



AASTHA MINMET (INDIA) LIMITED

Our Company was incorporated as Aastha Minmet (India) Private Limited on May 07, 2007 under the Companies Act, bearing Registration No. 042717 having its Registered Office in Bangalore (Karnataka). For further details regarding the changes in our name and registered office, kindly refer to the Chapter titled "History and Certain Corporate Matters" beginning on page 112 of this Draft Red Herring Prospectus. The Company's Corporate Identity Number is U27105KA2007PLC042717.

Registered Office: No.-W, 204, Sunrise Chambers, Ulsoor Road, Bangalore – 560 042.

Tel.: +91 – 80 – 4171 8154; **Fax:** +91 – 80 – 4171 8155; **Email:** khyati.s@aail.co.in; **Website:** www.aail.co.in;

Company Secretary and Compliance Officer: Ms. Khyati Shah

OUR PROMOTERS: MR. MOHIT AGGARWAL & MRS. SHILPA AGGARWAL

PUBLIC ISSUE OF [●] EQUITY SHARES OF A FACE VALUE ₹ 10 EACH OF AASTHA MINMET (INDIA) LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING TO ₹ 4200.00 LACS (THE "ISSUE"). THE ISSUE WILL CONSTITUTE [●]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.

*Our Company is also considering a Pre-IPO Placement of up to [●] Equity Shares aggregating upto ₹ 1500 lacs ("Pre-IPO Placement"). The Pre-IPO Placement is at the discretion of our Company. Our Company will complete the issuance and allotment of such Equity Shares prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25% of the post Issue paid-up capital being offered to the public. The Equity Shares allotted under the Pre – IPO Placement, if completed, shall be subject to a lock – in period of one (1) year from the date of the Allotment pursuant to the Issue.

PRICE BAND: ₹ [●] TO ₹ [●] PER EQUITY SHARES OF FACE VALUE ₹ 10 EACH.

THE PRICE BAND & THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (THE "BRLM") AND WILL BE ADVERTISED AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.

In case of any revision in the Price Band, the Issue Period shall be extended for a minimum three additional Working Days after such revision of the Price Band, subject to the total Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Issue Period, if applicable, shall be widely disseminated by notification to the BSE Limited ("BSE"), the National Stock Exchange of India Limited ("NSE") and MCX Stock Exchange Limited ("MCX-SX") by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to Self Certified Syndicate Banks ("SCSBs").

This Issue is being made in terms of regulation 26(2) of the SEBI (ICDR) Regulations, 2009 (as amended from time to time), through the 100% Book Building Process wherein at least 75% of the Issue shall be allotted on a proportionate basis to Qualified Institutional Buyers ("QIB") Bidders. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders. The allotment of Equity Shares to each retail individual bidder shall not be less than the minimum bid lot, subject to availability of shares in retail individual bidder category, and the remaining available shares, if any, shall be allotted on a proportionate basis, subject to valid Bids being received at or above the Issue Price. Potential investors, other than Anchor Investors, may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details, kindly refer to the Section titled "Issue related Information" beginning on page 195 of this Draft Red Herring Prospectus.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The Face Value of the Equity Shares is ₹ 10 each and the Floor Price and the Cap Price is [●] times and [●] times of the Face Value respectively. The Issue Price (as determined by our Company in consultation with the Book Running Lead Manager ("BRLM") as stated in "Basis for the Issue Price" beginning on page 66 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the Section titled "Risk Factors" beginning on page 14 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company having made all reasonable inquiries, accepts responsibility for, and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Draft Red Herring Prospectus is true and correct in all material respects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

IPO GRADING

This Issue has been graded by [●] as [●], indicating [●]. The rationale furnished by the grading agency for its grading, will be updated at the time of filing of the Red Herring Prospectus with the RoC. For more information on IPO Grading, refer to the Chapter titled "General Information" beginning on page 43 of this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on BSE, NSE and MCX-SX. Our Company has received in-principle approvals from the BSE the NSE and the MCX-SX, for the listing of our Equity Shares pursuant to their letters dated [●], [●] and [●], respectively. For the purpose of this Issue, the Designated Stock Exchange is BSE.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
<p>ARYAMAN FINANCIAL SERVICES LIMITED 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai - 400 001, Maharashtra, India Tel: +91 22 22618264; Fax: +91 22 22630434 Email: ipo@afsl.co.in; Investor Grievance Email: feedback@afsl.co.in Website: www.afsl.co.in SEBI Registration No.: MB / INM000011344 Contact Person: Ms. Anju Kanuga</p>	<p>Cameo Corporate Services Limited Subramanian Building No.1, Club House Road, Chennai - 600 002, Tamil Nadu, India Tel: +91 44 2846 0390 / 1989; Fax: +91 44 2846 0129 Email: cameo@cameoindia.com; Investor Grievance Email: investor@cameoindia.com Website: www.cameoindia.com SEBI Registration No.: INR000003753 Contact Person: Mr. R. D. Ramasamy</p>

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON: [●]**

BID/ISSUE CLOSURES ON: [●]**

* Our Company may consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one working day prior to the Bid/Issue Opening Date.

**Our Company may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Draft Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Company Related Terms

Term	Description
AAPL	Aastha Alloycorp Private Limited
AASPL	Aastha Alloy Steels Private Limited
Articles/ Articles of Association	The articles of association of our Company, as amended.
AVSPL	Akshaj Ventures Singapore Pte. Ltd.
Board/ Board of Directors/ our Board	The board of directors of our Company, or a duly constituted committee thereof.
Corporate Office	The corporate office of our Company, presently located at Unit no. 1203, 12 th Floor, Tower1, Indiabulls Finance Centre, Elphinstone Road (W), Mumbai – 400013
Director(s)	The director(s) of the Company, unless otherwise specified.
Group Companies	The companies, firms, ventures, etc. promoted by our Promoters, irrespective of whether such entities are covered under section 370(1) (B) of the Companies Act and as described in section titled “ <i>Our Group Companies</i> ” on page 132.
Independent Auditors	The Independent Auditors (having valid peer review certificate) appointed for the IPO – Jatin V Shah, Chartered Accountants
Key Management Personnel	The key management personnel as listed in the section titled “ <i>Our Management</i> ” on page 116.
Memorandum/ Memorandum of Association/ MoA	The memorandum of association of our Company, as amended.
Our Company/ the Company/ the Issuer/ Aastha/ AMIL/ we/ us/ our	Aastha Minmet (India) Limited, a Company incorporated under the Companies Act, 1956 including its subsidiaries and majority controlled Joint Ventures etc.
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI Regulations, as enlisted in the section titled “ <i>Our Promoters and Promoter Group</i> ” on page 128.
Promoters	The promoters of our Company, being Mr. Mohit Aggarwal and Mrs. Shilpa Aggarwal.
Registered Office	The registered office of our Company, presently located at No. W-204, 2 nd Floor, Sunrise Chambers, Ulsoor road, Bangalore (Karnataka) 560042.
RoC	The Registrar of Companies, Bangalore.
Statutory Auditors	The statutory auditors of our Company, being M/s. Vikas Khaitan & Co., Chartered Accountants

Issue Related Terms

Term	Description
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Fresh Issue to successful Bidders
Allotment Advice	In relation to Bidders other than Anchor Investors, the note or advice

	or intimation of Allotment of the Equity Shares, sent to each successful Bidder who have been or are to be Allotted Equity Shares after discovery of the Issue Price, including any revision thereof.
Allottee	A successful Bidder to whom the Equity Shares are/ have been Allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus and Prospectus to the Anchor Investors, which will be decided by our Company in consultation with the Book Running Lead Manager prior to the Bid Opening Date.
Anchor Investor Bidding Date	The date one Working Day prior to the Bid Opening Date prior to or after which the Syndicate will not accept any Bids from Anchor Investors
Anchor Investor Issue Price	The price at which Allotment is made to Anchor Investors in terms of the Red Herring Prospectus, which shall be higher than or equal to the Issue Price, but not higher than the Cap Price.
Anchor Investor Portion	Up to 30% of the QIB Portion, available for allocation to Anchor Investors on a discretionary basis at the Anchor Investor Issue Price, in accordance with the SEBI Regulations.
ASBA Account	An account maintained with the SCSB and specified in the Bid cum Application Form submitted by ASBA Bidders for blocking the amount mentioned in the Bid cum Application Form.
ASBA Bidder(s)	Any Bidder other than an Anchor Investor who Bids/applies through ASBA in accordance with the terms of the Red Herring Prospectus.
ASBA or Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account maintained with the SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and Non Institutional Bidders participating in the Issue.
Banker(s) to the Issue/ Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as bankers to the Issue and with whom the Escrow Account will be opened, in this case being [●].
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders as described in " <i>Issue Procedure – Basis of Allotment</i> " on page 242
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of the Company at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount/Payment Amount	The highest value of optional Bids indicated in the Bid cum Application Form
Bid Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate and the SCSBs will not accept any Bids, and which shall be notified in an English national daily newspaper, a Hindi national daily newspaper, each with wide circulation and a regional daily newspaper and in case of any revision, the extended Bid Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI Regulations. Further, the Bidding by QIBs may close one Working Day prior to the Bid Closing Date.
Bid cum Application Form	The form used by a Bidder, including an ASBA Bidder, to make a Bid and which will be considered as the application for Allotment in terms

	of the Red Herring Prospectus.
Bid Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate and the SCSBs shall start accepting Bids, and which shall be the date notified in an English national daily newspaper and a Hindi national daily newspaper, each with wide circulation and a regional daily newspaper.
Bid Price	The prices indicated against each optional Bid in the Bid cum Application Form.
Bid/Issue Period	The period between the Bid Opening Date and the Bid Closing Date or the QIB Bid Closing Date, as the case may be (in either case inclusive of such date and the Bid Opening Date) during which Bidders, other than Anchor Investors, can submit their Bids, inclusive of any revision thereof.
Bidder	A prospective investor in this Issue who makes a Bid, and unless otherwise stated or implied, includes an ASBA Bidder.
Bidding	The process of making a Bid.
Bidding Centre	A centre for acceptance of the Bid cum Application Form
Book Building Process	The book building process as described in Part A of Schedule XI of the SEBI Regulations.
Book Running Lead Manager or BRLM	Book running lead manager to this Issue, being Aryaman Financial Services Limited.
CAN or Confirmation of Allocation Note	In relation to Anchor Investors, the note or advice or intimation including any revisions thereof, sent to each successful Anchor Investors indicating the Equity Shares allocated after discovery of the Anchor Investor Issue Price.
Cap Price	The higher end of the Price Band and any revisions thereof, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Controlling Branches	Such branches of the SCSBs which co-ordinate Bids under this Issue by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Cut-Off Price	Any price within the Price Band determined by our Company in consultation with the Book Running Lead Manager, at which only the Retail Individual Bidders are entitled to Bid, for Equity Shares of an amount not exceeding ₹ 200,000.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A depository registered with the SEBI under the Depositories Act, 1996.
Depository Participant or DP	A depository participant registered with the SEBI under the Depositories Act.
Designated Branches	Such branches of the SCSBs which shall collect the Bid cum Application Forms and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Bidders in the Fresh Issue.

Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated March 25, 2013 filed with SEBI, prepared and issued by our Company in accordance with the SEBI Regulations.
Eligible NRI	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to Bid on the basis of the terms thereof.
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Escrow Account(s)	Accounts opened with Escrow Collection Bank(s) for this Issue to which cheques or drafts are issued by Bidders (excluding ASBA Bidders) in respect of the Bid Amount
Floor Price	The lower end of the Price Band below which no Bids will be accepted and any revisions thereof.
IPO Grading Agency	[●], the credit rating agency appointed by our Company for grading this Issue
Issue	The issue of [●] Equity Shares aggregating up to ₹ 4200 lacs by the Company offered for subscription pursuant to the terms of the Red Herring Prospectus.
Issue Price	The final price at which Allotment will be made, as determined by our Company in consultation with the Book Running Lead Manager.
Issue Proceeds	The proceeds of the Issue that will be available to the Company
Mutual Fund Portion	[●] Equity Shares or 5% of the Net QIB Portion, available for allocation to Mutual Funds out of the Net QIB Portion.
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	Net proceeds of the Fresh Issue after deducting the Issue related expenses of our Company from the Issue Proceeds.
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors on a discretionary basis.
Non Syndicate Broker Centre	A broker centre of the Stock Exchanges with broker terminals, wherein a Non Syndicate Registered Broker may accept Bid cum Application Forms, a list of which is available on the website of the Stock Exchanges, and at such other websites as may be prescribed by SEBI from time to time
Non Syndicate Registered Broker	A broker registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers Regulations), 1992, having office in any of the Non Syndicate Broker Centres, and eligible to procure Bids in terms of the circular No.IR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
Non-Institutional Bidders	All Bidders (including ASBA Bidders and Sub-Accounts which are foreign corporates or foreign individuals) who are not Qualified Institutional Buyers or Retail Individual Bidders and who have Bid for an amount more than ₹ 200,000.
Non-Institutional Portion	The portion of the Net Issue being not more than 15% of the Net Issue consisting of [●] Equity Shares, available for allocation to Non-Institutional Bidders.
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian, FIIs registered with SEBI and FVCIs registered with SEBI.
Price Band	The price band between and including the Floor Price and Cap Price, including any revisions thereof.
Pricing Date	The date on which the Issue Price is finalised by our Company in

	consultation with the Book Running Lead Manager.
Prospectus	The prospectus of our Company to be filed with the RoC for this Issue after the Pricing Date, in accordance with Sections 56, 60 and 60B of the Companies Act and the SEBI Regulations.
Public Issue Account	The bank account opened with the Bankers to the Issue by our Company under Section 73 of the Companies Act to receive money from the Escrow Account and where the funds shall be transferred by the SCSBs from the ASBA Accounts on the Designated Date.
QIB Bid Closing Date	The date after which the Syndicate and the SCSBs will not accept any Bids from QIBs, and which shall be notified in an English national daily newspaper and Hindi national daily newspaper, each with wide circulation and a regional daily newspaper and in case of any revision, the extended Bid Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI Regulations. The Bidding by QIBs may close one Working Day prior to the Bid Closing Date.
QIB Portion	The portion of the Net Issue being at least 75% of the Net Issue, that is, at least [●] Equity Shares shall be Allotted to QIBs (including the Anchor Investor Portion).
QIBs/ Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations.
Qualified Foreign Investors or QFIs	Non-resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in a country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; and (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
Red Herring Prospectus or RHP	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act and the SEBI Regulations, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue.
Refund Account(s)	The account opened by our Company with the Refund Banker, from which refunds of the whole or part of the Bid Amount (excluding the ASBA Bidders), if any, shall be made out of the subscription monies transferred from the Public Issue Account.
Refund Banker(s)	The Banker(s) to the Issue, with whom the Refund Account(s) will be opened, in this case being [●].
Registrar/ Registrar to the Issue	Cameo Corporate Services Limited
Retail Individual Bidders	Individual Bidders (including HUFs applying through their karta, and Eligible NRIs) who have Bid for an amount less than or equal to ₹ 200,000.
Retail Portion	The portion of the Net Issue being not more than 10% of the Net Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders

Revision Form	The form used by the Bidders, including ASBA Bidders, to modify the quantity of Equity Shares or the Bid Price in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable.
Self Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI Regulations and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Specified Cities	Cities specified in the SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Baroda and Surat
Stock Exchanges	The BSE, NSE and MCX-SX.
Syndicate	The Book Running Lead Manager and the Syndicate Members.
Syndicate Agreement	The agreement to be entered by our Company and members of the Syndicate, in relation to the collection of Bids (excluding Bids from the ASBA Bidders).
Syndicate Members	Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, in this case being [●].
Transaction Registration Slip/ TRS	The slip or document issued by any of the members of the Syndicate, or the SCSBs, as the case may be, to a Bidder upon demand as proof of registration of the Bid.
Underwriters	The Syndicate Members
Underwriting Agreement	The agreement to be entered into between the Underwriters, our Company and Registrar to the Issue on or immediately after the Pricing Date.
Working Days	Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all days excluding Sundays and bank holidays in Delhi or Mumbai in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

Conventional/General Terms, Abbreviations and Reference to Other Business Entities

Abbreviation	Full Form
₹ / Rs. / Rupees / INR /	Indian Rupees, the legal currency of the Republic of India
₹/Rs./Rupees / INR	Indian Rupees.
AGM	Annual General Meeting.
AIFs	Alternative Investment Funds.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
BSE	BSE Ltd.
CAGR	Compound annual growth rate, calculated using the following formula: Where V(t ₀) : start value, V(t _n) : finish value, t _n – t ₀ : number of years
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CFO	Chief Financial Officer.

CIN	Corporate Identity Number.
Companies Act	Companies Act, 1956, as amended.
Companies Bill	Companies Bill, 2012
Competition Act	Competition Act, 2002.
Consolidated FDI Policy	Circular D/o IPP F. No. 5(2)/2012-FC-I dated April 10, 2012, effective from April 10, 2012, as issued by the DIPP.
D/o	Daughter of.
Demat	Dematerialised.
DIN	Directors Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant's Identity.
ECS	Electronic Clearing System.
EGM	Extraordinary General Meeting.
EPS	Earning Per Share.
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment, as laid down in the Consolidated FDI Policy effective from April 10, 2012.
FEMA	Foreign Exchange Management Act, 1999, as amended together with rules and regulations framed thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
FII	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIPB	Foreign Investment Promotion Board
FVCI	Foreign venture capital investor as defined in and registered under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
FY	Financial Year
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/ Government	Government of India
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended from time to time
I. T. Rules	The Income Tax Rules, 1962, as amended from time to time
ICAI	Institute of Chartered Accountants in India.
IFRS	International Financial Reporting Standards
INDIAN GAAP	Generally accepted accounting principles in India.
IPC	Indian Penal Code, 1860, as amended.
IPO	Initial Public Offer
IRDA	Insurance Regulatory and Development Authority
Listing Agreement	Listing Agreement to be entered into by our Company with the Stock Exchanges.
Ltd.	Limited
MCA	Ministry of Corporate Affairs, Government of India
MCX	Multi Commodity Exchange of India Limited
MCX-SX	MCX Stock Exchange Limited, a subsidiary of MCX
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Mn	Million

MNC	Multi National Company
MoA	Memorandum of Association
MOU	Memorandum of Understanding
N.A.	Not Applicable
NAV	Net Assets Value per Share (₹) = Net worth as per statement of adjusted Assets and liabilities divided by the Number of Shares
NCDEX	National Commodity & Derivatives Exchange Limited
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NMCE	National Multi-Commodity Exchange of India Limited
NR(s) or Non Resident(s)	A person resident outside India, as defined under FEMA, including an Eligible NRI and an FII.
NRI	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended
NRO Account	Non-Resident Ordinary Account.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSEL	National Spot Exchange Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBDIT	Profit before depreciation and amortization expense, finance cost, taxation and fixed assets written off.
PBT	Profit Before Tax
PLR	Prime Lending Rate.
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1995, as amended from time to time
Sq. ft.	Square feet
Sq. mtrs.	Square meters
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, as amended.
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

TAN	Tax deduction account number allotted the Income Tax Act.
TDS	Tax Deducted at Source
TIN	Taxpayers Identification Number.
TRS	Transaction Registration Slip.
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. or US or U.S.A	The United States of America
UIN	Unique Identification Number issued in terms of SEBI (Central Database of Market Participants) Regulations, 2003, as amended from time to time
ULIP	Unit Linked Insurance Plan
VCF Regulations	SEBI (Alternative Investment Funds) Regulations, 2012, as amended
VCFs	Venture Capital Funds as defined in and registered with SEBI (Alternative Investment Funds) Regulations, 2012
Working Days	All days except Saturday, Sunday and public holiday

Industry/ Project Related Terms, Definitions and Abbreviations

Term	Description
CAG	Comptroller and Auditor General of India
DRI	Direct Reduced Iron
E.	Estimated Figures
EBITDA	Earnings Before Interest, Depreciation and Amortization
FDI	Foreign Direct Investment
FSA	Fuel Supply Agreements
FY	Financial Year
GC	Galvanized Coils
GCV	Gross Calorific Value
GDP	Gross Domestic Product
GP	Galvanized Plates
H1	First Half
Kg.	Kilogram
M.C.M.	Million Cubic Meter
MT	Million Tonnes
HMS	Heavy Melting Scrap
NSEL	National Spot Exchange Limited
OMO	Open Market Operation
PGE	Platinum Group Elements
Prov.	Provisional
Q1	Quarter 1
Q2	Quarter 2
Q3	Quarter 3
Q4	Quarter 4
R.	Revised Figures
SAIL	Steel Authority of India Limited
TCM	Trading cum Clearing Member
Th. Tonnes	Thousand Tonnes
TMT	Thermo Mechanically Treated
UHV	Useful Heat Value
World Steel	World Steel Association

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder or such other applicable laws as amended from time to time.

