IV

Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of amalgamation of LA Tim Sourcing (India) Private Limited into LA TIM Metal and Industries Limited and their respective shareholders and creditors

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013	Whether Complied or not & How
1.	Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI.	Yes The Company has chosen Bombay Stock Exchange (BSE) as the designated Stock Exchange. Attached herewith is the Board Resolution for the same
Compliance as per Part A, Annexure I to the Circular		
2.	Documents to be submitted:	
2.a	Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.	Yes - Draft Scheme of amalgamation has been enclosed herewith
2.b	Valuation Report from Independent Chartered Accountant	Yes - Valuation Report from Independent Chartered Accountant has been enclosed herewith
2.c	Report from the Audit Committee recommending the Draft Scheme	Yes - Audit Committee Report has been enclosed herewith
2.d	Fairness opinion by merchant banker	Yes - Fairness opinion by merchant banker has been enclosed herewith
2.e	Pre and post amalgamation shareholding pattern of unlisted company	Yes - Pre and Post amalgamation shareholding pattern of Listed and Unlisted Company has been enclosed herewith
2.f	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;	Yes - Audited Financial Statements of last 3 years of unlisted company have been enclosed herewith





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2.g	Compliance with Clause 49 of Listing Agreement	Not Applicable since paid up capital is below Rs. 3 crores and networth is below Rs.25 crores
2.h	Complaints Report	Yes
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956	
4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	Yes
5.	The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.	Yes
6.	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised.	Yes No such outstanding warrants
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	Not Applicable

For LA-TIM METAL & INDUSTRIES LIMITED


DIRECTOR

Date : 31st December 2013

Director





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

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"Undertaking in relation to Non —Applicability of Paragraph 5.16 (a) of the SEBI circular bearing reference number CIR/CFD/DIL/8/2013 dated May 21, 2013

The provisions of paragraph 5.16 (a) of the SEBI circular bearing reference number CIR/CFD/DIL/8/2013 dated May 21, 2013 are not applicable to the Scheme of Arrangement providing for amalgamation of La Tim Sourcing (India) Private Limited with La Tim Metals and Industries Limited. and any other applicable provisions of the Companies Act, 1956 ("Scheme"), as the Scheme contemplates an issue of fully paid equity shares to all the existing members of the Transferee Company as per the terms and conditions contained therein.

Further the Scheme does not propose to allot additional shares to Promoter I Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter I Promoter Group of the Company. The Scheme also does not involve the Company and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

In view of the above, the requirement stated in paragraph 5.16 (a) of the SEBI circular bearing reference number CIR/CFD/DIL/8/2013 dated May 21, 2013 is not applicable to the Scheme.

For and on behalf of Board of Directors of La Tim Metals and Industries Limited

For LA-TIM METAL & INDUSTRIES LIMITED

R. S. D. J.
DIRECTOR

Director

Director



December 31, 2013

To
The Board of Directors,
LA TIM Metal and Industries Limited
301-302, Navkar Plaza,
Bajaj Road, Vile Parle (West),
Mumbai – 400 056

1. This report is issued in accordance with the terms of our agreement dated
2. The accompanying undertaking stating the reasons for non applicability of Paragraph 5.16 (a) of circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by the Securities Exchange Board of India ("SEBI") (hereinafter referred to as the "Circular") has been prepared by the Management of LA TIM Metal and Industries Limited (the 'Company') pursuant to the requirements of paragraph 5.16(b) of the Circular in connection with the proposed scheme of amalgamation of LA Tim Sourcing (India) Private Limited into LA TIM Metal and Industries Limited and their respective shareholders and creditors (hereinafter referred to as the "Scheme"). We have initialed the Undertaking for identification purpose only. We have relied on the above undertaking and performed no further procedures in this regard.

Management's Responsibility for the Undertaking

3. The preparation of the Undertaking is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting the contents of the Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking.



4. The Management is also responsible for ensuring that the Company complies with the requirements of the Circular and the Companies Act, 1956 in relation to the Proposed Scheme and for providing all the information to SEBI, BSE Limited and National Stock Exchange of India Limited (together referred to as "Stock Exchanges.").