Notwithstanding the foregoing, terms in sections titled "*Main Provisions of the Articles of Association*", "*Statement of Tax Benefits*" and "*Financial Information*" on pages 251, 68, and 138 respectively, have the meanings given to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Financial Data

Unless indicated otherwise, the financial data and other financial information in this Draft Red Herring Prospectus is derived from the restated financial information of the Company for the Fiscals 2008, 2009, 2010, 2011, 2012 and six months period ended September 30, 2012, prepared in accordance with the Companies Act and restated in accordance with the SEBI Regulations.

The fiscal year of the Company commences on April 1 and ends on March 31 of each year. Accordingly, unless the context otherwise implies or requires, all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

There are significant differences between Indian GAAP and U.S. GAAP. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information to a particular reader is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial information presented in this Draft Red Herring Prospectus should accordingly be limited. The Company has not attempted to quantify any such differences or their impact on the financial information included herein, and you should consult your own advisors regarding such differences and their impact on the financial information included herein.

As there are significant differences between IFRS and the accounting policies as applied to our financial information, there may be substantial differences in our results of operations, cash flows and financial position if we were to prepare our financial information in accordance with IFRS and the accounting policies as applied to our financial information, and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information in this Draft Red Herring Prospectus will provide meaningful information to a prospective investor in countries other than India depends entirely on such potential investor's level of familiarity with Indian accounting practices and SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

For more information on the results of operations and financial condition of the Company, see the section titled "Financial Information" beginning on page 138.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from industry publications and certain public sources. Industry publications generally state that the information contained in those publications have been obtained from sources believed to be reliable, but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Further, they also state that the information contained in the industry reports are of a general nature and do not address the circumstances of any particular individual or entity. Although the Company believes that the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been verified by us or any independent sources. Further, the extent to which the market and industry data presented in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of methodologies used in compiling such data.

Currency and unit of presentation

In this Draft Red Herring Prospectus, all references to "India" are to the Republic of India, all references to "₹", "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India and all references to "US\$", "U.S. Dollar(s)" or "USD" are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

The following table sets forth, for each period indicated, information concerning the number of Rupees for which one US dollar could be exchanged. The row titled 'average' in the table below is the average of the daily rate for each day in the period.

Period	Period End (in ₹)	Period Average (in ₹.)	High (in ₹.)	Low (in ₹.)
Six months ended September 30, 2012	52.70	54.74	57.22	50.56
FY 2012	51.16	47.95	54.24	43.95
FY 2011	44.65	45.58	47.57	44.03
FY 2010	45.14	47.42	50.53	44.94
FY 2009	50.95	45.91	52.06	39.89
FY 2008	39.97	42.24	43.15	39.27

(Source: RBI Reference Rate)

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “future”, “goal”, “plan”, “contemplate”, “propose” “seek to” “project”, “should”, “will”, “will continue”, “will pursue”, “will likely result” or other words or phrases of similar import.

Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. All forward looking statements are based on our current plans and expectations and are subject to a number of uncertainties and risks and assumptions that could significantly and materially affect our current plans and expectations and our future financial condition and results of operations. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- our ability to successfully implement our strategy, our growth and expansion
- growth in our client base and product portfolio;
- competition from our existing as well as new competitors;
- our ability to compete with and adapt to technological advances;
- changes in domestic laws, regulations and taxes;
- availability of capital and financial resources;
- the performance of the financial markets in India and globally;
- general economic, political and business conditions in the markets in which we operate and in the local, regional and national economies;
- the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices; and
- terrorist attacks, civil disturbances, regional conflicts, accidents and natural disasters.

For further discussion of factors that could cause our actual results to differ, see sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 14 and 158 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

None of our Company, the Book Running Lead Manager and the Syndicate Members nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and Book Running Lead Manager will ensure that investors in India are informed of material developments between the date of filing the RHP with the RoC and the date of allotment of the Equity Shares.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a complete understanding, you should read this section in conjunction with the sections "Our Business" beginning on page 94, "Industry Overview" beginning on page 77 and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page 158 as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business, financial condition and results of operations. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the effect is not quantifiable and hence the same has not been disclosed in such risk factors. In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of the Issue, including the risks involved.

Materiality:

The risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:

- a) Some events may not be material individually, but may be found material collectively.*
- b) Some events may have material impact qualitatively instead of quantitatively.*
- c) Some events may not be material at present but may have material impact in future.*

INTERNAL RISK FACTORS AND RISKS RELATING TO OUR BUSINESS

1) We conduct international trading operations and we are exposed to the risks of doing business in several different, often emerging markets, countries.

We import Coal, Iron Ore, Steel Scrap and other products in which we trade in from various countries including but not limited to Mali, Indonesia, Singapore, Hongkong and South Africa. Further, we propose to acquire Chrome Ore Mines in Turkey as well as increase our product base by entering into International Trading of Textiles and other such opportunities in the future for importing goods for sale in India and abroad.

As a result, we are and would continue to be exposed to risks typically associated with conducting business internationally, many of which are beyond our control. These risks include:

- legal and contractual uncertainty due to the overlap of different legal regimes, and problems in asserting contractual or other rights, across international borders or due to other reasons;
- potentially adverse tax consequences, such as scrutiny of transfer pricing arrangements by authorities in the countries in which we operate and increase of withholding and other taxes;
- changes in export policies of countries from whom we import products,
- potential tariffs and other trade barriers;
- changes in business sentiments in those countries w.r.t products being imported by us,
- social, political or regulatory developments that may result in an economic slowdown in any of these regions,
- changes in demand supply mismatch and Import Policies in India for our products,
- Indian Diplomatic relations with those countries,

- changes in Direct Taxes regimes in India as well as countries from whom we procure our products etc.;

Significant changes in any of the above variables or other incidents may reduce our efficiencies of imports from these regions, as well as require us to look for alternative locations and destinations to import such products. We cannot be assured that we shall be able to continue our imports from our existing regions and / or successfully replace our importing nations and locations in the future. Any adverse changes with respect to our ability to continue importing our products may lead to lower sales, reduced customer confidence and hence affect our business prospects, results of operations and financial condition.

2) *We do not have long-term contracts with our customers. Our inability to retain existing clients and grow our client base in the future could materially adversely affect our results of operations and financial conditions.*

Purchases by our customers are generally through purchase orders on a short-term basis or on a fixed delivery basis. Our company has taken various steps such as Empanelment as Regular Supplier to certain Steel Buying Companies, tie-up with National Spot Exchange Limited to sell the imported coal and other minerals through exchange platform, etc. in order to ensure regular supply of orders from clients. However, we generally do not have any long term contracts with our customers and there is no assurance that our present customers will continue to procure orders from us. Any loss of our major customers can lead to reduced business and margins and adversely affect our results of operations.

3) *Majority of our international tie-ups are informal in nature. Our inability to retain existing suppliers and grow our supplier base in the future could materially adversely affect our results of operations and financial conditions.*

We import Coal from Countries such as South Africa, Singapore and Indonesia; Iron Ore from Mali; Steel Scrap from Hongkong and Belgium. Further, we propose to increase our product base by entering into Textiles and other such opportunities in the future for importing goods for sale in India and abroad.

We rely on our business relations with miners, suppliers, dealers, and other members of the supply chain of these products for timely delivery and regular procurement of these products from abroad. Even though we have established relations with a number of suppliers abroad for our procurement activities and have cordial relations with them, however, we do not have any long term contracts with our suppliers and there is no assurance that our present suppliers will continue to sell their goods to us, or at reasonable prices. Most of our procurement internationally is separately negotiated for each transaction. Any loss of our major suppliers abroad may lead to lower sales, reduced customer confidence and hence affect our business prospects, results of operations and financial condition.

4) *As we grow our businesses, we shall rely increasingly on our subsidiaries and joint ventures to generate earnings, and any decline in the earnings of our subsidiaries and joint ventures and their ability to pay dividends to us could materially affect our results of operations.*

We have recently acquired 100% stake in our foreign subsidiary – M/s. Akshaj Ventures Singapore Pte. Ltd. for carrying out certain international trading businesses. We have also recently entered into a Joint Venture named "Aastha Hometex LLP" with 70% stake in which we propose to carry out the business of international trading and processing of Textiles. As part of our growth strategy we intend to continue to enter into alliances through Joint Ventures and float/acquire controlling stakes in other companies to be made our subsidiaries. Hence, a material portion of our future revenue, cash flows and assets shall be attributable to, our subsidiaries and joint ventures. We cannot assure you that our subsidiaries and joint ventures will generate sufficient earnings and cash flows to pay dividends or otherwise distribute sufficient funds to enable us to meet our obligations, pay interest and expenses or declare dividends. If

we are unable to receive dividend payments from our subsidiaries and joint ventures, our earnings and cash flow would be materially and adversely affected.

5) We are entering new lines of business in which we do not have adequate previous experience.

A principal focus of our strategy is to grow our businesses in India and overseas. This includes expanding or changing our geographic focus or the composition of business verticals, entering into new strategic alliances and engaging in new lines of businesses. Additionally, we are attempting to redefine our business model by entering into asset based, high margin business and are currently investing in sectors such as Chrome Ore mining and Textiles Trading & Processing. Coal and Mineral Trading activities are relatively newer activities in our company. We do not have adequate experience in these business verticals. Further, we shall be predominantly relying on third parties for a major portion of the day to day implementation of our mining operations once we acquire Chrome Ore Mining Site in Turkey, and we are yet to enter into definitive agreements for the same.

Even though we believe that we have appointed requisite managerial personnel with relevant qualifications or experience in each of our verticals and we propose to ensure each new vertical is adequately run by a team having adequate background, we cannot assure you that we will be able to successfully foray in or continue to be profitable in these new lines of business. Any inability to effectively develop and operate the new business segments that we have/plant to enter/entered into may have an adverse impact on our financial condition and results of operations. *For details regarding the experience of our Board of Directors and Key Managerial Personnel, please refer to "Our Management" beginning on page 116 of this Draft Red Herring Prospectus.*

6) We have high working capital requirements. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements there may be an adverse effect on our results of operations.

Our business requires significant amount of working capital. We need to keep different grades and dimensions of steel, steel scrap to meet varied needs of our customers. Also the lead time required for procuring non-coking coal and other minerals in which we propose to trade is high. Therefore, we have to maintain sufficient quantity of steel, coal and other material inventory to reduce the delivery time to our customers. Further, we are required to provide sufficient credit period to our customers resulting in high receivables. We enjoy credit from our suppliers through Letter of Credit against the same. Our Working Capital needs are expected to increase with an increase in our turnovers and addition of newer business verticals. Further, we are still to receive additional sanctions from banks and institutions out of the Fund based working capital limits assumed for FY 2013-14 of Rs. 5500.00 Lacs. For further details regarding our Working Capital limits and estimates kindly refer to the Chapter titled "Objects of the Issue" beginning on page 60 of this Draft Red Herring Prospectus. If we are unable to finance our working capital needs, or secure other financing as projected, on acceptable terms, it may adversely affect our business and growth prospects.

7) The proposed objects of the issue for which funds are being raised have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

The objects of the issue for which the funds are being raised have not been appraised by any bank or financial institution. In the absence of such independent appraisal, the requirement of funds raised through this issue, as specified in the section titled "Objects of the Issue" are based on the company's estimates and internal research. We may have to revise our management estimates from time to time and consequently our funding requirements may also change. This may result in rescheduling of our expenditure plans and an increase or decrease in our proposed expenditure for a particular object. Further, the deployment of the funds towards the objects of the Issue is entirely at the discretion of our

management and is not subject to monitoring by any external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

8) *The deployment of funds raised through this issue shall not be subject to any Monitoring Agency and shall be purely dependent on the management of the company.*

Since the issue size is less than ₹ 500 crores, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this issue, is hence at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

9) *Our Main Objects of our company are in conflict with that of our Group Companies. Any substantial conflict of interest in the future could adversely affect our growth possibilities.*

Our group companies, namely Aastha Alloycorp Pvt. Ltd ("AAPL") and Aastha Alloy Steel Pvt. Ltd. ("AASPL") have been authorized by their Memorandum of Association to undertake activities which are similar to our Company. AAPL has been procuring Steel Scrap for its in-house captive consumption of Induction Furnace and has been dealing in TMT bars as a trader and manufacturer. Even though, these transactions belong to product verticals similar to ours, they are not directly in competition to our business models for respective verticals and hence there is no material effect on our business till date; however, the our group companies may enter into business similar to ours at a future date and this may create a potential conflict of interest. For details of the Interests of our Promoters and Promoter Group in our Company, please see "Our Promoters and Promoter Group" and "Our Group Companies" beginning on page 128 and 132 of this Draft Red Herring Prospectus.

10) *We require certain registrations and permits from government and regulatory authorities in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations.*

We require a number of approvals, licenses, registrations and permits for operating our businesses. Whilst we have obtained a significant number of approvals for our business verticals, certain approvals which we have applied for are currently pending. Moreover, we may need to apply for additional approvals in future. Further, we may need to renew some of the approvals, which may expire, from time to time, in the ordinary course. For more information regarding the approvals we have applied for and that are currently outstanding, please see the section "Government & Other Approvals" on page 178. If we fail to obtain or renew any applicable approvals, licenses, registrations and permits in a timely manner, our ability to undertake our businesses may be adversely impacted, which could adversely affect results of operations and profitability. Furthermore, our government approvals and licenses may be subject to numerous conditions, some of which could be onerous.

There can be no assurance that we will be able to apply for any approvals, licenses, registrations or permits in timely manner, or at all, and there can be no assurance that the relevant authorities will issue or renew any such approvals, licenses, registrations or permits in the time frames anticipated by us. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of noncompliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory actions. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations.

11) Our Company is involved in a legal proceeding filed by us. We cannot assure the legal proceedings will result in our favour.

We are a party to an outstanding litigation filed by us against Rayen Steel Pvt. Ltd. & Ors under Section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheques issued by Rayen Steels Pvt Ltd to our Company. The total amount involved is Rs. 1,09,01,250/- (Rupees One Crore Nine Lacs One Thousand Two Hundred and Fifty Only). We cannot assure that these legal proceedings will be decided in our favour. Any adverse decision may have a significant adverse effect on our business and results of operations.

For further details of the legal proceeding, please see the section titled "Outstanding Litigation and Material Developments" on page 175 of this Draft Red Herring Prospectus.

12) We do not own any of our locational infrastructure including our Registered Office, Corporate and Branch Offices, Godowns/Stock Yards etc. In the event we are unable to renew the relevant Rent Agreement/Arrangements, or if such agreement/arrangement is terminated, we may suffer a disruption in our operations.

Following are the various arrangements in place for our locational infrastructure as on date:

Sr. No.	Description of Property	Name of Owner / Lessor/ Landlord etc.	Consideration	Lease / Occupancy Rights Valid upto
1.	Registered Office: No.-W, 204, Sunrise Chambers, Ulsoor Road, Bangalore-560 042 admeasuring 792 sq. ft.	Mr. Bertram Devadas	Interest Free Security Deposit: Rs. 1,50,000/- Monthly Rent: Rs. 15,000/- (with an increase of 5% every 11 months from October 01, 2012.)	April 30, 2016
2.	Corporate Office: Unit no. 1203, 12 th Floor, Tower1, Indiabulls Finance Centre, Elphinstone (W), Mumbai – 400013 admeasuring 3481 sq. ft.	Indiabulls Real Estate Company Pvt. Ltd.	Interest Free Security Deposit: Rs. 17,72,516/- * Monthly Rent: Rs. 5,84,747/-*	March 10, 2018
3.	Mumbai Branch Office: 1116, Raheja Chambers, Nariman Point, Mumbai – 400021, admeasuring 1020 sq. ft.	M/s. B.D. Cotton Pvt. Ltd.	Interest Free Security Deposit: Rs. 2,25,000/-* Monthly Membership Fee: Rs. 37,500/- plus service tax. *	November 09, 2014
4.	Bangalore Godowns: An extent of Land measuring north to south 85 and East to West 105 feet, together with A.C. Sheet constructed on the south eastern portion of the land bearing Survey No. 2 of Mahadevpura Village, K. R. Puram Hobli, Bangalore (East) Taluk, totally	Smt. Akkamma & Sri A. Srinivasa	Interest Free Security Deposit: Rs. 1,20,000/- Monthly Rent: Rs. 17,000/- (renewable every year with a 10% increase in	April 30, 2012 or until specifically cancelled by lessor.

	admeasuring 2 acres, 38 guntas.		<i>rent p.a. from May 01, 2012)</i>	
5.	Kurnool Office & Godowns: Survey No. 157 in Aswathapuram Village, Dupadu, Lakshampuram Gram in Kallur Kandal, (Kallur (Sub regn.-district), District. Kurnool, to an extent of Ac. 5.72 cents.	Mr. B. Bharath Kumar	Yearly Rent: Rs. 90,000 p.a.	April 30, 2015
6.	Thane Godowns: Land and Structure at Survey No. 54, Hissa No. 2, Village – Goteghar, Tal. Dist. Thane admeasuring about 505 sq. mtrs.	Mrs. Parvin Minaz Gadia (Deceased) through legal heir Mr. Minaz Mohan Gadiya and Mr. Minaz B. Keshvani.	Interest Free Security Deposit: Rs. 1,00,000/- Monthly License Fee: Rs. 17,500 per month for first 22 months (from July 01, 2012) and Rs. 22,500 per month for the remaining 11 months.	March 31, 2015

** The said considerations are shared between our company and AAPL in the ratio of 50:50 as both are utilizing the premises on sharing basis.*

Upon the termination of the above mentioned agreements/arrangements, we are required to return the said premises to the respective Owner/Licensor etc as the case may be. The term of the agreement/arrangement may or may not be renewed. In the event the Owner/Licensor terminates or does not renew the agreement/arrangement on commercially acceptable terms, or at all, and we would be required to vacate the said premises and we may be required to identify alternative premises and enter into fresh lease or leave and license agreement/arrangement. Such a situation could result in loss of business and may adversely affect our operations and profitability.

13) We may be unable to adequately protect our intellectual property.

We use the Aastha Group Logo  on all our Official Correspondence, Tax Invoices and General Corporate purposes. The Logo is in the process of getting registered in the name of our Group Company – M/s. Aastha Alloy Corp Pvt. Ltd. (AACPL). We have received a NOC from AACPL for using such logo and the same is valid until cancelled. Further, we use "Aastha 500 + TMX" as a trademark in the TMT Bars business. The same is in the process of getting registered in our name under the provisions of the Trademarks Act, 1999. *For further details regarding the Application made for the registration of such Intellectual Property please refer to "Government and Other Approvals" on page 178 of this Draft Red Herring Prospectus.*

As such, we do not enjoy the statutory protections accorded to a registered trademark or logo as on date. There can be no assurance that we will be able to register the trademark and the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

14) We have experienced negative cash flows in previous years / periods. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial condition.