Auditors' Responsibility

5. Pursuant to the Circular, it is our responsibility to examine the Proposed Scheme and certify whether the requirements set out in Paragraph 5.16 (a) of the Circular, as stated in the Undertaking, are applicable to the Proposed Scheme.
6. We conducted our examination in accordance with the 'Guidance Note on Audit Reports and Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion. Further our examination did not extend to any aspects of a legal or propriety nature in the aforesaid arrangement /scheme other than the matters referred to in the said certificate.

Conclusion

Based on our examination as above, and the information and explanations furnished to us, we certify that to the best of our knowledge, the requirements in Paragraph 5.16(a) of the circular as set out in the undertaking are not applicable to the proposed scheme



RAVI SETH & CO.
CHARTERED ACCOUNTANTS

Office :
1st Floor, Nirant,
Opp. Joy Villa,
19th Road, Khar (West),
Mumbai - 400 052

RAVI SETH
B.Com. (Hons), F.C.A.

Tel.: 6597 7800
Mobile : 98201 20426
Email : office@caraviseth.com

Restrictions on Use

This certificate has been issued for the sole use of the Board of Directors of the Company, to whom it is addressed, to enable the Company to file its application with the Stock Exchanges and should not be used by any other person or for any other purpose. Ravi Seth & Co. neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

For Ravi Seth & Co.
(Chartered Accountants)

(Firm No. 108757W)



Ravi Seth
R. K. Seth

(Proprietor)

Membership No. 016808





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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF LA TIM METAL & INDUSTRIES LIMITED (FORMERLY KNOWN AS DRILLCO METAL CARBIDES LIMITED) HELD ON TUESDAY THE 31ST DAY OF DECEMBER, 2013 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 301/302, NAVKAR PLAZA, BAJAJ ROAD, VILE PARLE (WEST), MUMBAI-400056 AT 11:30 P.M.

1. RESOLUTION FOR ADOPTION SCHEME OF AMALGAMATION AND ARRANGEMENT BETWEEN LA TIM SOURCING (INDIA) PRIVATE LIMITED WITH LA TIM METAL & INDUSTRIES LIMITED

“RESOLVED THAT pursuant to the provisions of Section 391 to 394 and other applicable provisions, if any, of The Companies Act, 1956 or The Companies Act, 2013 (including any statutory modifications, amendments or re-enactment thereof) and subject to the requisite approval of shareholders of the Company and sanction of the Hon’ble High Court of Bombay or such other competent authority, as may be relevant, the consent of the Board be and is hereby accorded to the Scheme of amalgamation and arrangement between LA TIM SOURCING (INDIA) PRIVATE LIMITED (“Transferor Company”) with LA TIM METAL & INDUSTRIES LIMITED (“Transferee Company”) as per terms and conditions mentioned in the Scheme.

RESOLVED FURTHER THAT upon the Scheme becoming effective, 2 (Two) fully paid up equity shares of Rs.10/- (Rupees Ten Only) each of Transferee Company shall be issued and allotted to the shareholders of Transferor Company for every 1 (One) equity shares of Rs 10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT Mr. Rahul Timbadia and/ or Mr. Kartik Timbadia, Directors of the Company, or Mr. Jugal Mimani, Compliance Officer of the Company [collectively referred to as Authorized Representative(s) of the Company] be and are hereby severally authorized for the purpose of approving changes, if any, in the said Scheme of arrangement or amalgamation.