The details of Cash flows of the Company are as follows:-

(₹in Lacs)

Particulars	6 months period ended September 30, 2012	Year ended 31.03.12	Year ended 31.03.11	Year ended 31.03.10	Year ended 31.03.09	Year ended 31.03.08
Net Cash (Used in) / from operating activities	1,666.80	(1,527.34)	393.39	(713.34)	(362.10)	(352.85)
Net Cash (Used in) / from investing activities	16.80	21.87	2.40	(58.61)	(9.41)	(21.33)
Net Cash (Used in) / from financing activities	103.69	1,394.01	(446.92)	916.46	411.37	384.21
Net increase / (decrease) in cash and cash equivalents	1,787.29	(111.46)	(51.13)	144.52	39.86	10.04

If the negative cash flow trend persists in future, our Company may not be able to generate sufficient amounts of cash flow to finance our make new capital expenditure, implement our growth plans, manage our working capital cycle, pay dividends or make new investments which could have a material adverse effect on our business and results of operations.

15) Failure to manage our inventory could have an adverse effect on our sales, profitability, cash flow and liquidity.

The results of a Trading Company like ours are dependent on our ability to effectively manage our inventory. To effectively manage our inventory, we must accurately estimate customer demand and supply requirements and purchase new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory which we have already purchased or committed to purchase, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows.

16) Our industry is highly fragmented and competitive and increased competitive pressure may adversely affect our results.

We operate in highly fragmented and competitive industries. All aspects of all our businesses are intensely competitive. Our competitors are other Metal and Mineral Producers and relevant Trading Entities. For details regarding the competition faced in each of our business verticals please refer to section titled "Our Business" beginning on page 94 of this Draft Red Herring Prospectus.

Many of our competitors have significantly greater financial, technical, marketing and other resources than those available to us. We believe that the principal factors affecting competition in our business include better fund availability, client relationships, reputation, the abilities of our people, market focus and the relative quality and price of our services and products. Many of our competitors have the ability to offer a wider range of products and services that may enhance their competitive position. Competition

is also intense for the recruitment and retention of qualified professionals. Our inability to compete successfully in our industry would materially and adversely affect our business prospects and results of operations.

17) We rely on third parties for transportation of goods and any increase in transportation costs or disruption in transportation services may adversely affect our results of operations.

Transportation costs represent a significant portion of the total cost of our trading operations, particularly in businesses related to Coal trading, Steel & Steel Scrap Trading. Any increase in the cost of transportation would result in reduction of margins for us, which may adversely affect our results of operations. Additionally, the lack of adequate transportation infrastructure may result in inordinate delays in delivery and may require us to hire transportation services at higher costs, thereby adversely affecting our operations and financial condition.

Any disruption of transportation services because of weather-related problems, infrastructure damage, strikes, lockouts, lack of fuel or maintenance items, transportation delays or other events could impair our ability to timely or economically supply goods to our customers and adversely affect our reputation and results of operations.

18) We may have difficulty in managing our future growth and profitability as a result of our diversified business verticals.

We operate diversified businesses, on our own and /or through our subsidiaries, joint ventures etc. The various business verticals, in which we are currently engaged, include Trading of TMT Bars, Long Steel Products, Steel Scrap, Coal, Iron Ore, and other Metals and Minerals. Further, we propose to enter the Textiles Trading and Processing activities, Mining and other related businesses in the future. Consequently, our management requires considerable expertise in managing our business verticals. Our ability to benefit from developments in the various sectors and other future growth will depend upon a number of factors, several of which are beyond our control. These factors include, but are not limited to, our ability to expand and develop new customer relationships, and identify and successfully compete in new markets and businesses. The failure to manage any of these factors effectively may have an adverse affect on our business, financial position and results of operations.

Operating in such varied business verticals also makes forecasting future revenue and operating results difficult, which may impair our ability to manage our businesses and your ability to assess our prospects. Moreover, because we have business segments in various stages of execution, the relative significance of any particular segment to our revenues or operating results may fluctuate and is difficult to predict. In addition, our cost controls, internal controls, and accounting and reporting systems must be integrated and upgraded on a continual basis to support our diversified business verticals. In order to manage and integrate our diversified business verticals effectively we will be required, amongst other things, to implement and continue to improve our operational, financial and management systems, to continue to develop the management skills of our managers and to continue to train, motivate and manage our employees. If we are unable to manage our growth and our diversified operations, our ability to optimize the success of our business strategy and to capitalise on future business opportunities may be adversely affected.

19) We are subject to restrictive covenants under our credit facilities that could limit our flexibility in managing the business.

The agreements/sanctions governing our existing indebtedness contain restrictions and limitations, such as restriction on, utilization of facility solely for the purpose sanctioned, incurring further indebtedness, creating further encumbrances on our assets, affecting any scheme of amalgamation or restructuring and undertaking guarantee obligations. In addition, some of these borrowings may contain financial

covenants, which require us to maintain, among other matters, positive net worth. We cannot assure you that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business.

20) We have entered and may continue to enter into related party transactions with our Promoters and Promoter Group entities.

We have entered into a number of related party transactions. Such transactions or any future transactions with related parties may potentially involve conflicts of interest and impose certain liabilities on our Company. For further details, see the section titled "Financial Information" beginning on page 138 of this Draft Red Herring Prospectus.

21) Our management team and other key personnel are critical to our continued success and the loss of any such personnel could harm our business.

Our future success substantially depends on the continued service and performance of the members of our management team and other key personnel. These personnel possess technical and business capabilities that are difficult to replace. If we lose the services of any of these or other key personnel, we may be unable to replace them in a timely manner, or at all, which may affect our ability to continue to manage and expand our business. Members of our management team are employed pursuant to customary employment agreements, which may not provide adequate incentive for them to remain with us or adequately protect us in the event of their departure or otherwise. We do not maintain any "key man" insurance for our key personnel. The loss of key members of our management team or other key personnel could have an adverse effect on our business, prospects, results of operations and financial condition.

22) We have allotted shares in the last one year, which may be at a price below the Issue Price.

Following equity shares have been allotted in the last one year, which may have been allotted at a price below our Issue Price:

Date of allotment	No. of Equity Shares	Issue Price (₹)	Reasons for allotment
March 28, 2012	100	330	Allotment to Maladevi Aggarwal against Cash received for the Working Capital requirements of the company
March 31, 2012	3,93,330	330	Allotment to Shilpa Aggarwal and Aastha Alloy Corp Pvt. Ltd. against cash received for the Working Capital requirements of the company.
July 24, 2012	55,21,936	0	Bonus Issue in the ratio of 1:4
March 09, 2013	20,68,570	70	Allotment to Aastha Alloy Steel Pvt. Ltd. against cash received for the Working Capital requirements of the company.

23) Third party statistical and financial data in this Draft Red Herring Prospectus may be incomplete or unreliable.

While we have endeavored to ensure that the data quoted from the sources is as latest as possible, we have not independently verified the data in this Draft Red Herring Prospectus derived from industry publications and other third party sources and therefore we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in other countries. Therefore, in discussions of matters relating to India, its economy and our industry in this Draft Red Herring Prospectus, the statistical and other data upon which such discussions are based may be

incomplete or unreliable. In addition, internal company reports have not been verified by independent sources and may be incomplete or unreliable.

24) Our Promoters and Promoter group will continue to retain significant control of our Company after the Issue, which will allow them to influence the outcome of matters submitted to shareholders for approval.

After this Issue, our Promoters together with our Promoter Group will beneficially hold approximately [●] % of our post-Issue Equity Share Capital. As a result thereof, our Promoters and Promoter Group will have the ability to exercise significant influence over the matters requiring shareholders' approval, including the election of Directors and approval of significant corporate transactions. They will also be in a position to influence the result of any shareholder's action or approval requiring a majority vote, except where they are required by applicable laws to abstain from voting. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control. For further details, please refer to the section "Capital Structure" beginning on page 50 of this Draft Red Herring Prospectus.

25) Our Promoter and Promoter Group Entities have given personal guarantees in relation to certain debt facilities provided to us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoter and Promoter Group Entities have given personal guarantees in relation to certain debt facilities provided to us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details please refer section titled "Financial Indebtedness" beginning on page 172 of this Draft Red Herring Prospectus.

26) Our insurance cover may be inadequate to fully protect us from all losses and may in turn adversely affect our financial condition.

Except for the Vehicle Insurance and Insurance of Inventories lying at our godowns we have not availed any other insurance for any of our other insurable assets such as Furniture, Equipments, Cash etc. Our Insurance Policy covers physical loss or damage to our stocks arising from a number of specified risks including fire, landslides and other perils. Notwithstanding the insurance coverage that we carry, we may not be fully insured against some business risks and the occurrence of an accident that causes losses in excess of limits specified under the relevant policy, or losses arising from events not covered by insurance policies, could materially and adversely affect our financial condition and results of operations. For further details, kindly refer to section titled "Our Business" beginning on page 94 of this Draft Red Herring Prospectus.

27) We have not declared dividends on Equity Shares in the last five years and there can be no assurance that we will declare any dividends in future.

We have not declared dividends on Equity Shares in last five years. The amount of dividend payments in future, if any, will depend upon several factors including our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will pay dividend in future.

28) Future issuances of Equity Shares or future sales of Equity Shares by our Promoters and certain shareholders, or the perception that such sales may occur, may result in a decrease of the market price of our Equity Shares.

In the future, we may issue additional equity securities for financing and other general corporate purposes. In addition, our Promoters and certain shareholders may dispose of their interests in our Equity Shares directly, indirectly or may pledge or encumber their Equity Shares. Any such issuances or sales or the prospect of any such issuances or sales could result in a dilution of shareholders' holding or a negative market perception and potentially in a lower market price of our Equity Shares.

29) Our Promoters are first generation entrepreneurs and lack industrialist background.

Our Promoters are first generation entrepreneurs and do not hail from a family of industrialists. Their experience in managing and being instrumental in the growth of a company such as ours is limited to the extent of their individual knowledge, experience and expertise and we cannot assure that this will not affect our business growth. Further, because our promoters do not belong to a large Industry House, we may not be able get sufficient financial support at crucial times as compared to our competitors who would be able to access their promoter's financial capabilities. This too could hinder our growth in the future.

EXTERNAL RISK FACTORS

30) Political instability or changes in the policies formulated by the Government of India from time to time could affect the liberalization of the Indian economy and adversely affect our business, results of operations and financial condition.

The Government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of the Equity Shares may be adversely affected by changes in foreign exchange rates and regulations, interest rates, government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization in India could change in future, and statutory/regulatory requirements and/or policies the general economic environment in India, foreign investment, currency exchange and other matters affecting our business and/or investment in our securities could change as well. Any significant change in liberalization and deregulation of policies in India could adversely affect business and economic conditions in India generally and our business, operations and profitability in particular.

31) We are subject to risks arising from interest rate fluctuations which could adversely affect our business, financial condition and results of operations.

Changes in interest rates could significantly affect our financial condition and results of operations. The interest rates of certain of our borrowings are subject to floating rates of interest based on changes in the prime lending rate of the respective lenders, which are subject to renegotiation on a yearly basis. If the interest rates for our existing or future borrowings increase significantly, our cost of funds will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows.

32) We are subject to risks arising from foreign rate fluctuation and Downgrade of Indian Currency which could adversely affect our business, financial condition and results of operations.

In Recent Past, Currency Exchange rates have been very volatile. Indian currency has seen a downgrade in the past one year. We import Coal from international sellers and the remittance for the same is made in Indian currency. If there is any further downgrade in Indian currency, we will be subject to higher

purchase cost. This can adversely affect our operating margins, financial results and increase our cash outflows.

33) Tax rates applicable to Our Company may increase and may have an adverse impact on our business.

The tax rates including surcharge and education cess applicable to us for fiscal 2014 are 32.45%. Any increase in the tax rates may have an adverse impact on our business and results of operations and we can provide no assurance as to the extent of the impact of such changes.

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

We import Coal from Countries such as South Africa, Singapore and Indonesia; Iron Ore from Mali; Steel Scrap from Hongkong and Belgium. Further, we propose to increase our product base by entering into Chrome Ore Mining, Textiles and other such opportunities in the future for importing goods for sale in India and abroad. Majority of these goods are procured through Private and Public Water Transportation Services. Natural disasters at sea may cause significant interruption to our operations. Further, other natural calamities such as Earthquake, Tsunami etc. would damage the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

35) Third party statistical and financial data in this Draft Red Herring Prospectus may be incomplete or unreliable.

We have not independently verified any of the data from industry publications and other sources referenced in this Draft Red Herring Prospectus and therefore cannot assure you that they are complete or reliable. Discussions of matters relating to India, its economies or the industries in which we operate in this Draft Red Herring Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable.

36) Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally

37) All of our revenue is derived from business in India and a decrease in economic growth in India could cause our business to suffer.

Currently we derive all of our revenue from our operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. This economy has sustained growth over the five years ended fiscal 2010 with an average real gross domestic product growth rate of approximately 8.5%. However, the Indian economy is volatile in the past two years and may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

38) Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, if at all. Limitations on raising foreign debt may have an adverse effect on our business, financial condition, and results of operations.

39) The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.

Prior to this Issue, there has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry and the perception in the market about investments in the Financial /Capital Market industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

40) There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

41) Our Company's transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.

Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, IFRS announced by the Ministry of Corporate Affairs, Government, through the press note dated January 22, 2010 ("Press Release") and the clarification thereto dated May 4, 2010 (together with the Press Release, the "IFRS Convergence Note"). Pursuant to the IFRS Convergence Note, which have a net worth of ₹ 5,000 million or less, as per the audited balance sheet as at March 31, 2011 or the first balance sheet for accounting periods which ends after that date, are required to convert their opening

balance sheet as at April 1, 2014 in compliance with the notified accounting standards to be converged with IFRS. The Company has not yet determined with any degree of certainty what impact the adoption of IFRS will have on its financial reporting. The Company's financial condition, results of operations, cash flows or changes in shareholders equity may appear materially different under IFRS than under Indian GAAP or our adoption of IFRS may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal Year/period. In addition, in our transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, our transition may be hampered by increasing competition and increased costs for the relatively small number of IFRS experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements.

Prominent Notes:

1. Investors may contact the Book Running Lead Manager for complaints, information, clarifications or complaints pertaining to the Issue.
2. Public issue of [●] Equity Shares of face value of ₹ 10 each, for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] per Equity Share, aggregating upto ₹ 4200 lacs. The Issue shall constitute [●] % of the fully diluted post-Issue paid up Equity Share Capital of the Company.

Our Company is exploring the possibility of a Pre-IPO Placement. We intend to complete the issuance / transfer of Equity Shares pursuant to the Pre-IPO Placement, if any, prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be accordingly reduced from the Issue subject to a minimum Issue size of 25% of the post Issue paid-up Equity Share capital being offered to the public.

3. The net worth of the Company was ₹ 1885.10 lacs as of September 30, 2012, as per the restated financial statements of the Company prepared in accordance with Indian GAAP and restated in accordance with SEBI (ICDR) Regulations. For more information, see the chapter titled "Financial Information" beginning on page 138 of this Draft Red Herring Prospectus.
4. The average cost of acquisition per Equity Share by our Promoters and Promoters Group is set forth in the table below:

Name of the Promoter & Promoters Group	Average Cost of Acquisition per Share (in ₹)
Mr. Mohit Aggarwal	2.00
Mrs. Shilpa Aggarwal	32.47
Mrs. Maladevi Aggarwal	66.00
Aastha Alloy Corp Pvt. Ltd.	66.00
Aastha Alloy Steel Pvt. Ltd.	70.00

For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled "Capital Structure" beginning on page 50 of this Draft Red Herring Prospectus.

5. The book value per Equity Share of ₹ 10 each was ₹ 33.25 and ₹ 27.31 as on March 31, 2012 and September 30, 2012 respectively, as per the restated financial statements of the Company prepared in accordance with Indian GAAP and restated in accordance with SEBI (ICDR) Regulations. For more information, see the chapter titled "Financial Information" beginning on page 138 of this Draft Red Herring Prospectus.

6. Our Company was incorporated as "Aastha Minmet (India) Private Limited", under the Companies Act, 1956 on May 07, 2007. Pursuant to a special resolution passed July 19, 2012, the company was converted to a Public Company and a fresh certificate of incorporate was issued by Registrar of Companies, Bangalore dated August 13, 2012.
7. None of the member of the Promoter Group, neither A Director nor any relative of any Director has financed the purchase by any other person of any securities of the Company during the six months immediately preceding the date of this Draft Red Herring Prospectus.
8. Except as disclosed in this Draft Red Herring Prospectus, none of the Directors have any interest in the Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding. Further, the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by them with any company in which they hold directorships or any partnership firm in which they are partners.
9. Except as disclosed in the chapter titled "*Capital Structure*" on page 50 of this Draft Red Herring Prospectus, None of the Promoter has entered in to a transaction of Equity Shares of Our Company during the six months immediately preceding the date of this Draft Red Herring Prospectus.
10. Other than as stated in the chapter titled "*Capital Structure*" on page 50 of this Draft Red Herring Prospectus, the Company has not issued any Equity Shares for consideration other than cash.
11. Subject to valid Bids being received at or above the Issue Price, the Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be allotted to QIB Bidders on a proportionate basis. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs (including Mutual Funds), subject to valid Bids being received from them at or above the Issue Price. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs. Further, not more than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Issue shall be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.*
12. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, see the paragraph titled "*Issue Procedure – Basis of Allotment*" beginning on page 242 of this Draft Red Herring Prospectus.
13. Trading in Equity Shares for all investors shall be in dematerialized form only.
14. For details of the related party transactions, including details of transactions between the Company with its group companies and the cumulative value of such transactions please refer "*Related Party Transactions*" on page 242 of this Draft Red Herring Prospectus.

SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY OVERVIEW

The information in this section is derived from industry sources and government publications. None of the Company, the BRLM and any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.

Coal - Indian Scenario

The Indian coal industry is the world's third largest in terms of production and fourth largest in terms of reserves. Around 70% of the total production is used for electricity generation and the remaining by the steel, cement and other heavy industries. Coal is also used as fuel for domestic purposes. (Source: <http://www.economywatch.com/business-and-economy/india-coal-industry.html>).

Indian coal mining industry witnessed a growth in both production as well as sales. The annual production of coal grew by 1.3 percent to reach 539 million tons. The size of Indian coal industry was estimated at INR 800 billion by the end of fiscal year 2012. Ministry of Coal has planned to increase the coal production by an average of 36 million tons per annum in the 12th five year plan. The proven coal resources in India were recorded at around 114 billion tons as on April 1, 2011. Despite the availability of vast coal assets, the country was a net importer of coal in FY12 due to domestic supply side constraints and burgeoning demand for coal. The demand supply gap estimated at 161.5 million tons at the end of fiscal year. Coal imports touched a figure of 99 million tons recording a growth of around 43 percent. The government of India waived-off the customs duty on non-coking coal to ease the import of the same to meet domestic requirements. In January 2012, Coal India Limited decided to increase prices and benchmark them according to Gross Calorific Value (GCV). The move, however, attracted a lot of opposition. Eventually, Coal India Limited had to roll back prices as a result of increasing pressure from power sector companies. The last quarter of the fiscal year also witnessed a controversy surrounding allocation of coal blocks to private and public sector companies without auction during the period 2004-09. The basis for this controversy was a report from Comptroller and Auditor General of India (CAG), which estimated a notional loss of INR10.6 trillion to the exchequer for not following a competitive bidding process in allocation of coal blocks. Central Bureau of Investigation entrusted with the responsibility of investigations in this case. Meanwhile, the Ministry of Coal allocated 81 coal blocks to power sector companies in May 2012 in pursuance of its policy to give preference to power sector. The Ministry also directed Coal India Limited to sign Fuel Supply Agreements (FSAs) covering total quantity of 438.29 million tons in May 2012 to thermal power plants.

(Source: http://www.researchandmarkets.com/reports/2173208/india_coal_industry_1h12)

Coal Demand and Supply Analysis (India)

It is estimated that at the end of terminal year of 11th Five Year Plan (2012-13), the coal demand would be about 772 million tonnes, whereas the indigenous availability would be about 580.30 million tonnes. Therefore, there is likely to be a gap of 192.50 million tonnes, which is required to be met through imports. The details are given below:

(in million tonnes)

Source	2008-09 Actual	2009-10 Actual	2010-11 Actual (Prov)	2011-12 BE	2011-12 RE	XI Plan Proj. 2012-13
CIL	401.44	415.88	424.30	452.00	452.00	470.00
SCCL	44.54	49.37	50.14	51.00	51.00	53.10
Others	44.03	49.25	49.69	56.00	56.00	57.20
Total indigenous supply	490.01	514.50	524.13	559.00	559.00	580.30
Demand	550.00	597.98	656.31	696.03	649.87	772.84
Gap to be met through imports	59.98	83.48	132.18	137.03	90.87	192.50
Total Import	59.00	73.25	92.00	137.03	51.00	142.93

As per the present Import Policy, coal can be freely imported (under Open General License) by the consumers themselves considering their needs and exercising their own commercial prudence. Coking coal is being imported by Steel Authority of India Limited (SAIL) and other Steel sector manufacturing units mainly to bridge the gap between the requirement and indigenous availability and to improve the quality. Coal based power plants, cement plants, captive power plants, sponge iron plants, industrial consumers and coal traders import non-coking coal. Coke is imported mainly by Pig-Iron manufacturers and Iron & Steel Sector consumers using mini-blast furnace.

(in million tonnes)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Coking Coal	16.93	16.89	17.88	22.03	21.08	24.69	19.48
Non Coking Coal	12.03	21.70	25.20	27.76	37.92	48.57	49.43
Coke	2.84	2.62	4.69	4.25	1.88	2.36	1.49
Total Import	31.80	41.21	47.77	54.04	60.88	75.62	70.4

(Source: Ministry of Coal – Annual Report 2011-12)

Steel – Indian Scenario

India has become 4th largest producer of crude steel in the world as against the 8th position in 2003 and is expected to become the 2nd largest producer of crude steel in the world by 2015. Further, India continues to maintain its lead position as the world's largest producer of direct reduced iron (DRI) or sponge iron. The per capita steel consumption has risen from 38 kg in 2005-06 to 55 kg in 2010-11.

During April-December 2011-12 (prov), the following was the industry scenario as compared to same period of last year:

- Crude steel production was 53.357 MT, a growth of 3.5% over same period of last year. The Major Producers (Steel Authority of India Limited, Rashtriya Ispat Nigam Limited, Tata Steel, Essar, JSW Steel, JSW Ispat Steel and Jindal Steel & Power) together produced 29.984 MT during this period, which was a growth of 8.07% compared to last year. The rest i.e. 23.373 MT was the contribution of the Other Producers, which was a growth of 1.3% compared to last year.
- Pig iron production for sale in April – December 2011-12 was 4.247 mt, a growth of 0.7% over same period of last year. The Main Producers accounted for approximately 10% of the same, the rest (90%) being the share of the Other Producers.
- In case of total finished steel (alloy + non-alloy) during April – December 2011-12:
 - ✓ Production for sale was at 52.061 MT, a growth of 7.5%

- ✓ Steel exports, at 3.048 mt saw a growth of 23.8% while steel imports were at 4.984 MT, a decline of 7%.
- ✓ India remained a net importer of steel.

- Domestic real steel consumption was at 50.865 MT and increased by 4.4%

Category wise export of finished steel in India is as shown below:

(in '000 tonnes):

CATEGORY	2007 - 08	2008 - 09	2009 - 10	2010 - 11*	2011 - 12* (Apr - Dec)
Semi-finished Steel(Non-Alloy)	373.0	661.0	625.0	350.0	183.4
Finished Steel(Non-Alloy)					
Non - Flat					
Bars & Rods	213.0	187.0	212.0	136.0	153.8
Structurals	73.0	73.0	55.0	35.0	29.2
Rly. Materials				6.0	25.9
TOTAL (Non - Flat)	286.0	260.0	267.0	177.0	208.8
Flat					
Plates	153.0	264.0	66.0	133.0	315.6
HR Coils/skelp/Strips/Sheets	1391.0	943.0	540.0	525.0	775.5
CR Coils/ Sheets	510.0	341.0	345.0	283.0	209.5
GP/GC Sheets	2026.0	1849.0	1287.0	1250.0	938.9
Elec.Sheets	25.0	8.0	3.0	1.0	0.8
Tin Plates	36.0	89.1	75.0	62.0	22.5
Tin Free Steel					1.9
Pipes	200.0	504.0	495.0	608.0	274.9
TOTAL (Flat)	4341.0	3998.1	2811.0	2862.0	2539.6
TOTAL Fin. Steel (Non-Alloy)	4627.0	4258.1	3078.0	3039.0	2748.4
TOTAL Steel (Non - Alloy)	5000.0	4919.1	3703.0	3389.0	2931.8
Alloy/Stainless Steel					
Semi-finished Steel(Alloy)	0.0	85.0	0.0	0.0	3.1
Non - Flat Alloy	390.0	124.0	135.0	267.0	189.2
Flat Alloy	60.0	55.0	38.0	155.0	109.5
TOTAL Fin. Steel (Alloy)	450.0	179.0	173.0	422.0	298.7
TOTAL Steel (Alloy)	450.0	264.0	173.0	422.0	301.8
TOTAL Fin. Steel (Non - Alloy + Alloy)	5077.0	4437.1	3251.0	3461.0	3047.1
TOTAL Steel (Non - Alloy + Alloy)	5450.0	5183.1	3876.0	3811.0	3233.6
Pig Iron	560.0	350.0	362.0	358.0	306.2
Sponge Iron	38.0	34.0	25.0	8.0	16.7

(Source: Ministry of Steel Annual Report 2011-12)

Minerals - Indian Scenario:

The history of mineral extraction in India dates back to the days of the Harappan civilization. The wide availability of the minerals in the form of abundant rich reserves made it very conducive for the growth and development of the mining sector in India.

Indian mining industry is characterized by a large number of small operational mines. The number of mines which reported mineral production [excluding minor minerals, petroleum (crude), natural gas and atomic minerals in India was 2076 in 2011-12 as against 2355 in the previous year. Out of 2076 reporting mines, 354 were located in Andhra Pradesh followed by Gujarat (308), Rajasthan (241), Madhya Pradesh (225), Karnataka (180), Tamil Nadu (156), Odisha (119), Jharkhand (106), Chhattisgarh (99), Maharashtra (86) and Goa (70). These 11 States together accounted for 93.64% of total number of mines in the country in the year 2011-12.

Chrome Ore – Indian Scenario:

Chrome ore is one of the important ores that are available in the mines of Orissa. Although chromite mining in India started around 1903 there was no ferro-chrome production in the country till 1968. Hence

most of the chromite ore was exported. India exported about 3.84 million tonnes in between 1903 to 1980. The current production rate of chromite ore in the country in between 0.7 to 0.9 million tonnes per annum. Estimated reserve of chromite ore in the country is about 140 million tones, and about 127 million tones are available in the Sukinda valley of Orissa. India has sufficient Chrome ore reserve which account for 98% of the chrome reserves in India. India offers different grades with chromium content in the 38-50 percent range. The voyage time from Paradip or Visakhapatnam Port to most of the Asian ports is 12-15 days against 40-45 days from others, there is considerable freight advantage and the eastern sector mines with their good quality ores are ideally placed for export thrust.

(Source: www.rektor.in/chromite.html)

Chrome ore demand is driven by ferrochrome demand as ~95 percent of the chrome ore is used for the metallurgical purpose. Two percent of the demand comes from chemical industry and rest from refractory and foundry industry. Stainless steel is the largest consumer of ferrochrome and as such a change in the dynamics of the stainless steel industry has impact on the ferrochrome industry.

(Source: www.kpmg.com)

Steel Scrap – Indian Scenario

The Indian steel industry is growing at a pace as fast as India's industrial economy. Steel Scrap Recycling users in India are also growing at a rapid pace. As there is less domestic scrap generated then demand, India imports about 4 million tonnes to 5 million tonnes per annum. Scrap imports in North India account for almost 20% to 25% of the total imports in the country, making North based secondary steel mills one of the largest buyers of Steel Scrap. *(Source: www.globalbusinessconnect.org)*

India one of the leading importers of scrap, buys 3.0 million tonnes a year from the international market every year. And this figure is set to go up further. India is a major global market for metal and steel scrap. Apart from saving costs, metal scrap help reduce greenhouse emissions by a significant margin. Using recycled scrap for manufacturing takes up your energy savings by 74%.

(Source: www.steelguru.com)

Indian scrap imports in the fiscal year 2011/12 ended 31 March touched a new record, having increased by almost 50 per cent to 6.03m tonnes from the previous year's figure of 3.99m tonnes. Principal scrap suppliers to India were the UK with a 16 per cent share, the USA (15 per cent) and UAE (14 per cent). Imports of ships for breaking in India also saw a sharp increase, from 357 ships (2.8m LDT) in 2010/11 to 425 (3.9m LDT) in 2011/2012. *(Source: www.bir.org)*

SUMMARY OF OUR BUSINESS

Aastha Group is promoted by Mr. Mohit Aggarwal, a dynamic first generation entrepreneur. Aastha Group has interests in diversified sectors such as Steel, wherein the group operates a manufacturing facility in Andhra Pradesh with an annual installed capacity of 1,18,000 M.T. p.a. for manufacturing Mild Steel Billets and TMT Bars, which are sold under the brand name "AASTHA 500 + TMX"; as well as Real Estate wherein the group in association with Vihaag Group are in the initial stages of developing an affordable housing township in Titwala, Thane spread across 200 acres of land.

Our company represents the International Procurement and Commodities Trading Arm of the Aastha Group of Companies. We are also a FMC Registered Trading cum Clearing Member (TCM) of the National Spot Exchange Limited (NSE) and are engaged in domestic and international trading of Coal, Steel, Scrap Metal, Iron Ore, Chrome Ore, Manganese Ore and other metals and minerals.

We operate from our Head Office at Bangalore and our Corporate Office at Mumbai. We have existing relationships with business houses based out of various countries such as Dubai, Indonesia, South Africa, Mali, Belgium, Singapore and Turkey for our international procurement activities, wherein we are importing various metals and minerals to India at Andhra Pradesh, Karnataka and Gujarat Ports in order to cater to the growing demand in our country.

Our finite understanding of the Steel and Coal related metals and minerals markets coupled with the group infrastructure (i.e. the strategically located offices, and a established client base of over 300+ dealers/customers across India) available to us has helped us exercise good control over the supply chain of our business verticals, in turn, controlling costs and ensuring that we have adequate operating margins to continue our operational growth.

Our Total Income has grown at a CAGR of 53.90% from Rs. 2962.18 lacs in F.Y. 2008 to Rs. 16616.05 lacs in F.Y. 2012. Our EBITDA has grown at a CAGR of 75.90% from Rs. 44.56 lacs in F.Y. 2008 to 426.59 lacs in F.Y. 2012 and our Net Profit after tax has grown at a CAGR of 68.87% from Rs. 14.66 lacs in F.Y. 2008 to Rs. 119.23 lacs in F.Y. 2012. Further our results for the six months ended September 2012 have shown aggressive growth reporting Total Income, EBITDA, and Net Profit of Rs. 69614.78 Lacs, Rs. 467.15 lacs, and Rs. 245.92 lacs respectively.

We have tied up with National Spot Exchange Limited to sell the imported coal through exchange platform. It is expected to facilitate large number of power sector companies, cement manufacturers, sponge iron manufacturers, sugar mills and other industries to source imported coal electronically. We endeavor to continuously innovate and enter into other such arrangements to increase our client as well as supplier base, thereby improving our negotiation powers for our international as well as domestic trading activities. Through this Issue, we propose to augment our Working Capital capabilities in order to be able to increase our operating scales across all current as well as proposed business verticals. Further, we propose to acquire Chrome Ore Mine in Turkey for in order to improve our procurement efficiencies and operating margins.

As on date, our company employs a total of 38 people, of which, 35 are full time employees, 3 are on retainer basis and no contractual basis.

Our Strengths

Diverse Product Portfolio and Strong Execution capabilities

We believe that there are a number of business opportunities in India that for a variety of reasons offer the potential for long-term growth. We have developed a balanced and diversified portfolio of business verticals that spans across multiple industry sectors/product lines. Our Steel and Scrap Metal businesses are well complemented with our relatively new businesses in Coal, Chrome Ore and Iron Ore. We believe

that a Diversified product portfolio such as ours diminishes the risks associated with the specific dynamics, such as Seasonality and cyclical, of any particular industry and simultaneously helps us to benefit from the synergies of operating diverse business verticals. We believe that we have established diversified sourcing and distribution networks and that our industry expertise enables us to effectively capitalize on and manage risks associated with opportunities across markets.

Strong Supply Chain Management

We believe that our Supply Chain Management is one of our core business strength. We boast of a very sound supply chain comprising of dealers/customers across the country. Our Registered and Corporate Offices are situated in Bangalore and Mumbai respectively which are both key Industrial Locations of India. We also have a branch office at Kurnool and Stock Yards at Thane (Maharashtra), Kurnool (Andhra Pradesh) and Bangalore (Karnataka). Our presence in these key locations of India enables us to maintain relations with local suppliers and customers. It also enhances our ability to make goods available at the right place in the shortest time.

We also have strong relations with suppliers in overseas markets, which give us a competitive edge for our procurement activities. Our experienced top management exercises due control over all local offices and visits them at regular intervals.

By optimizing our Supply Chain Management, we have been able to derive many benefits, namely:

- Improved cost efficiencies
- Improved revenues
- Faster time / proximity to market
- Enhanced customer and supplier experience & relationships

Experienced and Professional Management Team

We believe that our qualified and experienced management would substantially contribute to the growth of our business operations. Our Promoter and Director, Mr. Mohit Aggarwal, has more than a decade of experience in Steel and Coal Industry and has been instrumental in launching innovative electronic platform for trading of Coal in India. Our Board of Directors is guided and supported by a team of qualified and experienced professionals, who have been appointed with a view to improve operational and financial scale as well as results of the company. *For further details regarding the educational details and experience of our directors and key managerial personnel, please refer to "Our Management" on page 116 of this Draft Red Herring Prospectus.* We believe that the combination of our dynamic and forward looking Board and qualified and experienced key managerial staff position us well to capitalize on future growth opportunities.

Aggressive approach to business opportunities, both in India and Abroad.

We have diversified from the Steel business into the Coal and Mineral Trading businesses, and we propose to enter Mining, Textiles and other such business verticals where we deem opportunities are existent. Lately, we have scaled up our Steel and Coal business by increasing the number of States in India where we operate, the services we offer and the number of clients we cover. In our Coal business, we have tied up with NSEL for selling imported South African Coal through the exchange, going further; we are planning to offer Chrome Ore and Manganese Ore through the NSEL platform to the end users. We are the first company to enter into a contract with NSEL for E-Trading of coal. Further, we are amongst the top performers in E-trading of TMT Bars on the NSEL Platform for FY 2011-12. Trading through Electronic platform will result in transparent and cost effective solution which will attract customers and ultimately drive sales for us. We believe that our ability to successfully identify new business opportunities and scale businesses in high growth sectors in a short period of time provides us with a significant competitive advantage.

Strong Risk Management

In today's volatile markets, our clients look for a steady expertise to help them manage their exposure to price risk. Over the years, we have been identifying, measuring and managing our own exposure to risk and are well aware of the operating and financial risks in our businesses. We work closely with all departments to measure our exposure to risk and quantify our risk tolerance. Then we develop and execute sound strategies that diminish the volatility. By managing our risk, we help our keep costs within an established range and preserve the potential to capture the upside of an opportunity. Our ability to provide risk-managed supply chains makes us a reliable supplier to clients and dealers across businesses.

Our Strategies

Our business strategy is focused on expanding our participation in our various current as well as proposed business vertical in a socially relevant manner. To this end, we intend to continue to provide high quality services to our clients and grow our business by leveraging our strengths and implementing the following strategies:

Expand into other businesses by leveraging out trading expertise

We intend to establish our presence in international markets by leveraging our domestic experience and seeking Cost and operational advantages. We will continue to focus on markets with high economic growth rates where we believe opportunities for market penetration and expansion of market share and client base exist. Apart from the Steel, Scrap Metal, and Coal sectors, we propose to increase our presence (directly as well as indirectly) in the Iron, Chrome Ore, Agro Commodities and Textiles driven opportunities in India and abroad, which have various inherent opportunities in times when the entire supply chain for these Commodities is facing liquidity issues. We believe our experience in these industries enables us to effectively identify and drive new business opportunities.

Ensure High Working Capital Adequacy

We believe that during times when the entire supply chain of metal, minerals and other markets are facing liquidity problems, there exists an inherent need for a strong trading company which can increase operational and financial efficiencies of the supply chain. We intend to maintain high Working Capital Adequacy in our company in order to give us ready liquidity when it is needed. Sufficient Working capital would help boost our company's efficiency as well as its short-term financial health. We have an aggressive business model and maintaining liquid funds in our company will help us to exploit business opportunities with ease and provide us with a competitive edge over others.

Pursue strategic alliances, opportunistic acquisitions and undertake suitable restructuring

We believe that due to economic uncertainty there are various assets in India and Abroad which are available for acquisition at well negotiated prices and may prove to be beneficial in the long term for our company. We propose to acquire Chrome Ore Mine in Turkey from the Issue Proceeds in order to increase the asset quality of our balance sheet and ensure high operational and financial efficiencies in the future. We intend to continue establishing strategic alliances or enter into mergers and acquisitions or joint ventures with companies, whose resources, skills and strategies are complementary to and are likely to enhance our business opportunities, including the formation of joint ventures and consortia to achieve a competitive advantage. We also intend to focus on exploring and participating in new investment opportunities, which may complement our existing business or provide us with an additional revenue stream.

For further details regarding our business operations and key risks pertaining to the same, kindly refer to the Chapter and Section titled "Our Business" and "Risk Factors" on pages 94 and 14 of this Draft Red Herring Prospectus respectively.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary of our financial information derived from our restated as of six months period ended September 30, 2012 and for the years ended March 31, 2012, 2011, 2010, 2009 and 2008. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI Regulations and presented under the Section titled "Financial Information" beginning on page 138 of this Draft Red Herring Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements, the notes thereto and the Chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 158 of this Draft Red Herring Prospectus.