RESOLVED FURTHER THAT any of the Authorized Representative(s) be and hereby severally authorized for the following: -

1. To evolve, decide upon and bring into effect the Scheme and make and give effect to any modifications, changes, variations, alterations or revision in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any Statutory Authority and to do all such acts, deeds, matters and things whatsoever, including settling any question, doubt or difficulty that may arise with regard to or in relation to the Scheme as they may in their absolute discretion consider necessary, expedient, fit and proper;
2. To make such alterations and changes to the aforesaid Scheme of Arrangement as may be expedient or necessary, particularly for satisfying the requirements or conditions imposed by the Central Government or by the Court of competent jurisdiction or by the Stock Exchanges where the shares of the Company supposed to be listed;





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3. To sign and file applications with Hon'ble High Court of Bombay or such other competent authority for obtaining orders for convening / dispensing with the meeting of the shareholders/ creditors of the Company and to give effect to the Scheme of Arrangement and also to approve the Notice and Explanatory Statement;
4. To sign and file petitions for confirmation of the Scheme of Arrangement by the Hon'ble High Court of Bombay or such other competent authority;
5. To engage advocates and if considered necessary, also engage services of counsel(s), declare and file all pleadings, reports and sign and issue public advertisements and notices;
6. To obtain approval from such other authorities and parties including the shareholders, term loan lenders, financial institution as may be considered necessary, to the said Scheme of Arrangement;
7. To settle any question or difficulty that may arise with regard to the implementation of the above Scheme of Arrangement and to give effect to the above resolutions;
8. To make any alterations/ changes to the Scheme of Arrangement as may be expedient or necessary;
9. To sign/execute/file all applications, affidavits, pleadings, petitions, reports, documents relating to the Scheme of Arrangement;
10. To do all such acts and things as may be necessary and expedient in relation thereto.

RESOLVED FURTHER THAT the undertaking with regard to the non – applicability of requirement as prescribed in terms of Para 5.16 of Securities and Exchange Board of India (“SEBI”) Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 as modified by para 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 in respect of the Scheme duly certified by the Auditor of the Company ie Ravi Seth & Co, as place before the Board, be accepted and approved that any two of the following authorized officials viz. Mr. Rahul Timbadia and/ or Mr. Kartik Timbadia, Directors of the Company, or Mr. Jugal Mimani, Compliance Officer of the Company be authorized to sign the aforementioned undertaking

RESOLVED FURTHER THAT the BSE Limited “BSE” be chosen as Designated Stock Exchange (“DSE”) for coordinating with SEBI for obtaining approval of SEBI in accordance with the SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 issued by SEBI read with clause 24(f) of the listing agreement

RESOLVED FURTHER THAT the copy of this resolution certified to be true by any of the Director of the Company or the Company Secretary be submitted to the concerned authorized and they be requested to act thereon

FOR LA TIM METAL & INDUSTRIES LIMITED

RMT

DIRECTOR





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

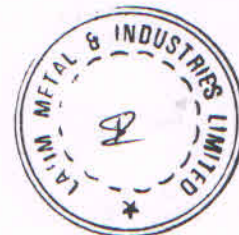
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ANNEXURE V

Brief particulars of the transferee/resulting and transferor/demerged companies

Particulars	Transferee/ Resulting Company	Transferor/ Demerged Company
Name of the company	La Tim Metal and Industries Limited	La Tim Sourcing (India) Private Limited
Date of Incorporation & details of name changes, if any	28 th November 1974 (Formerly known as "Drillco Metal Carbides Limited" - Fresh Incorporation certificate obtained on 10 th October 2013. Application for change of name filed with Bombay Stock Exchange on 13 th November 2013)	21 st December 2000
Registered Office	301-302, 3 rd Floor, Navkar Plaza, Bajaj Road, Vile Parle W, Mumbai - 400 056	201, 2 nd Floor, Navkar Plaza, Bajaj Road, Vile Parle W, Mumbai - 400 056
Brief particulars of the scheme	Detailed Scheme of Amalgamation has been attached herewith	
Rationale for the scheme	<ol style="list-style-type: none">1. Amalgamation would result in managing the business through a single network2. It would result in benefits in terms of synergies in operations, pooling of financial, managerial, technical, distribution and marketing resources.3. The integration proposed by the Scheme enables reduction of common administrative costs thereby cost savings, optimum utilization of available resources which will enhance the management focus thereby not only making the management control systems more efficient and effective but also would lead to higher profitability and increase in the shareholder's value.4. Increase in net worth of Transferee Company, which will facilitate effective and better mobilization of financial resources.5. Reduction of overheads and other expenses facilitate administrative convenience and ensure optimum utilization of available services and resources.	
Date of resolution passed by the Board of Director of the company approving the scheme	31 st December 2013	30 th December 2013
Date of meeting of the Audit Committee in which the draft scheme has been approved	NA	Not Applicable
Appointed Date	April 1, 2013, or any other date the court deems fit to appoint	April 1, 2013, or any other date the court deems fit to appoint
Name of Exchanges where securities of the company are listed	Bombay Stock Exchange and Pune Stock Exchange	Unlisted Company





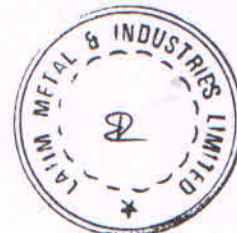
LA TIM METAL & INDUSTRIES LTD.

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Nature of Business	Trading of Ferrous and Non Ferrous Metals		Trading of Ferrous and Non Ferrous Metals		
Capital before the scheme (in lacs)	219.44		202.00		
No. of shares to be issued (in lacs)	No. of Shares to Shares holders of La Tim Sourcing India Private limited – 38.20 No. of Shares against conversion of Short Term unsecured Loan – 13.13 Total 51.34 (Net off Cancellation of Shares on account of Cross Holding)				
Cancellation of shares on account of cross holding, if any (in lacs)	2.19		Nil		
Capital after the scheme (in lacs)	732.80				
Net Worth (as on 31 st March 2013)	(Rs. in crores)		(Rs. in crores)		
Pre	-2.44		4.28		
Post	4.96		NA		
Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no.	CA Yash Shah Dhirubhai Shah & Co. FRN : 102511W Membership No. : 124427				
Methods of valuation and value per share arrived under each method with weight given to each method, if any.	Average of Market Prices of last 12 Months (November 2012 – October 2013)		Method	Weight	Value
	29.86		DCF	0.70	74.79
			NAV	0.20	29.42
			Peers	0.10	19.97
Fair value per shares	Rs. 29.86		Rs. 60.23		
Exchange ratio	2 (Two) Equity shares of LMIL of Rs. 10/- each fully paid up for every 1 (One) Equity shares of LSIPL of Rs. 10/- each fully paid up.				
Name of Merchant Banker giving fairness opinion	Chartered Capital and Investment Limited				
Shareholding pattern	Pre (Of Amalgamated Company)		Post (Of Amalgamated Company)		
	No. of Shares	% of holding	No. of Shares	% of holding	
Promoter	13,14,164	59.89	51,34,460	70.07	
Public	8,80,211	40.11	21,93,544	29.93	
Custodian	-	-	-	-	
TOTAL	21,94,375	100	73,28,044	100	
No of shareholders	1,701 (As on 31 st December 2013)		2		





LA TIM METAL & INDUSTRIES LTD.

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Names of the Promoters	Mr. Rahul Timbadia	Mr. Rahul Timbadia
Names of the Board of Directors	Mr. Rahul Timbadia Mr. Kartik Timbadia Mr. Parth Timbadia Mr. Ramesh Khanna Mr. Ashok Kumar Deorah Mr. Praful Vora	Mr. Rahul Timbadia Mr. Kartik Timbadia Mr. Parth Timbadia Mr. Karna Timbadia
Details regarding change in management control if any	No Change in Management Control	

For LA-TIM METAL & INDUSTRIES LIMITED


DIRECTOR





Dhirubhai Shah & Co.
Chartered Accountants.
1st floor, Cama Chambers 23,
Nagindas Master Road,
Mumbai : 400023

To whomsoever it may concern

This is to certify that the Net worth of **La Tim Metals and Industries Limited** post scheme of amalgamation is Rs.325.46 Lacs

The same is arrived at as under :