SUMMARY OF OUR RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

	Particulars	As on Sept 30, 2012	As on March 31				
			2012	2011	2010	2009	2008
A	Non-Current Assets						
1	Fixed Assets						
	(i) Tangible Assets	125.81	128.10	70.24	76.70	23.48	18.45
	(ii) Intangible Assets	5.00	6.67	0.00	0.00	0.00	0.00
2	Non-Current Investments	0.00	0.00	0.00	0.00	0.00	0.00
3	Deferred Tax Assets (Net)	5.49	4.32	2.72	2.31	1.93	1.79
4	Long Term Loan & Advances	24.29	58.53	54.45	48.49	46.55	15.86
5	Other Non-Current Assets	35.94	51.33	30.43	0.25	41.64	0.50
	Total (A)	196.53	248.94	157.84	127.76	113.61	36.60
B	Current Assets						
1	Inventories	8979.23	2009.26	647.90	287.98	201.40	75.89
2	Trade Receivables	1740.93	1437.57	1298.29	922.74	883.90	938.03
3	Cash and Cash Equivalents	1819.12	31.83	143.30	194.42	49.90	10.04
4	Short Term Loans and Advances	218.87	878.61	296.54	471.35	104.03	112.41
	Total (B)	12758.15	4357.28	2386.04	1876.50	1239.23	1136.38
C	Total Assets (A+B)	12954.68	4606.22	2543.88	2004.26	1352.84	1172.98
D	Non-Current Liabilities						
1	Long Term Borrowings	39.90	45.28	16.35	47.87	66.61	59.39
	Total (D)	39.90	45.28	16.35	47.87	66.61	59.39
E	Current Liabilities						
1	Short Term Borrowings	2031.68	1832.57	1521.37	1697.89	647.70	347.84
2	Trade Payables	8714.29	1013.15	161.85	0.00	427.25	605.26
3	Other Current Liabilities	130.84	25.35	605.69	58.40	5.48	140.05
4	Short Term Provisions	152.87	47.31	13.59	0.00	5.95	4.78
	Total (E)	11029.68	2918.38	2302.50	1756.29	1086.38	1097.93
F	Total Liabilities & Provisions (D+E)	11069.58	2963.65	2318.85	1804.16	1152.99	1157.32
G	Net Worth (C-F)	1885.10	1642.57	225.02	200.10	199.85	15.66

REPRESENTED BY SHAREHOLDERS' FUND							
Share Capital		690.24	138.05	98.71	98.71	98.71	1.00
Equity Share Capital		690.24	138.05	98.71	98.71	98.71	1.00
Reserves & Surplus		1194.86	1504.52	126.32	101.39	101.14	14.66
Share Premium Account (A)		767.53	1319.73	60.75	60.75	60.75	0.00
Profit & Loss Account (B)		427.33	184.80	65.57	40.64	40.39	14.66
Net Worth		1885.10	1642.57	225.02	200.10	199.85	15.66

SUMMARY OF OUR RESTATED STATEMENT OF PROFIT AND LOSSES
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
REVENUE						
Revenue from Operations	69,608.68	16,506.35	7,802.50	3,128.90	6,337.48	2,961.98
Other Income	82.28	109.70	17.85	33.10	11.63	0.20
Total Income	69,690.97	16,616.05	7,820.36	3,162.01	6,349.10	2,962.18
EXPENSES						
Cost of Goods Sold	75,907.27	17,463.68	7,826.42	3,045.61	6,285.21	2,856.01
Changes in Inventories of Finished Goods	(6,969.96)	(1,361.36)	(359.92)	(86.59)	(125.50)	27.24
Employee Benefit Expenses	27.85	10.65	7.17	11.78	11.65	6.28
Operating & Administrative	263.67	76.48	60.03	53.89	87.28	28.08
Total Expenditure	69,228.83	16,189.45	7,533.70	3,024.69	6,258.64	2,917.61
Net Profit before Interest, Depreciation, Tax and Extraordinary Items	462.13	426.59	286.66	137.32	90.46	44.56
Financial Cost	90.04	244.43	238.88	114.99	54.16	24.03
Net Profit before Depreciation, Tax and	372.09	182.17	47.78	22.33	36.30	20.53
Depreciation and Amortization Expenses	12.99	17.23	9.67	7.14	4.76	2.88
Net Profit before Tax and Extraordinary Items	359.10	164.94	38.11	15.18	31.55	17.66
<u>Provision for Taxation</u>						
Current Years Income Tax	117.75	47.31	13.59	5.24	5.47	4.45
Fringe Benefit Tax	-	-	-	-	0.47	0.33
Deferred Tax (Asset)\Liability	(1.18)	(1.60)	(0.40)	(0.38)	(0.14)	(1.78)
Prior Period	-	-	-	10.07	-	-
Net Profit After Tax and before Extraordinary	242.53	119.23	24.92	0.25	25.74	14.66
Extraordinary items	-	-	-	-	-	-
Net Profit Carried to Balance Sheet	242.53	119.23	24.92	0.25	25.74	14.66

SUMMARY OF OUR RESTATED STATEMENT OF CASH FLOWS
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit (adjusted) Before Tax and Extra-ordinary Items	359.10	164.94	38.11	15.18	31.55	17.66
Adjustments for						
Depreciation	12.99	17.23	9.67	7.14	4.76	2.88
Loss /(Profit) on Sale of Assets	-	-	1.96	-	-	-
Prior period Expenses	-	-	-	(10.07)	-	-
Interest & Finance Charges	90.04	244.43	238.88	114.99	54.16	24.03
Interest Income	(25.83)	(103.62)	(7.57)	(1.75)	(0.38)	-
Preliminary Expenses W\off	-	0.13	0.13	0.13	0.13	0.12
Operating Cash Generated Before	436.30	323.10	281.17	125.62	90.21	44.68
(Increase)/Decrease in Inventories	(6,969.96)	(1,361.36)	(359.92)	(86.59)	(125.50)	(75.89)
(Increase)/Decrease in Loans	709.37	(607.17)	138.55	(328.01)	(63.58)	(128.90)
(Increase)/Decrease in Receivables	(303.36)	(139.28)	(375.55)	(38.84)	54.13	(938.03)
Increase/(Decrease) in Payables	7,806.64	270.95	709.14	(374.33)	(312.57)	745.30
Operating Cash Generated	1,678.99	(1,513.75)	393.39	(702.15)	(357.32)	(352.85)
Less : Income Tax paid (MAT/FBT)	(12.19)	(13.59)	-	(11.19)	(4.78)	-
Net Cash Generated from Operating Activities (A)	1,666.80	(1,527.34)	393.39	(713.34)	(362.10)	(352.85)
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed Assets (Net)	(9.03)	(81.75)	(5.17)	(60.36)	(9.79)	(21.33)
Interest received	25.83	103.62	7.57	1.75	0.38	-
Net Cash Flow from Investing Activities (B)	16.80	21.87	2.40	(58.61)	(9.41)	(21.33)
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from issue of share capital & Share Premium	-	1,298.32	-	-	158.46	1.00
Proceeds from Short Term Borrowings	199.10	311.20	(176.52)	1,050.19	299.86	347.84

Proceeds from Long Term Borrowings	(5.37)	28.93	(31.52)	(18.74)	7.22	59.39
Interest Paid	(90.04)	(244.43)	(238.88)	(114.99)	(54.16)	(24.03)
Net Cash Flow from Financing Activities (C)	103.69	1,394.01	(446.92)	916.46	411.37	384.21
Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	1,787.29	(111.46)	(51.13)	144.52	39.86	10.04
Opening Balance of Cash and Cash Equivalents	31.83	143.29	194.42	49.90	10.04	-
Closing Balance of Cash and Cash Equivalents	1,819.12	31.83	143.29	194.42	49.90	10.04

THE ISSUE

The following table summarizes the Issue details:

Public Issue aggregating to Rs. [●] Lacs	[●] Equity Shares
<i>Of which:</i>	
QIB Portion ^{(1) (2)}	At least [●] Equity Shares
<i>Of which:</i>	
Anchor Investor Portion	up to [●] Equity Shares
Net QIB Portion	up to [●] Equity Shares
<i>Of which:</i>	
Mutual Fund Portion	[●] Equity Shares
Balance of QIB Portion (available for all QIBs including Mutual Funds)	[●] Equity Shares
Non-Institutional Portion ⁽²⁾	Not more than [●] Equity Shares
Retail Portion ⁽²⁾	Not more than [●] Equity Shares
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	89,70,990 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of proceeds of this Issue	
For details in relation to use of the Issue Proceeds, see section titled "Objects of the Issue" on page 60.	

⁽¹⁾ Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (including Mutual Funds), subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, that is 5% of the Net QIB Portion, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price For further details, see section titled "Issue Procedure" on page 203.

⁽²⁾ Under-subscription, if any, other than in the QIB Portion, would be allowed to be met with spill-over from other categories or a combination of categories, at the discretion of our Company, in consultation with Book Running Lead Manager and the Designated Stock Exchange. However, if at least 75 % of the Net Issue cannot be allotted to QIBs, all the application monies will be refunded forthwith.

Our Company is exploring the possibility of a Pre-IPO Placement. We intend to complete the issuance of Equity Shares pursuant to the Pre-IPO Placement, if any, prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be proportionately reduced from the Fresh Issue, subject to a minimum Issue size of 25% of the post Issue paid-up Equity Share capital being offered to the public.

In the event of over-subscription, allocation shall be made on a proportionate basis, except the Anchor Investor Portion and the Retail Individual Portion which will be subject to the minimum lot size, subject to valid Bids being received at or above the Issue Price.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price, out of which at least one-third will be available for allocation to domestic Mutual Funds only. For further details, see section titled "Issue Procedure" on page 203. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

The Issue has been authorised by our Board by their resolution dated March 14, 2013 and by the shareholders of our Company at the EGM dated March 20, 2013.

GENERAL INFORMATION

Our Company was originally incorporated as "Aastha Minmet (India) Private Limited" on 7th May, 2007 under the Companies Act, 1956 with the Registrar of Companies, Bangalore. Consequent upon conversion into Public Limited Company, the name of our Company was changed to "Aastha Minmet (India) Limited" and fresh Certificate of Incorporation was obtained from Registrar of Companies, Bangalore on August 13, 2012.

REGISTERED OFFICE:

No. -W-204, 2nd Floor,
Sunrise Chambers, Ulsoor road,
Bangalore (Karnataka) 560042
Tel: +91 – 080 – 4171 8154
Fax: +91 – 080 – 4171 8155
Website: www.aail.co.in
E-Mail: khyati.s@aail.co.in

CORPORATE OFFICE:

Unit no. 1203, 12th Floor,
Tower1, Indiabulls Finance Centre,
Elphinstone Road (W), Mumbai – 400013.
Telefax: +91 – 22 – 3062 6151
Website: www.aail.co.in
E-Mail: khyati.s@aail.co.in

For details relating to changes in our registered office, see section titled "History and Corporate Structure" on page 112.

COMPANY REGISTRATION NUMBER: 042717

COMPANY IDENTIFICATION NUMBER: U27105KA2007PLC042717

ADDRESS OF REGISTRAR OF COMPANIES

Registrar of Companies, Bangalore
'E' Wing, 2nd Floor,
Kendriya Sadana,
Kormangala, Bangalore -560034
Tel: +91 – 080 – 2563 3105
Fax: +91 – 080 – 2553 8531
E-Mail: roc.bangalore@mca.gov.in

BOARD OF DIRECTORS:

Our Board of Directors comprise of the following members:

Name	Designation	DIN
Mr. Mohit Aggarwal	Chairman & Managing Director	01374927
Mrs. Shilpa Aggarwal	Whole time Director	01793857
Mr. Deepak Agarwal	Whole time Director	00656960
Mr. Ravipati Hanumantha Rao	Independent Director	00044028
Mr. Pradip Shah	Independent Director	05223141
Mr. Veraswamy Vemuri	Independent Director	06522070

For further details of Management of our Company, please refer to section titled "*Our Management*" on page 116 of this Draft Red Herring Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Our Company Secretary and Compliance Officer is Ms. Khyati Shah.

Her contact details are as follows:

Ms. Khyati Shah,

Unit no. 1203, 12th Floor,
Tower1, Indiabulls Finance Centre,
Elphinstone Road (W), Mumbai – 400013.
Telefax: +91 – 22 – 3062 6151
Website: www.aail.co.in
E-Mail: khyati.s@aail.co.in

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account or refund orders.

All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number and the Designated Branch where the Bid cum Application Form was submitted.

DETAILS OF KEY INTERMEDIARIES

Book Running Lead Manager

Aryaman Financial Services Limited

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P.J. Tower,
Fort, Mumbai – 400001
Tel. No.: +91 – 22 – 2261 8264
Fax No.: +91 – 22 – 2263 0434
Contact Person: Ms. Anju Kanuga
Email: ipo@afsl.co.in
Website: www.afsl.co.in
SEBI Registration No.: INM000011344

Registrar to the Issue

Cameo Corporate Services Limited

Subramanian Building No.1,
Club House Road, Chennai - 600 002.
Tel. No: +91 – 44 – 2846 0390 / 1989
Fax No: +91 – 44 – 2846 0129
Website: www.cameoindia.com
E-mail: investor@cameoindia.com
Contact Person: Mr. R. D. Ramasamy
SEBI Registration No: INR000003753

Legal Advisor to the Issue

Juris Matrix

(Advocates & Solicitors)
302, Apeejay House,
130, Mumbai Samachar Marg,
Fort, Mumbai (Maharashtra) 400001
Tel: +91 22 2285 6164
Fax: +91 22 2283 4519
Contact Person: Mr. Anil Shah
E-Mail: anil@jurismatrix.net
Website: <http://www.jurismatrix.net>

Statutory Auditors

M/s. Vikas Khaitan & Co., Chartered Accountants

#3541, 1st Floor, 2nd Cross, 13th H Main Road,
HAL II Stage, Indiranagar,
Bangalore – 560 008,
Karnataka, India.
Tel: +91 – 080 – 4126 6247
Contact Person: Mr. Vikas Khaitan
E-Mail: khaitan.vikas@gmail.com

Independent Auditors (having valid peer review certificate)

Jatin V Shah, Chartered Accountants

261/263, Dr. D N Road,
4th Floor, Fort,
Mumbai – 400 001
Tel. No.: +91 – 22 – 3294 8140
Fax No.: +91 – 22 – 22610775
Contact Person: Mr. Jatin V Shah
E-Mail: cajatinshah@yahoo.com

Bankers to our Company

State Bank of India

118-121, Swastik Chambers,
Sion Trombay Road, Chembur,
Mumbai – 400 071
Tel. No.: +91 – 22 – 4225 4002
Fax No.: +91 – 22 – 4225 4024
Contact Person: Mr. Sunil Y Kulkarni
E-Mail: sbi.13340@sbi.co.in
Website: www.sbi.co.in

IDBI Bank

Specialised Corporate Branch,
No. 102, Shakthi Comfort Towers
K.H. Road, Bangalore – 560 027,
Tel. No.: +91 – 80 – 6712 1000 – 6712 1099
Fax No.: +91 – 80 – 2210 6133
Contact Person: Mr. Sheshadri Anantha
E-Mail: anantha.sheshadri@idbi.co.in
Website: www.idbi.com

Bankers to the Issue / Escrow Collection Banks

[•]

Refund Banker to the Issue

[•]

Syndicate Members

[•]

SELF CERTIFIED SYNDICATE BANKS

The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI Regulations and a list of which is available on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> or at such other website as may be prescribed by SEBI from time to time.

CREDIT RATING

As the Issue is of Equity shares, credit rating is not mandatory.

TRUSTEES

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

IPO GRADING AGENCY

[•]

IPO GRADING

This Issue has been graded by [•] and has been assigned the "IPO Grade [•]" indicating [•] through its letter dated [•], which is valid for a period of [•] months. The IPO grading is assigned on a five point scale from 1 to 5 wherein an "IPO Grade 5" indicates strong fundamentals and "IPO Grade 1" indicates poor fundamentals. The rationale furnished by the grading agency for its grading will be updated at the time of filing of the Red Herring Prospectus with the RoC/ Designated Stock Exchange.

A copy of the report provided by [•], furnishing the rationale for its grading will be annexed to the Red Herring Prospectus and will be made available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid Closing Date. For details of summary of rationale for the grading assigned by the IPO Grading Agency, see section titled "Other Regulatory and Statutory Disclosures" on page 181. The Issue has not been graded by any other agency.

APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the issue size is below ₹ 5000 million. Since the Issue size is below ₹ 5000 million, our Company has not appointed a monitoring agency for this issue.

However, as per Clause 49 of the Listing Agreement to be entered into with stock exchange upon listing of the equity shares and the Corporate Governance Requirements, the Audit Committee of our company, would be monitoring the utilization of the proceeds of the issue.

DETAILS OF THE APPRAISING AUTHORITY

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since **Aryaman Financial Services Limited** is the sole Lead Manager to this Issue, a statement of inter se allocation responsibilities among Lead Manager's is not required.

EXPERT OPINION

Except as stated below, the Company has not obtained any expert opinions:

The Company has received consent from the Auditors namely, Jatin V Shah, Chartered Accountants to include their name as an expert under Section 58 of the Companies Act in this Draft Red Herring Prospectus in relation to the Restated report of the Auditors dated March 18, 2013 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

The Company has received consent from M/s. Vikas Khaitan & Co., Chartered Accountants to include their name as an expert under Section 58 of the Companies Act in this Draft Red Herring Prospectus in relation to the 'Statement of Tax Benefits' dated March 18, 2013 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

The report of [●], in respect to the IPO grading for the Issue which will be annexed to the Red Herring Prospectus.

BOOK BUILDING PROCESS

"Book building" refers to the process of collection of Bids made by the investors within the Price Band on the basis of the Red Herring Prospectus and the Bid cum Application Forms. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager, after the Bid Closing Date. The principal parties involved in the Book Building Process are:

- (1) our Company;
- (2) the Book Running Lead Manager;
- (3) Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as underwriters;
- (4) Registrar to the Issue;
- (5) Escrow Collection Banks; and
- (6) SCSBs.

This Issue is being made through the Book Building Process where at least 75% of the Net Issue shall be allotted on a proportionate basis to QIB Bidders. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIB Bidders (including Mutual Funds) subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, that is 5% of the Net QIB Portion, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion

will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price, out of which at least one-third will be available for allocation to domestic Mutual Funds only. For further details, see section titled "Issue Structure" on page 203. Allocation to Anchor Investors shall be on a discretionary basis subject to minimum number of two Anchor Investors. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least ₹ 100 million. Further, Anchor Investors shall pay the entire Bid Amount at the time of submission of the Bid cum Application Form to the Book Running Lead Manager and the balance, if any, within two days from the Bid Closing Date. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

Further, not more than 15% of the Net Issue will be available for allocation on a proportionate basis to Non Institutional Bidders and not more than 10% of the Net Issue will be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Our Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company has appointed the Book Running Lead Manager to manage this Issue and procure subscriptions to this Issue.

The Book Building Process is subject to change. Investors are advised to make their own judgement about an investment through this process prior to submitting a Bid.

Steps to be taken by the Bidders for making a Bid or application in this Issue:

- Check eligibility for making a Bid. For further details, see section titled "Issue Procedure" on page 203. Specific attention of ASBA Bidders is invited to "Issue Procedure" on page 203;
- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;
- Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, for Bids of all values, ensure that you have mentioned your PAN in the Bid cum Application Form (see section titled "Issue Procedure" on page 203). However, Bidders residing in the State of Sikkim are exempted from the mandatory requirement of PAN. In case of Bids submitted on behalf of the Central Government or the State Government or officials appointed by a court, such Bidders shall provide sufficient documentary evidence in support of the fact that such Bids have been submitted on behalf of the Central Government or the State Government or officials appointed by a court. Residents of Sikkim shall provide sufficient documentary evidence in support of their address as provided in the SEBI MRD circular MRD/DOP/Dep/cir-29/2004 dated August 24, 2004. With effect from August 16, 2010, the beneficiary accounts of Bidders for whom PAN details have not been verified will be "suspended for credit" by the Depositories, and no credit of Equity Shares pursuant to the Issue will be made in the accounts of such Bidders;
- Ensure the correctness of your Demographic Details (as defined in "Issue Procedure" on page 203), given in the Bid cum Application Form, with the details recorded with your Depository Participant;
- Bids by ASBA Bidders should be in accordance with the terms laid down in the section "Issue Procedure" on page 203. ASBA Bidders should ensure that their specified bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that their Bid cum Application Form is not rejected;
- Bids by QIBs (other than Anchor Investors) and Non-Institutional Bidders will only have to be submitted through the ASBA process; and

- Bids by ASBA Bidders will have to be submitted to the Designated Branches or to Syndicate/sub-Syndicate Members (Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSBs to ensure that the Bid cum Application Form is not rejected).

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue)

Bidders can bid at any price within the Price Band. For instance, assuming a price band of ₹ 20 to ₹ 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period.

The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The issuer, in consultation with book running lead manager, will finalise the issue price at or below such cut-off, i.e., at or below ₹ 22. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)

Name and Address of Underwriters	Indicative number of Equity Shares to be underwritten	Amount Underwritten (Rupees in Lacs)
[●]	[●]	[●]

The above-mentioned amount is indicative and will be finalised after determination of the Issue Price and finalization of the 'Basis of Allotment'.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

CAPITAL STRUCTURE

The share capital of the Company as on the date of this Draft Red Herring Prospectus, before and after the Issue, is set forth below.

(₹ in Lacs, except share data)

	Particulars	Aggregate Nominal value	Aggregate Value at Issue Price
A	Authorised Share Capital		
	1,50,00,000 Equity Shares	1500.00	-
B	Issued, Subscribed & Paid-up Share Capital before the Issue		
	89,70,990 Equity Shares	897.10	-
C	Present Issue in terms of this Draft Red Herring Prospectus*		
	Public Issue of [●] Equity Shares	[●]	[●]
	<i>Of which:</i>		
	<i>At least [●] Equity Shares shall be allotted to QIB Bidders.#</i>	[●]	[●]
	<i>Not more than [●] Equity Shares or Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation to Non Institutional Bidders.</i>	[●]	[●]
	<i>Not more than [●] Equity Shares or Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation to Retail Individual Bidders.</i>	[●]	[●]
D	Post Issue Issued, Subscribed & Paid-up Share Capital		-
	[●] Equity Shares of ₹ 10/- each	[●]	[●]
E	Share Premium Account		
	Before the issue	2008.67	
	After the Issue	[●]^	

* The present issue has been authorized pursuant to a resolution of our Board dated March 14, 2013 and by Special Resolution passed under Section 81(1A) of the Companies Act, 1956 at an Extra-ordinary General Meeting of our shareholders held on March 20, 2013. Our Company is exploring the possibility of a Pre-IPO Placement. We intend to complete the issuance / transfer of Equity Shares pursuant to the Pre-IPO Placement, if any, prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be accordingly reduced from the Issue subject to a minimum Issue size of 25% of the post Issue paid-up Equity Share capital being offered to the public.

^ The securities premium account will be determined after completion of the Book Building Process and determination of the Issue Price.

Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (including Mutual Funds), subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares that is 5% of the Net QIB Portion allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs on a proportionate basis, subject

to valid Bids at or above Issue Price. Our Company in consultation with the Book Running Lead Manager, may, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price, out of which at least one-third will be available for allocation to domestic Mutual Funds only. For further details, see section titled "Issue Procedure" on page 203. In the event of undersubscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion.

Classes of Shares

The Company has only one class of share capital i.e. Equity Shares of ₹ 10/- each only.

Changes in Authorized Share Capital

Sr. No	Date and Type of Shareholders Meeting approving the change	Nature of Change	Increase (No. of shares)	Cumulative No. of Equity Shares	Face Value (₹)	Cumulative Authorised Share Capital (₹)
1	On Incorporation	-	-	2,50,000	10	25,00,000
2	EGM held on June 16, 2008	Increase	7,50,000	10,00,000	10	1,00,00,000
3	EGM held on November 28, 2008	Increase	15,00,000	25,00,000	10	2,50,00,000
4	EGM held on July 19, 2012	Increase	85,00,000	1,10,00,000	10	11,00,00,000
5	EGM held on December 22, 2012	Increase	15,00,000	1,25,00,000	10	12,50,00,000
6	EGM held on March 20, 2013	Increase	125,00,000	1,50,00,000	10	15,00,00,000

Notes to the Capital Structure:

1. Share Capital History of our Company:

a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. Our Company has not made any allotment of preference shares. The following is the Equity share capital build-up of our Company:

Date of Allotment of fully Paid-up Shares	Number of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Cumulative No. of Shares Allotted	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
May 11, 2007	10,000	10	10	Subscription to MoA	Cash	10,000	1,00,000	-
August 18, 2008	9,09,554	10	10	Allotment to Promoters	Other than Cash	9,19,554	91,95,540	-
August 18, 2008	17,500	10	100	Allotment to Non	Cash	9,37,054	93,70,540	15,75,000

				Promoters				
March 26, 2009	50,000	10	100	Allotment to Non Promoters	Cash	9,87,054	98,70,540	60,75,000
March 28, 2012	100	10	330	Allotment to Promoters Group	Cash	9,87,154	98,71,540	61,07,000
March 31, 2012	3,93,330	10	330	Allotment to Promoters & Promoter Group	Cash	13,80,484	1,38,04,840	13,19,72,600
July 24, 2012	55,21,936	10	0	Bonus Issue in the ratio of 1:4	Bonus	69,02,420	6,90,24,200	7,67,53,240
March 09, 2013	20,68,570	10	70	Allotment to Promoter Group	Cash	89,70,990	8,97,09,900	20,08,67,440

b) Shares allotted for consideration other than cash

The following shares were allotted for consideration other than cash:

Date of Allotment of fully Paid-up Shares	Number of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment (Reasons for Issue / Benefits to issuer)	Nature of Consideration	Allotted person
August 18, 2008	909554	10	10	Allotment to Promoter	Takeover of all Assets and entire business of M/s. Shri Impex (Proprietary Concern of our Promoter – Mr. Mohit Aggarwal).	Allotted to Promoter – Mr. Mohit Aggarwal
July 24, 2012	5521936	10	0	Bonus Issue in the ratio of 1:4	Bonus	Allotted to All Shareholders

Notes:

Bonus Equity shares have been issued to all our Shareholders on July 24, 2012 by capitalizing Share Premium Account. The relevant provisions of the Companies Act have been complied with w.r.t the bonus issues.

No bonus shares have been issued out of Revaluation Reserves.

Except for what has been stated above our Company has not issued any Equity Share for consideration other than cash. Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 391-394 of the Companies Act, 1956.

c) History & Share Capital Build-up of our Promoters

Our Promoters have been allotted Equity Shares and have entered into Purchase/Sale Transactions of the Company's Equity shares from time to time. The following is the Equity share capital build-up of our Promoter:

Date of Allotment / Transfer	Allotment / Transfer	Consideration	No. of Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital
(i) Mr. Mohit Aggarwal							
May 11, 2007	Subscription to MOA	Cash	5,000	10	10	0.06%	[●]
August 18, 2008	Preferential Allotment	Other than Cash	9,09,554	10	10	10.41%	[●]
July 24, 2012	Allotment of Bonus Shares	-	36,58,216	10	0	40.78%	[●]
Sub-Total (i)			45,72,770			50.97%	[●]
(ii) Mrs. Shilpa Aggarwal							
May 11, 2007	Subscription to MOA	Cash	5,000	10	10	0.06%	[●]
March 31, 2012	Preferential Allotment	Cash	4,545	10	330	0.05%	[●]
July 24, 2012	Allotment of Bonus Shares	-	38,180	10	0	0.43%	[●]
Sub-Total (ii)			47,725			0.53%	[●]
Grand Total (i + ii)			46,20,495			51.50%	[●]

For the details of Build-up of above mentioned equity shares, please refer to Note No. 3 of "Capital Structure" on page 55 of this Draft Red Herring Prospectus.

Notes:

- None of the shares belonging to our promoters have been pledged till date.
- All the promoters' shares shall be subject to lock-in from the date of listing of the equity shares issued through this Draft Red Herring Prospectus for periods as applicable under Regulation 36 of the SEBI (ICDR) Regulations. For details please refer to Note No. 2 of "Capital Structure" on page 54 of this Draft Red Herring Prospectus.

d) Except as mentioned below, no other shares have been issued during the last one year for a price which may be below the issue price:

Date of allotment	No. of Equity Shares	Issue Price (₹)	Reasons for allotment
March 28, 2012	100	330	Allotment to Maladevi Aggarwal against Cash
March 31, 2012	3,93,330	330	Allotment to Shilpa Aggarwal and Aastha Alloy Corp Pvt. Ltd. against cash
July 24, 2012	55,21,936	0	Bonus Issue in the ratio of 1:4
March 09, 2013	20,68,570	70	Allotment to Aastha Alloy Steel Pvt. Ltd. against cash

- e) None of the members of the Promoters Group/Directors and their immediate relatives have entered into any transactions in the Equity shares of our Company within the last six months from the date of this Draft Red Herring Prospectus, except as mentioned above, except as mentioned above.
- f) None of the members of the Promoters Group/Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Red Herring Prospectus with SEBI.

2. Promoters Contribution and Other Lock-In details:

a. Details of Promoters Contribution locked-in for 3 years

Pursuant to the SEBI Regulations, an aggregate of 20% of the post-Issue capital held by our Promoters shall be considered as promoters' contribution and locked-in for a period of three years from the date of Allotment ("Promoters' Contribution"). The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchanges before listing of the Equity Shares.

Our Promoters through their letters dated March 19, 2013 have granted approval for the lock-in of their pre-Issue shareholding for a period of three years and one year as required under the SEBI Regulations. The Promoters have agreed to lock-in [●] Equity Shares representing at least 20% of the post-Issue Equity Capital of our Company for three years and the balance shares for one year or such other time as required under the SEBI Regulations.

All Equity Shares which are to be locked-in are eligible for computation of Promoters' Contribution, shall be in accordance with the SEBI Regulations. In this regard, the Company confirms that the Equity Shares proposed to be included as part of the Promoters' Contribution does not include:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired, except the bonus shares issued, by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum promoters' contribution subject to lock-in.
- Equity shares issued to our promoters on conversion of partnership firms into limited companies.

The lock in period shall commence from the date of allotment of Equity Shares in the proposed public issue as per the applicable SEBI Regulations.

In terms of undertaking executed by our Promoter, Equity Shares forming part of Promoter's contribution subject to lock-in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of this Draft Red Herring Prospectus with BSE till the date of commencement of lock in period as stated in this Draft Red Herring Prospectus.

b. Details of Shares locked-in for one year:

Pursuant to Regulation 37 of the SEBI Regulations, in addition to the Promoters' contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue issue Equity Share capital will be locked in for a period of one (1) year from the date of allotment in this Issue.

c. Lock in of Equity Shares to be Allotted, if any, to the Anchor Investors:

Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment of Equity Shares in the Issue.

d. Other requirements in respect of lock-in:

The Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of the applicable lock-in in the hands of the transferees for the remaining period and compliance with the provisions of the Takeover Regulations, as applicable.

The Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

The Equity Shares held by the Promoters which are locked-in for a period of three years from the date of Allotment in the Issue can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or institution, provided that the pledge of Equity Shares can be created when the loan has been granted by such bank or financial institution for financing one or more of the objects of the Issue and pledge of Equity Shares is one of the terms of sanction of the loan.

The Equity Shares, if any, held by the Promoters which are locked-in for a period of one year from the date of Allotment in the Issue can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such bank or financial institution, provided that the pledge of the Equity Shares is one of the terms of sanction of the loan.

3. Pre-Issue and Post Issue Shareholding of our Promoters and Promoter's Group

Set forth is the shareholding of our Promoters and Promoter's Group before and after the proposed issue:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	as a % of Issued Equity	No. of Equity Shares	as a % of Issued Equity
A	Promoter				
1	Mr. Mohit Aggarwal	45,72,770	50.97%	[●]	[●]
2	Mrs. Shilpa Aggarwal	47,725	0.53%	[●]	[●]
	Total (A)	46,20,495	51.50%	[●]	[●]
B	Promoter Group, Relatives and Other Associates acting in Concert				
1	Mrs. Maladevi Agarwal	500	0.01%	[●]	[●]
2	Aastha Alloycorp Private Limited	19,43,925	21.67%	[●]	[●]

3	Aastha Alloy Steel Pvt. Ltd.	20,68,570	23.06%	[•]	[•]
	Total (B)	40,12,995	44.73%	[•]	[•]
	Grand Total (A+B)	86, 33,490	96.24%	[•]	[•]

4. Neither the Company, nor its promoters, directors, nor the BRLM have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
5. None of our Directors or Key managerial personnel holds Equity Shares in the Company, except as stated in the section titled "Our Management" beginning on page 116 of this Draft Red Herring Prospectus.

6. The top ten shareholders of our Company and their Shareholding is as set forth below:

- a. The top ten Shareholders of our Company as on the date of this Draft Red Herring Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mohit Aggarwal	45,72,770	50.97%
2	Aastha Alloy Steel Pvt. Ltd.	20,68,570	23.06%
3	Aastha Alloy Corp Pvt. Ltd.	19,43,925	21.67%
4	Best Way Hire Purchase Pvt. Ltd.	1,25,000	1.39%
5	Gugnani Leasing & Hire Purchase Pvt. Ltd.	1,25,000	1.39%
6	Akansha Credit Capital (P) Ltd.	67,500	0.75%
7	Shilpa Aggarwal	47,725	0.53%
8	Rima Impex (P) Ltd.	20,000	0.22%
9	Maladevi Aggarwal	500	0.01%
	Total	89,70,990	100.00%

- b. The top ten Shareholders of our Company ten (10) days prior to date of this Draft Red Herring Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mohit Aggarwal	45,72,770	50.97%
2	Aastha Alloy Steel Pvt. Ltd.	20,68,570	23.06%
3	Aastha Alloy Corp Pvt. Ltd.	19,43,925	21.67%
4	Best Way Hire Purchase Pvt. Ltd.	1,25,000	1.39%
4	Gugnani Leasing & Hire Purchase Pvt. Ltd.	1,25,000	1.39%
6	Akansha Credit Capital (P) Ltd.	67,500	0.75%
7	Shilpa Aggarwal	47,725	0.53%
8	Rima Impex (P) Ltd.	20,000	0.22%
9	Maladevi Aggarwal	500	0.01%
	Total	89,70,990	100.00%

- c. The top ten Shareholders of our Company two (2) years prior to date of this Draft Red Herring Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares Issue Share Capital
1	Mohit Aggarwal	914554	92.65%
2	Best Way Hire Purchase Pvt. Ltd.	25000	2.53%
2	Gugnani Leasing & Hire Purchase Pvt. Ltd.	25000	2.53%
4	Akansha Credit Capital (P) Ltd	13500	1.37%
5	Shilpa Aggarwal	5000	0.51%
6	Rima Impex (P) Ltd.	4000	0.41%
Total		9,87,054	100.00%

7. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
8. In the case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 43(2A) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.
9. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. No spill-over is allowed from the QIB Category.
10. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
11. Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of filing of this Draft Red Herring Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
12. The Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or otherwise.
13. We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Draft Red Herring Prospectus.
14. As on date of this Draft Red Herring Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.

- 15.** Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
- 16.** The Book Running Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
- 17.** As of the date of this Draft Red Herring Prospectus the total numbers of holders of the Equity Shares are 9 (nine).
- 18.** Our Company has not made any public issue or rights issue since its incorporation.

19. Shareholding Pattern of the Company

The following is the shareholding pattern of the Company as on the date of filing of this Draft Red Herring Prospectus:

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares Held in Demat Form	Total shareholding as a % of total no. of shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a % of Total no. of shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals/ Hindu Undivided Family	3	46,20,995		51.51%	51.51%	-	-
Bodies Corporate	2	40,12,495		44.73%	44.73%	-	-
Sub Total	5	86,33,490		96.24%	96.24%	-	-
(2) Foreign	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)	4	86,33,490		96.24%	96.24%	-	-
(B) Public Shareholding							
(1) Institutions	-	-	-	-	-	-	-
(2) Non-Institutions							
Bodies Corporate	4	3,37,500	-	3.76%	3.76%	-	-
Individuals							
Individual shareholders holding nominal share capital upto ₹ 1 lac	-	-	-	-	-	-	-
Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-	-	-
NRI's / OCB's	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total Public Shareholding (B)	4	3,37,500	-	3.76%	3.76%	-	-
Total (A+B)	9	89,70,990		100.00%	100.00%	-	-

(C) Shares held by Custodians and against which Depository receipts have been issued	-	-	-	-	-	-	-
Total (A+B+C)	9	89,70,990		100.00%	100.00%	-	-

OBJECTS OF THE ISSUE

The activities for which funds are being raised by our Company through this Issue, after deducting the Issue expenses are:

- Acquisition of Chrome Ore Mine in Turkey;
- Long-term working capital requirements; and
- General corporate purposes;

(Collectively referred to herein as the "Objects").

Further, we expect to receive the benefits of listing the Equity shares on the Stock Exchanges.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Issue.

Utilization of Proceeds of the Fresh Issue

The details of the proceeds of the Issue are summarized below:

(₹ in lacs)

Sr. No.	Particulars	Amount
(a)	Gross Proceeds from the Issue	4200.00
(b)	Less: Issue Related Expenses*	[•]
Net Proceeds of the Issue		[•]

**will be incorporated after finalisation of the Issue Price*

Requirement of Funds and Means of Finance

We intend to utilise the Net Proceeds of the Issue ("Net Proceeds") of Rs. [•] lacs for financing the objects as set forth below:

Fund Requirements

The funds raised from the Net Proceeds of Issue are to be utilized as shown below:

(₹ in lacs)

Sr. No.	Particulars	Amount
1.	Acquisition of Chrome Ore Mine in Turkey	1500.00
2.	Long-term working capital requirements	2445.00
3.	General Corporate Purposes	[•]*
Total		[•]

**to be finalised upon determination of Issue Price*

Means of Finance

The entire fund requirements are to be financed from the Net Proceeds of the Issue and there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. In view of the competitive and dynamic environment of the various business verticals in which our Company operates our Company may have to revise its business

plans from time to time and consequently its capital requirements may also change. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of its management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects. For further details on the risks involved in our expansion plans and executing our business strategies, please see the chapter titled "Risk Factors" beginning on page 14 of this Draft Red Herring Prospectus

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required and general corporate purposes.

In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

Details of the activities to be financed from the Net Proceeds

1. Acquisition of for Chrome Ore Mine in Turkey

Our Company has been involved in the business of Trading in Iron Ore, Manganese Ore and Chrome Ore. We propose to acquire Chrome Ore mine in Turkey. We believe that in-house mining assets would improve the quality of our balance sheet and further improve our operating efficiencies and margins.

Hence we propose to utilise Rs. 1500.00 Lacs from the Net Proceeds of the Issue for acquiring a Chrome Ore mine in Turkey. These costs are as estimated based on a Preliminary Term Sheet dated March 19, 2013 for acquiring the said Mining License entered into with OSHO Metal ve Madencilik Sanayi ve Ticaret Limited Şirketi having their address at Nasuh Akar Mahallesi, Ziyabey Caddesi, 1406 Sokak, No:4/12 Balgat 06520 Cankaya – Ankara, Turkey. The details of this site are as below:

Type of Mineral	Location of Site for which Mining License is being acquired	Area / Operable Area
Chrome Ore	Gaziantep province, Nurdağı district, Hamidiye village, with license no.200611937 and reference no.3125391.	Total Area 851,67 hectares, Operable Area 33,63 hectares

The company expects to complete said acquisition in the FY 2013-14 itself.

2. Long-term Working Capital Requirement

Working Capital Cycle:

The business of our Company has been growing over the past few years. Considering the existing growth rate, the total working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach Rs. 11,765.00 lacs for fiscal 2014. We intend to meet our working capital requirements to the extent of Rs. 2445.00 lacs from the Net Proceeds of this Issue and the balance will be met from internal accruals and borrowings at an appropriate time as per the requirement.

We need to keep different grades and dimensions of steel, steel scrap to meet varied needs of our customers. Also the lead time required for procuring non-coking coal and other minerals in which we propose to trade is high. Therefore, we have to maintain sufficient quantity of steel, coal and other material inventory to reduce the delivery time to our customers. Further, we are required to provide sufficient credit period to our customers resulting in high receivables. We enjoy credit from our suppliers through Letter of Credit against the same.