Particulars	Amount (Rs. In Lacs)
Paid up Share Capital (Existing)	219.44
Add :	
Equity Shares issued to Shareholders of La Tim Sourcing India Private Limited	382.01
Equity Shares issued against conversion of Short Term Unsecured Loan	131.33
Add : Reserves	
La Tim Metals and Industries Limited	(463.11)
La Tim Sourcing India Private Limited	225.91
Less : Revaluation Reserve of La Tim Metals and Industries Limited	(170.12)
Networth post Merger	325.46

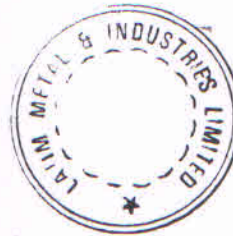
For Dhirubhai Shah and Co.,
Chartered Accountants

Yash Shah
CA Yash Shah
Partner
M. No.



For LA-TIM METAL & INDUSTRIES LIMITED

R. D. D. D.
DIRECTOR



Mob.:9722000967

Website : www.dbsgroup.in ■ Email : dshahco@dbsgroup.in

Head Office : 401/408, "Aditya", B/h. Abhijeet-I, Near Mithakali Circle, Ellisbridge, Ahmedabad-380006.

Branch Office : 204, Sakar Complex, Opp. ABS Tower, Old Padra Road, Vadodara : 390015 Mob.:9879007663.



Dhirubhai Shah & Co.

Chartered Accountants.
1st floor, Cama Chambers 23,
Nagindas Master Road,
Mumbai : 400023

To whomsoever it may concern

This is to certify that the Net worth on 31st March 2013 of **La Tim Metals and Industries Limited** is Rs.413.79 Lacs

The same is arrived at as under :

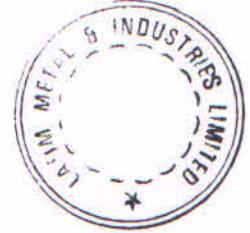
Particulars	Amount (Rs. In Lacs)
Paid up Share Capital	219.44
Add : Reserves	(463.11)
Less : Revaluation Reserve	(170.12)
Networth as on 31st March 2013	(413.79)

For Dhirubhai Shah and Co.,
Chartered Accountants

Yash Shah
CA Yash Shah
Partner
M. No.

For LA-TIM METAL & INDUSTRIES LIMITED

R. D. Shah
DIRECTOR



Mob.:9722000967

Website : www.dbsgroup.in ■ Email : dshahco@dbsgroup.in

Head Office : 401/408, "Aditya", B/h. Abhijeet-I, Near Mithakali Circle, Ellisbridge, Ahmedabad-380006.
Branch Office : 204, Sakar Complex, Opp. ABS Tower, Old Padra Road, Vadodara : 390015 Mob.:9879007663.



LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

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Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

ANNEXURE VI

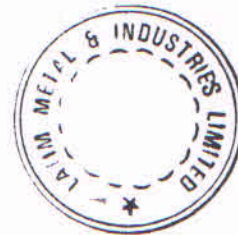
Details of Capital evolution of the transferee/resulting and transferor/demerged companies:

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Scheme/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
			NA		

No change in the capital structure of the Company in the last 5 years

For LA-TIM METAL & INDUSTRIES LIMITED


DIRECTOR





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

ANNEXURE VII

Format of the confirmation to be submitted by the company:

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400 001.


Dear Sir,

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of LA TIM Metal and Industries Limited (Formerly known as Drill Co Metal Carbides Limited)

In connection with the above application, we hereby confirm that:

- a) The proposed scheme of amalgamation/ arrangement does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions as explained in clause 24(g) of the Listing agreement or the requirements of BSE Limited.
- b) In the explanatory statement to be forwarded by the company to the shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, it shall disclose:
 - i) the pre and post-arrangement or amalgamation (expected) capital structure and shareholding pattern and
 - ii) the "fairness opinion" obtained from an Independent merchant banker on valuation of assets / shares done by the valuer for the company and unlisted company.
 - iii) The Complaint report as per Annexure III.
 - iv) The observation letter issued by the stock exchange
- c) The draft scheme of amalgamation/ arrangement together with all documents mentioned in Clause 5.16 (c) SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, has been disseminated on company's website as per Website link given hereunder:
<http://www.drillcometal.com/>
- d) The company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.
- e) The company is not required obtain shareholders' approval by way of special resolution passed through postal ballot/ e-voting.
- f) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- g) There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement.