We have grown consistently in past three years in the trading of metals and minerals with increased market presence, long standing relationship with customers and strong marketing setup. Our Total Income has grown at a CAGR of 53.90% from Rs. 2962.18 lacs in F.Y. 2008 to Rs. 16616.05 lacs in F.Y. 2012. Our EBITDA has grown at a CAGR of 75.90% from Rs. 44.56 lacs in F.Y. 2008 to 426.59 lacs in F.Y. 2012 and our Net Profit after tax has grown at a CAGR of 68.87% from Rs. 14.66 lacs in F.Y. 2008 to Rs. 119.23 lacs in F.Y. 2012. Further our results for the six months ended September 2012 have shown aggressive growth reporting Total Income, EBITDA, and Net Profit of Rs. 69614.78 Lacs, Rs. 467.15 lacs, and Rs. 245.92 lacs respectively. We have started trading in non-coking coal during the current financial year and have begun servicing orders of the same. Further, due to the slowing down of global economy since 2008 and the subsequent volatility of economic activity in India in the recent past, various industries to whom, we supply, have faced liquidity pressures and if the same were to continue we may have to provide additional credit to our customers in order to continue our high growth rates. This too is one of the major reasons for increase in our working capital requirements.

Basis of estimation of working capital requirement and estimated working capital requirement:

(Amt. in lacs, Except for No. of Days)

Sr. No.	Particulars	Audited				Estimated	
		Hold ing Days	31 st March, 2012	Hold ing Days	30 th September , 2012	Hold ing Days	31 st March, 2014
I	Current Assets						
1	Inventories	34	2186.76	30	9156.72	19	10400.00
2	Sundry Debtors	30	1437.57	8	1539.98	13	12000.00
3	Cash and Bank Balance	15	31.83	8	1796.40	2	155.00
4	Loans & Advances	22	701.12	4	41.38	1	50.00
	Total Current Assets (A)		4357.28		12534.47		22605.00
II	Current Liabilities						
1	Creditors	12	1013.15	23	8566.80	18	10500.00
2	Other Current Liabilities	2	25.35	3	80.13	8	90.00
3	Short-term provisions	2	47.31	3	154.49	8	250.00
	Total Current Liabilities (B)		1085.80		8801.42		10840.00
III	Total Working Capital Gap (A-B)		3271.47		3733.05		11765.00
IV	Funding Pattern:						
1	Short Term Borrowings		1832.57		2031.67		5500.00
2	IPO		-		-		2445.00
3	Owned Funds / Internal Accruals/unsecured loan		1438.90		1701.38		3820.00

As on date, our company has sanctioned facilities consisting of an aggregate limit of ₹ 3385.00 lacs. For further details regarding these facilities, please see the chapter titled "Financial Indebtedness" beginning on page 172 of this Draft Red Herring Prospectus.

Hence, our Company proposes to utilise ₹ 2445.00 lacs of the Net Proceeds towards working capital requirements for meeting our future business requirements.

Justification for "Holding Period" levels

Inventories	<p>The company is engaged in domestic and international trading of Coal, Steel, Scrap Metal, Iron Ore, Manganese and other metals and minerals. The company maintains minimum levels of inventory, since the products dealt with by the company are usually procured against confirm orders from customers of the company based on various technical specifications.</p> <p>The Company expects to rationalize its inventory portfolio going ahead by better inventory management and keep the stock of various grades in line with the requirement of its customers. The Company plans to hold optimum inventory for regular products and keep minimum inventory for products with specific demand. Hence the inventory holding period for FY2014 has been estimated to be 19 days as compared to 34 and 30 days in FY2012 and six months period ended September 30, 2012.</p>
Debtors	<p>We have over 300+ dealers/customers spread across India. Depending upon the profile and credit worthiness of the customer, we provide credit up to a period of one month. In the future, the company expects to increase its geographical presence and customer base, this would entail giving higher credit periods, and also the increase in our minerals trading would help us rationalise our average debtor holding levels as this sector has a smaller credit cycle compared to metals. Hence the debtors holding levels for FY2014 has been estimated to be 13 days as compared to 30 and 8 days in FY2012 and six months period ended September 30, 2012.</p>
Creditors	<p>The Company normally avails 0-30 days credit from its suppliers. In the future, the company proposes to make advance payments to its suppliers, as this would help in getting priority over other customers in getting its orders scheduled prior to that of others and getting attractive discount structures. This would reduce our credit period availability. Secondly, the company proposes to receive higher credit periods from the increase in international procurement businesses. Hence the creditors holding levels for FY2014 has been estimated to be 18 days as compared to 12 and 23 days in FY2012 and six months period ended September 30, 2012.</p>

3. General corporate purposes

The balance Net Proceeds, aggregating to [●] lacs will be utilized towards investment in capital equipments, strategic initiatives, brand building exercises and strengthening of our marketing capabilities partnerships, joint ventures, meeting exigencies, which our Company in the ordinary course of business may face, acquiring Mining Assets etc., or any other purposes as approved by our Board.

Our Company, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

We further confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose merely because no specific amount has been allocated for such expenses in this Draft Red Herring Prospectus.

Year wise deployment of funds

The entire fund requirements mentioned above shall be utilised in FY 2013-14 itself.

Issue related Expenses

The total estimated Issue Expenses are approximately ₹ [•] lacs. The expenses of this Issue include, among others, underwriting and management fees, selling commissions, SCSBs' commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees:

The estimated Issue expenses are as under:

Sr. No.	Particulars	Amount (₹ in lacs)	% of the Issue Expenses	% of Total Issue Size
1	Issue Management fees including fees and reimbursements of selling commissions, new issue brokerages, and payment to other intermediaries such as Legal Advisors, Registrars, Advisors, IPO Grading Agencies and other out of pocket expenses.	[•]	[•]	[•]
2	Printing & Stationery, Distribution, Postage, etc.	[•]	[•]	[•]
3	Advertisement and Marketing Expenses	[•]	[•]	[•]
4	Regulatory and other Expenses	[•]	[•]	[•]
Total		[•]	[•]	[•]

**Will be incorporated at the time of filing of the Prospectus*

The amount set aside towards Issue related Expenses shall be utilized in FY 2013-14.

Appraisal

The fund requirements and deployment detailed above as not been appraised by any bank or financial institution and is based on our internal management estimates.

Monitoring of Utilisation of Funds

As this is an Issue for less than ₹ 5000 million, there is no requirement for the appointment of a monitoring agency. Our Board of Directors shall monitor the utilisation of the Net Proceeds. We will disclose the details of the utilisation of the Net Proceeds, including interim use, under a separate head in our financial information specifying the purpose for which such proceeds have been utilised or otherwise disclosed as per the disclosure requirements of our listing agreements with the Stock Exchanges. As per the requirements of Clause 49 of the Listing Agreement, we will disclose to the Audit Committee the uses/applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. The said disclosure shall be made until such time that the Net Proceeds have been fully spent. The statement shall be certified by our statutory auditors. Further, in terms of Clause 43A of the Listing Agreement, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the Objects stated in this Draft Red Herring Prospectus. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Clause 41 of the Listing Agreement and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Clause 49.

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds or estimated cost as above with our Promoters, our Directors, our key managerial personnel, associate and Group Companies. No part of the Net Proceeds will be paid by us as consideration to our Promoters, Promoter Group, our Directors, Group Companies or key managerial employees, except in the normal course of our business.

Bridge Financing

We have not entered into any Bridge Finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / credit facility with our lenders or unsecured financing from available sources for the fund requirements stated above. Any amount that is drawn down in form of short term loans for the above mentioned fund requirements shall be repaid from the Net Proceeds of the Issue.

Interim Use of Funds

Our management, in accordance with the policies established by the Board, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds of the Issue for the purposes described above, we may invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in working capital loan accounts and other investment grade interest bearing securities as may be approved by the Board. Such investments would be in accordance with the investment policies approved by our Board from time to time and at the prevailing commercial rates at the time of investment. No part of the Issue proceeds will be paid to our Promoters, Directors, key managerial personnel or Promoter Group Company/entity.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to the Promoters, the Directors, the Key Management Personnel, the members of our Promoter Group or Group Companies.

BASIS FOR THE ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the offered Equity Shares by the book building process and on the basis of the following qualitative and quantitative factors.

Qualitative Factors

We believe that we have the following competitive strengths:

- Diverse Product Portfolio and Strong Execution capabilities;
- Strong Supply Chain Management;
- Experienced and Professional Management Team;
- Aggressive approach to business opportunities, both in India and Abroad;
- Strong Risk Management

For a detailed discussion on the qualitative factors, which form the basis for computing the Issue Price, see sections titled "Our Business" and "Risk Factors" on pages 94 and 14, respectively

Quantitative Factors

Information presented in this section is derived from our restated financial information prepared in accordance with the Companies Act and the SEBI Regulations.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic and Diluted Earnings / (Loss) per Share ("EPS") for the Company

Period ended	Basic EPS (₹)	Adjusted EPS* (₹)	Weight
March 31, 2012	12.07	2.41	3
March 31, 2011	2.53	0.51	2
March 31, 2010	0.03	0.01	1
Weighted Average	6.88	1.38	

**After giving retrospective effect of bonus*

The restated Basic and Adjusted EPS for the six months ended September 30, 2012 is ₹10.00 and ₹3.51 per share.

2. Price Earning (P/ E) Ratio in relation to the Issue Price of ₹ [•] per Equity Share

Sr. No.	Particulars	Amount (In Rs.)
1.	P/E ratio on the Basic and Diluted EPS for the year ended March 31, 2012 at the Upper end of the Price Band	[•]
2.	P/E ratio on the Basic and Diluted EPS for the year ended March 31, 2012 at the Lower end of the Price Band	[•]

Industry P/ E

	P/ E Ratio	Particulars	Face value of equity shares (₹)
Highest	460.60	MMTC	1
Lowest	2.10	Kothari Products Ltd.	10
Average	73.00	"Trading Industry"	

Source: Capital Market (February 18, 2012 – March 03, 2013)

3. Return on Network (RoNW)

Period ended	RoNW (%)	Weight
2012	7.26%	3
2011	11.08%	2
2010	0.13%	1
Weighted Average	7.35%	

The restated RONW for the six months ended September 30, 2012 is 12.87%.

4. Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue Basic EPS for the year ended March 31, 2012 for the Company

Based on Basic and Diluted EPS

At the Floor Price – [●] % and [●] % based on Restated financial information.

At the Cap Price – [●] % and [●] % based on Restated financial information

5. Net Asset Value for the Company

NAV as at March 31, 2012 : ₹ 33.25 per Equity Share

NAV as at September 30, 2012 : ₹ 27.31 per Equity Share

Issue price : ₹ [●] per Equity Share

NAV after the Issue : ₹ [●] per Equity Share

Note:

- (i) Net Assets Value per Share (₹) = Net worth as per statement of adjusted Assets and liabilities divided by the Number of Shares

6. Comparison with other listed companies

Name of Company	Face Value of Equity Shares in ₹	Basic EPS in ₹	RoNW (%)	NAV per Equity Share in ₹	P/E Ratio
Adani Enterprises Limited	1	3.00	3.70%	90.90	52.50
Ashapura Minechem Limited	2	1.10	-	(40.00)	17.60
GMDC Limited	2	14.80	26.20%	64.30	9.70
MMTC India Limited	1	1.10	8.40%	14.20	460.60
Shree Global Tradefin Limited	5	0.10	-	21.20	-

Source: Capital Market (February 18, 2012 – March 03, 2013)

7. The Issue price will be [●] times of the face value of the Equity Shares.

The face value of the Equity Shares of our Company is ₹ 10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of the demand from investors for the Equity Shares through the Book Building Process.

STATEMENT OF TAX BENEFITS

The Board of Directors
Aastha Minmet India Ltd.
W-204, 2nd Floor,
Sunrise Chambers, Ulsoor Road,
Bangalore- 560042.

Dear Sirs,

Statement of Possible Tax Benefits available to "Aastha Minmet India Limited" and its shareholders

We hereby report that the enclosed statement provides the possible tax benefits available to **Aastha Minmet India Limited** (*the Company*) under the Income-tax Act, 1961, presently in force in India and to the shareholders of the Company under the Income Tax Act, 1961 and Wealth Tax Act, 1957 and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for Professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own Tax Consultant with respect to the specific tax implications arising out of their participation in the issue.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

For M/s. Vikas Khaitan & Co.
Chartered Accountants
Firm's Regn. No.: 013356s

CA Vikas Khaitan, FCA
Proprietor
Mem. No.: 063352

Place: Bangalore
Date: March 18, 2013

General Tax Benefits to the Company under Income Tax Act, 1961

- 1) The Company will be entitled to amortize certain preliminary expenditure, specified under section 35D(2) of the I.T. Act, subject to the limit specified in Section 35D(3). The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive Assessment Years beginning with the Assessment Year in which the business commences.
- 2) In accordance with section 32 of the Act, the company is entitled to claim on specified tangible assets (being Office Equipments, Vehicles, Furniture & fittings and computers) and Intangible assets (being Licenses) owned by it and used for the purpose of its business.
- 3) In accordance with section 112, the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of:
 - 20 per cent (plus applicable surcharge and education cess) of the capital gains as computed after indexation of the cost or
 - 10 per cent (plus applicable surcharge and education cess) of the capital gains as computed without indexation.

Section 115-O

Tax rate on distributed profits of domestic companies (Dividend Distribution Tax) is 15%, the surcharge on Income tax is at 5%, and the Education Cess 2% and Higher Education Cess is at 1%.

Tax Rates

The tax rate is 30%. The surcharge on Income tax is 5%, only if the total income exceeds ₹ 100 Lacs. Education Cess 2% and Higher Education Cess is at 1%.

General Tax Benefits to the Shareholders of the Company

I. Under the Income-tax Act, 1961

A. Residents

- 1) Dividends earned on shares of the Company are exempt from tax in accordance with and subject to the provisions of section 10(34) read with section 115-O of the Act. However, as per section 94(7) of the Act, losses arising from sale/transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.
- 2) Shares of the company held as capital asset for a period of more than twelve months preceding the date of transfer will be treated as a long term capital asset.
- 3) Long term capital gain arising on sale of shares is fully exempt from tax in accordance with the provisions of section 10(38) of the Act, where the sale is made on or after October 1, 2004 on a recognized stock exchange and the transaction is chargeable to securities transaction tax.
- 4) Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income (i.e. dividend/exempt long-term capital gains) is not tax deductible expenditure.
- 5) Under section 36(1)(xv) of the Act, Securities Transaction Tax paid by a Shareholder in respect of

taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and Gains of Business or Profession".

- 6) As per the provision of Section 71(3), if there is a Loss under the head "Capital Gains", it cannot be set-off against the income under any other head. Section 74 provides that the short term capital loss can be set-off against both Short Term and Long Term Capital Gain. But Long Term Capital Loss cannot be set-off against Short Term Capital Gain. The unabsorbed Short Term Capital Loss can be carried forward for next Eight Assessment Years and can be set off against any Capital Gains in subsequent years. The Unabsorbed Long Term Capital Loss can be carried forward for next eight Assessment Years and can be set off only against Long Term Capital Gains in subsequent years.
- 7) Taxable Long Term Capital Gains would arise [if not exempt under section 10(38) or any other section of the Act] to a resident shareholder where the equity shares are held for a period of more than 12 months prior to the date of transfer of the shares. In accordance with and subject to the provisions of Section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:
 - a) Cost of acquisition/improvement of the shares as adjusted by the cost inflation index notified by the Central Government; and
 - b) Expenditure incurred wholly and exclusively in connection with the transfer of shares
- 8) Under Section 112 of the Act, Taxable Long-Term Capital Gains are subject to tax at a rate of 20% (plus applicable surcharge and education cess) after indexation, as provided in the second proviso to section 48 of the Act. However, in case of listed securities or units, the amount of such tax could be limited to 10% (plus applicable surcharge and education cess), without indexation, at the option of the shareholder.
- 9) Short Term Capital Gains on the transfer of equity shares, where the shares are held for a period of not more than 12 months would be taxed at 15% (plus applicable surcharge and education cess), where the sale is made on or after October 1, 2004 on a recognized stock exchange and the transaction is chargeable to securities transaction tax. In all other cases, the short term capital gains would be taxed at the normal rates of tax (plus applicable surcharge and education cess) applicable to the resident investor. Cost indexation benefits would not be available in computing tax on Short Term Capital Gain.
- 10) Under section 54EC of the Act, Long Term Capital Gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (up to a maximum limit of ₹ 50 Lacs) for a minimum period of three years.
- 11) In accordance with section 54F, Long-Term Capital Gains arising on the transfer of the shares of the Company held by an individual and Hindu Undivided Family on which Securities Transaction Tax is not payable, shall be exempt from Capital Gains Tax, if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years. Such benefit will not be available if the individual-
 - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - purchases another residential house within a period of one year after the date of transfer of the shares; or

- constructs another residential house within a period of three years after the date of transfer of the shares; and
 - the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".
- 12) If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.
- 13) If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.
- 14) If an individual or HUF receives any property, from any person other than specified relative which includes shares, without consideration, the aggregate fair market value of which exceeds Rs 50,000, the whole of the fair market value of such property will be considered as income in the hands of the recipient. Similarly, if an individual or HUF receives any property, which includes shares, for consideration which is less than the fair market value of the property by an amount exceeding Rs 50,000, the fair market value of such property as exceeds the consideration will be considered as income in the hands of the recipient

Tax Rates

For Individuals, HUFs, BOI and Association of Persons:

Slab of income (₹)	Rate of tax (%)
0 – 200,000	Nil
200,001 – 500,000	10%
500,001 – 10,00,000	20%
10,00,001 and above	30%

Notes:

- (i) In respect of women residents below the age of 60 years, the basic exemption limit is ₹ 200,000.
- (ii) In respect of senior citizens resident in India, the basic exemption limit is ₹ 250,000. (Age more than 60 years)
- (iii) In respect of Super citizens resident in India, the basic exemption limit is ₹ 500,000. (Age more than 80 years)
- (iv) Education cess @ 2% and Higher Education cess @1% will be levied on income tax.

B. Non-Residents

- 1) Dividends earned on shares of the Company are exempt in accordance with and subject to the provisions of section 10(34) read with Section 115-O of the Act. However, as per section 94(7) of the Act, losses arising from sale/ transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt
- 2) Long Term Capital Gain arising on sale of Company's shares is fully exempt from tax in accordance with the provisions of section 10(38) of the Act, where the sale is made on or after October, 1 2004 on a recognized Stock Exchange and the transaction is chargeable to Securities Transaction Tax.