For LA-TIM METAL & INDUSTRIES LIMITED


DIRECTOR

Date: 31st December 2013

Managing Director



RAVI SETH
B.Com. (Hons), F.C.A.

December 31, 2013

To,
Department of Listing Operations
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai - 400 001.

Dear Sir,

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of LA TIM Metal and Industries Limited (Formerly known as Drill Co Metal Carbides Limited)

Ref: Certificate in accordance with Clause 24(i) of the listing agreement

We have examined the proposed accounting treatment specified in the scheme of amalgamation between LA Tim Sourcing (India) Private Limited into LA TIM Metal and Industries Limited and their respective shareholders and creditors (hereinafter referred to as the "Scheme")

Based on our examination and according to the information and explanation given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with all the Accounting Standards specified by the Central Government in Section 211(3C) of the Companies Act, 1956.

This certificate is issued at the request of the company in accordance with clause 24(f) of the listing agreement for onward submission to the BSE Exchange Limited with a view to obtaining the no-objection as required under clause 24(f) of the listing agreement.

For Ravi Seth & Co.
(Chartered Accountants)

(Firm No. 108757W)

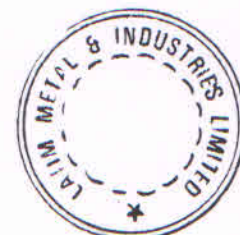
R.K. Seth

(Proprietor)

Membership No. 016808

For LA-TIM METAL & INDUSTRIES LIMITED

R. K. Seth
DIRECTOR





LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

301 / 302, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (West), Mumbai - 400 056.
Tel : 26202299 / 26203434 Fax : 022 - 26240540 Email : accounts@drillcometal.com

Date : 5th March, 2014

ANNEXURE III

Format for Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA
2.	NA	NA	NA
3.	NA	NA	NA

RECEIVED BY → SEJAL JAIN.

Sejal Jain
5/03/14.





LA TIM SOURCING (INDIA) PVT. LTD.

201, Navkar Plaza, 2nd Floor, Bajaj Road, Vile Parle (W), Mumbai - 400 056.
Tel : 26202299 / 3399 / 3434 / 1166, 6456 8600 Fax : 022 - 26240540
Email : latimlifestyle@gmail.com Website : www.latimlifestyle.com

Name of the Company: La Tim Sourcing (India) Private Limited (Transferee Company)

(Rs. in Crores)

	As per last Audited Financial Year	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	April to Sept 2013	2012-13	2011-12	2010-11
Equity Paid up Capital	2.02	2.02	2.02	2.02
Reserves and surplus	2.26	2.26	0.93	0.56
Carry forward losses	(0.59)	-	-	-
Net Worth	3.68	4.28	2.95	0.56
Miscellaneous Expenditure	-	-	-	-
Secured Loans	0.05	0.07	0.11	1.53
Unsecured Loans	1.45	-	-	-
Fixed Assets	1.55	1.67	0.21	0.22
Income from Operations	18.73	46.06	21.58	26.78
Total Income	18.90	46.26	21.62	26.82
Total Expenditure	19.49	44.28	21.07	26.50
Profit before Tax	(0.59)	1.98	0.55	0.33
Profit after Tax	-	1.33	0.37	0.18
Cash profit	(0.51)	1.45	0.43	0.22
EPS	(2.94)	6.59	1.82	1.34
Book value	18.25	21.19	14.60	2.77

Note: The financials should **not be more than 6 months old**. In such cases additional column may be added to provide the latest financials.

For LATIM SOURCING (INDIA) PVT. LTD.



R. K. Kulkarni
DIRECTOR



LA TIM METAL & INDUSTRIES LTD.

(Formerly known as Drillco Metal Carbides Ltd.)

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Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NA	NA	NA
2.	NA	NA	NA
3.	NA	NA	NA