- 3) In accordance with section 48, capital gains arising out of transfer of capital assets being shares in the Company shall be computed by converting the cost of acquisition, expenditure in connection with such transfer and the full value of the consideration received or accruing as a result of the transfer into the same foreign currency as was initially utilised in the purchase of the shares and the capital gains computed in such foreign currency shall be reconverted into Indian currency, such that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing/arising from every reinvestment thereafter in, and sale of, shares and debentures of, an Indian company including the Company.
- 4) As per the provisions of Section 90, the Non Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever in India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant Country for Avoidance of Double Taxation of Income.
- 5) In accordance with section 112, the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to Securities Transaction Tax, held as long term capital assets will be at the rate of 10% (plus applicable surcharge and education cess). A non-resident will not be eligible for adopting the indexed cost of acquisition and the indexed cost of improvement for the purpose of computation of long-term capital gain on sale of shares.
- 6) In accordance with Section 111A, the tax on capital gains arising from the transfer of a short term asset being an equity share in a company or a unit of an equity oriented fund, is chargeable to tax at the rate of 15% (plus applicable surcharge and education cess), where such transaction is chargeable to Securities Transaction Tax. If the provisions of Section 111A are not applicable to the short term capital gains, then the tax will be chargeable at the applicable normal rates plus surcharge and education cess as applicable.
- 7) Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (up to a maximum limit of Rs 50 lacs) for a minimum period of three years.
- 8) In accordance with section 54F, long-term capital gains arising on the transfer of the shares of the Company held by an individual and Hindu undivided family on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years subject to regulatory feasibility. Such benefit will not be available if the individual-
 - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - purchases another residential house within a period of one year after the date of transfer of the shares; or
 - constructs another residential house within a period of three years after the date of transfer of the shares; and
 - the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".
- 9) If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.
- 10) If the new residential house is transferred within a period of three years from the date of

purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

C. *Non-Resident Indians*

Further, a Non-Resident Indian has the option to be governed by the provisions of Chapter XII-A of the Income-tax

Act, 1961 which reads as under:

- 1) In accordance with section 115E, income from investment or income from long-term capital gains on transfer of assets other than specified asset shall be taxable at the rate of 20% (plus education cess). Income by way of long term capital gains in respect of a specified asset (as defined in Section 115C (f) of the Income-tax Act, 1961), shall be chargeable at 10% (plus education cess).
- 2) In accordance with section 115F, subject to the conditions and to the extent specified herein, long-term capital gains arising from transfer of shares of the company acquired out of convertible foreign exchange, and on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax, if the net consideration is invested within six months of the date of transfer in any specified new asset.
- 3) In accordance with section 115G, it is not necessary for a Non-Resident Indian to file a return of income under section 139(1), if his total income consists only of investment income earned on shares of the company acquired out of convertible foreign exchange or income by way of long-term capital gains earned on transfer of shares of the company acquired out of convertible foreign exchange or both, and the tax deductible has been deducted at source from such income under the provisions of Chapter XVII-B of the Income-tax Act, 1961.
- 4) In accordance with Section 115-I, where a Non-Resident Indian opts not to be governed by the provisions of Chapter XII-A for any Assessment Year, his total income for that assessment year (including income arising from investment in the company) will be computed and tax will be charged according to the other provisions of the Income-tax Act, 1961.
- 5) As per the provisions of Section 90, the NRI shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant Country for avoidance of double taxation of income.
- 6) In accordance with section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to Securities Transaction Tax.
- 7) In accordance with section 10(34), dividend income declared, distributed or paid by the Company (referred to in section 115-O) will be exempt from tax.
- 8) In accordance with Section 111A capital gains arising from the transfer of a short term asset being an equity share in a company or a unit of an equity oriented fund where such transaction has suffered Securities Transaction Tax is chargeable to tax at the rate of 15% (plus applicable surcharge and education cess). If the provisions of Section 111A are not applicable to the short term capital gains, then the tax will be chargeable at the applicable normal rates plus surcharge and education cess.
- 9) Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the

extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (upto a maximum limit of Rs 50 lacs) for a minimum period of three years.

- 10) In accordance with section 54F, long-term capital gains arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family on which Securities Transaction Tax is not payable, shall be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years subject to regulatory feasibility. Such benefit will not be available if the individual or Hindu Undivided Family-
- owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - purchases another residential house within a period of one year after the date of transfer of the shares; or
 - constructs another residential house within a period of three years after the date of transfer of the shares; and
 - the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".
- 11) If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.
- 12) If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

D. Foreign Institutional Investors (FIIs)

- 1) In accordance with section 10(34), dividend income declared, distributed or paid by the Company (referred to in section 115-O) will be exempt from tax in the hands of Foreign Institutional Investors (FIIs).
- 2) In accordance with section 115AD, FIIs will be taxed at 10% (plus applicable surcharge and education cess) on long-term capital gains (computed without indexation of cost and foreign exchange fluctuation), if Securities Transaction Tax is not payable on the transfer of the shares and at 15% (plus applicable surcharge and education cess) in accordance with section 111A on short-term capital gains arising on the sale of the shares of the Company which is subject to Securities Transaction Tax. If the provisions of Section 111A are not applicable to the short term capital gains, then the tax will be charged at the rate of 30% plus applicable surcharge and education cess, as applicable.
- 1) In accordance with section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to Securities Transaction Tax.
- 2) As per the provisions of Section 90, the Non Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant Country for avoidance of double taxation of income.
- 3) Under section 196D (2) of the Income-tax Act, 1961, no deduction of Tax at Source will be made in

respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD.

- 4) Under section 54EC of the Act, Long Term Capital Gain arising on the transfer of shares of the Company [other than the sale referred to in section 10(38) of the Act] is exempt from tax to the extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (upto a maximum limit of Rs 50 lacs) for a minimum period of three years.

E. *Persons carrying on business or profession in shares and securities.*

Under section 36(1)(xv) of the Act, securities transaction tax paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and Gains of Business or Profession".

A nonresident taxpayer has an option to be governed by the provisions of the Income-tax Act, 1961 or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial (section 90(2) of the Income tax Act, 1961).

F. *Mutual Funds*

Under section 10(23D) of the Act, exemption is available in respect of income (including capital gains arising on transfer of shares of the Company) of a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992 or such other Mutual fund set up by a public sector bank or a public financial institution or authorized by the Reserve Bank of India and subject to the conditions as the Central Government may specify by notification.

G. *Venture Capital Companies/Funds*

In terms of section 10(23FB) of the I.T. Act, income of:-

Venture Capital Company which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992; and Venture Capital Fund, operating under a registered trust deed or a venture capital scheme made by Unit trust of India, which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992, from investment in a Venture Capital Undertaking, is exempt from income tax, Exemption available under the Act is subject to investment in domestic Company whose shares are not listed and which is engaged in certain 'specified' business/industry.

II. Under the Wealth Tax and Gift Tax Acts

- 1) "Asset" as defined under section 2(ea) of the Wealth-tax Act, 1957 does not include shares held in a Company and hence, these are not liable to wealth tax.
- 2) Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Any gift of shares of the Company is not liable to gift-tax. However, in the hands of the Donee the same will be treated as income unless the gift is from a relative as defined under Explanation to Section 56(vi) of Income-tax Act, 1961.

Notes:

- 1) The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- 2) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- 3) The above statement of possible tax benefits are as per the current direct tax laws relevant for the assessment year 2013-14. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.
- 4) This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for Professional advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- 5) In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the Country in which the non-resident has fiscal domicile.
- 6) No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For M/s. Vikas Khaitan & Co.
Chartered Accountants

Firm's Regn. No.: 013356s

CA Vikas Khaitan, FCA

Proprietor

Mem. No.: 063352

Place: Bangalore

Date: March 18, 2013

SECTION IV – ABOUT THE ISSUER

INDUSTRY OVERVIEW

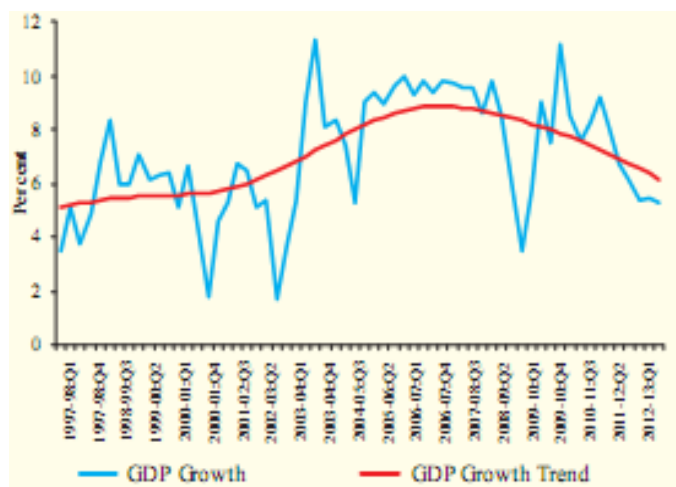
Unless noted otherwise, the information in this section is derived from industry sources, online as well as offline published material and government publications. None of the Company, the BRLM and any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.

Overview of the Indian Economy

The Indian economy further decelerated in the first half (H1) of 2012-13, with moderation in all three sectors of the economy. The weak monsoon dented agricultural performance. Policy constraints, supply and infrastructure bottlenecks and lack of sufficient demand continued to keep industrial growth below trend. Subdued growth in other sectors and weak external demand pulled down the growth of services as well. However, a modest recovery may set in from Q4 of 2012-13 as reforms get implemented.

Demand weakened in H1 of 2012-13. There was significant moderation in consumption as private consumption decelerated even as government expenditure accelerated. On the fiscal side, near-term risks have diminished due to the government's repeated avowal of commitment to the revised fiscal deficit target of 5.3 per cent of gross domestic product (GDP) for the year. The CAD to GDP ratio reached a historically high level of 5.4 per cent in Q2 of 2012-13. Low growth and uncertainty in AEs as well as EMDEs continued to adversely impact exports in Q3 of 2012-13. This, combined with continuing large imports of oil and gold, resulted in a deterioration of the trade balance. Strong capital flows have enabled financing of CAD without a significant drawdown of foreign exchange reserves.

Growth in India continued to be subdued at 5.3 per cent in Q2 of 2012-13 and is likely to remain low in Q3 as well. The slowdown reflects the uncertain global macro-economic environment as well as domestic factors such as low growth in real investment (gross fixed capital formation) and a weak south-west monsoon. Consequently, growth in the first half (H1) of 2012-13 was 5.4 per cent and below trend, compared with growth of 7.3 per cent in H1 of 2011-12, as shown in the illustration below:



Monetary policy in India has sought to balance the growth-inflation dynamics that included a frontloaded policy rate cut of 50 basis points in April 2012 and several liquidity enhancing measures. These included lowering of the cash reserve ratio by 50 bps on top of a 125 bps reduction in Q4 of 2011-12 and the statutory liquidity ratio by 100 bps in a bid to improve credit flows. The Reserve Bank also infused liquidity of over ₹1.3 trillion through outright open market operation (OMO) purchases during 2012-13 so far. However, growth in monetary aggregates remains below the indicative trajectory.

Improved global sentiments, along with recent policy reforms by the government beginning September 2012, and market expectations of a cut in the policy rate in the face of moderation in inflation, aided FII flows into the domestic market. The equity markets showed significant turnaround, while the rupee remained range-bound. In addition, revival is witnessed in the IPO segment. Although Indian financial market sentiments improved significantly in Q3 of 2012-13, some macroeconomic concerns persist, as witnessed in the inverted yield curve.

Business sentiments remain weak despite reform initiatives and consumer confidence is edging down. The Reserve Bank anticipates a slow recovery in 2013-14 with inflation remaining sticky. Fiscal risks have somewhat moderated in 2012-13, but a sustained commitment to fiscal consolidation is needed to generate monetary space. Widening CAD, which is at historically high level, remains a constraint on monetary easing.

(Source: Macroeconomic and Monetary Developments Third Quarter Review 2012-13, published on January 28, 2013)

Overview of the Coal Sector

Coal is a combustible compact black or dark-brown carbonaceous sedimentary rock formed from compaction of layers of partially decomposed vegetation and occurs in stratified sedimentary deposits. It is classified into different types mainly on the basis of certain chemical (ash, moisture and volatile matters) and physical (caking index, coke type and swelling index) parameters. However, different modes of classifications are being followed in different countries mainly on the basis of prevalent industrial need. The Indian coal is broadly classified into two types – Coking and Non-Coking. The former constitute only a small part of the total coal resources of the country. These two are further subdivided as follows on the basis of certain physical and chemical parameter as per the requirement of the industry.

Coking Coal:

Prime Coking - Mainly used for metallurgical purpose.

Medium Coking - Mainly used in steel industry.

Semi Coking - Mainly in cement, fertilizer and sponge iron industries.

Non Coking Coal:

Non- coking coal comprises lion's share of Indian coal. Based on Useful Heat Value (UHV), it is classified into grades A to G for commercial use. A to C grades are considered as Superior and are used in cement, fertilizer and sponge iron industries. D to G grade, available in almost in all the coalfields, is considered as Inferior and is mostly used in power sector.

Lignite:

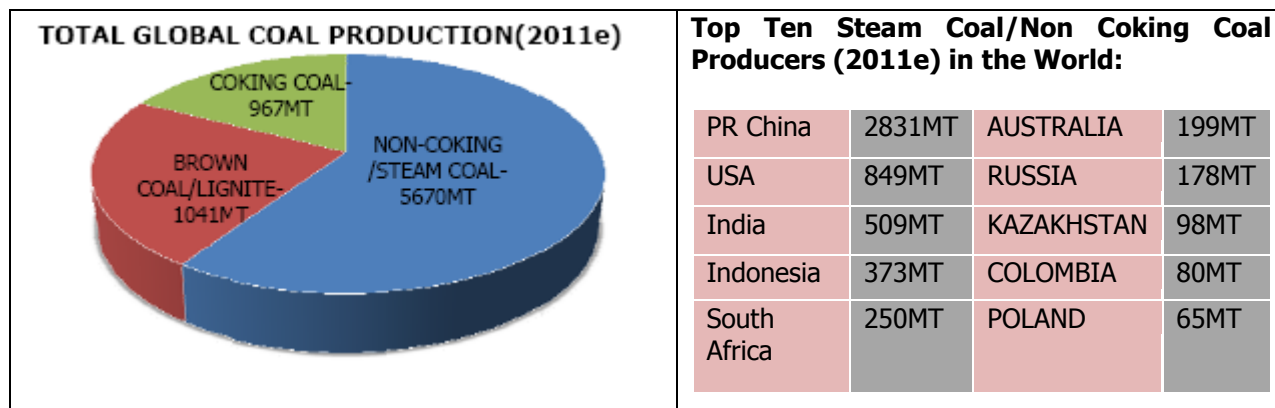
It is commonly known as brown coal and is classified into grades A to C on the basis of Gross Calorific Value as per the requirement of the industries. It is considered as apt fuel for power generation especially due to its low ash content.

(Source: www.portal.gsi.gov.in)

Our company is primarily involved in the trade of non-coking coal.

Coal - Global Scenario

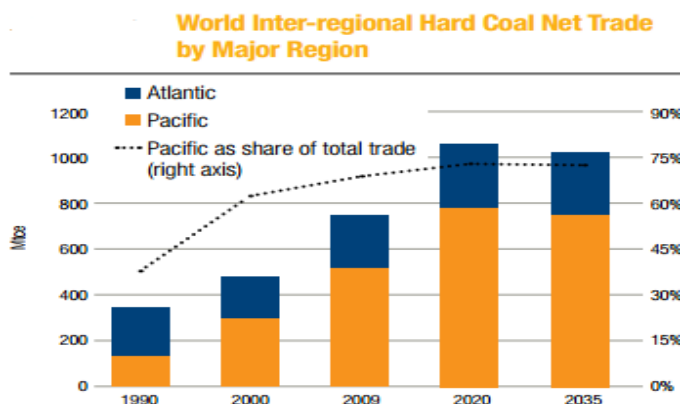
Coal provides 30.3% of global primary energy needs and generates 42% of the world's electricity. In 2011 coal was the fastest growing form of energy outside renewables. Its share in global primary energy consumption increased to 30.3% - the highest since 1969. The total Global Coal Production (2011e) stood at 7678 Million tones. The break-up of the same is as shown below:



(Source: <http://www.worldcoal.org/resources/coal-statistics/> published in August 2012)

Global Coal Trade

The two primary coal-trade markets—the Pacific and the Atlantic—are characterized by different trends. The Pacific market is expanding rapidly, driven mainly by China and India, but also by the traditional big importers in the region: Japan, Taiwan, and South Korea. Conversely, the Atlantic market has declined due to the economic slowdown and growing social resistance to coal-fired plants in Europe and North America. Japan, and South Korea—the two traditional big importers—have enormous coal power generation capacity (Japan ranked fifth and South Korea eighth) but almost no domestic coal producing capacities. Together, they imported 309 million tonnes of coal in 2011e (Source: www.worldcoal.org). As pressure mounts to phase out nuclear power and other growing industrial requirements coal imports to this region are likely to continue to grow. Further, China and India together imported 295 million tonnes of coal in 2011e (Source: www.worldcoal.org). IEA predicts that China and India will account for 90 percent of the growth in coal demand by 2016. During the same period, demand in the OECD countries will be sluggish, at 0.2 percent per year. In response to the market shift to more robust Asian demand, all the major exporters are exploring ways to increase their sales in the region. Following figure illustrates the growth history and IEA future demand predictions for the two markets:



(Source: WRI Global Coal Risk Assessment Working Paper published in November 2012)

Top Coal Exporters and Importers (2011e):

TOP COAL EXPORTERS:				TOP COAL IMPORTERS:			
	Total Of which	Steam	Coking		Total Of which	Steam	Coking
Indonesia	309Mt	309Mt	0Mt	PR China	190Mt	146Mt	38Mt
Australia	284Mt	144Mt	140Mt	Japan	175Mt	121Mt	54Mt
Russia	124Mt	110Mt	14Mt	South Korea	129Mt	97Mt	32Mt
USA	97Mt	34Mt	63Mt	India	105Mt	86Mt	19Mt
Colombia	75Mt	75Mt	0Mt	Chinese, Taipei	66Mt	62Mt	4Mt
South Africa	72Mt	72Mt	0Mt	Germany	41Mt	32Mt	9Mt
Kazakhstan	34Mt	33Mt	1Mt	UK	33Mt	27Mt	6Mt

(Source: <http://www.worldcoal.org/resources/coal-statistics/> published in August 2012)

Coal - Indian Scenario

The Indian coal industry is the world's third largest in terms of production and fourth largest in terms of reserves. Around 70% of the total production is used for electricity generation and the remaining by the steel, cement and other heavy industries. Coal is also used as fuel for domestic purposes. (Source: <http://www.economywatch.com/business-and-economy/india-coal-industry.html>).

Indian coal mining industry witnessed a growth in both production as well as sales. The annual production of coal grew by 1.3 percent to reach 539 million tons. The size of Indian coal industry was estimated at INR 800 billion by the end of fiscal year 2012. Ministry of Coal has planned to increase the coal production by an average of 36 million tons per annum in the 12th five year plan. The proven coal resources in India were recorded at around 114 billion tons as on April 1, 2011. Despite the availability of vast coal assets, the country was a net importer of coal in FY12 due to domestic supply side constraints and burgeoning demand for coal. The demand supply gap estimated at 161.5 million tons at the end of fiscal year. Coal imports touched a figure of 99 million tons recording a growth of around 43 percent. The government of India waived-off the customs duty on non-coking coal to ease the import of the same to meet domestic requirements. In January 2012, Coal India Limited decided to increase prices and benchmark them according to Gross Calorific Value (GCV). The move, however, attracted a lot of opposition. Eventually, Coal India Limited had to roll back prices as a result of increasing pressure from power sector companies. The last quarter of the fiscal year also witnessed a controversy surrounding allocation of coal blocks to private and public sector companies without auction during the period 2004-09. The basis for this controversy was a report from Comptroller and Auditor General of India (CAG), which estimated a notional loss of INR10.6 trillion to the exchequer for not following a competitive bidding process in allocation of coal blocks. Central Bureau of Investigation entrusted with the responsibility of investigations in this case. Meanwhile, the Ministry of Coal allocated 81 coal blocks to power sector companies in May 2012 in pursuance of its policy to give preference to power sector. The Ministry also directed Coal India Limited to sign Fuel Supply Agreements (FSAs) covering total quantity of 438.29 million tons in May 2012 to thermal power plants.

(Source: http://www.researchandmarkets.com/reports/2173208/india_coal_industry_1h12)

Coal Demand and Supply Analysis (India)

The Working Group for Coal & Lignite for formulation of XI Plan has assessed the coal demand of 772.00 MT in the terminal year XI Plan i.e. 2012-13 which was assessed by the Planning Commission during Annual Plan Discussion on 19.1.2012. The All India coal demand for the year 2011-12 (BE, RE) and 2012-

13 (BE) have been assessed as 696.03 MT, 649.87MT and 772.84 MT respectively. The Sector wise break-up is as under:

(in million tonnes)

Sector	Xth Plan	XIth Plan						
	(2006-07) Actual	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 BE	2011-12 Anti.	2012-13 BE
I) Coking Coal								
Steel/Coke Ovens& okeries	17.30	16.99	16.58	15.92	16.80	17.23	17.00	22.00
Steel (Import)	17.88	22.03	21.08	23.47	23.20	29.44	26.00	30.00
Sub-Total Coking	35.17	39.02	37.66	39.39	40.00	46.67	43.20	52.30
II) Non-Coking Coal								
Power Utilites (Gen.Req.)	307.92 (1.61)*	332.40 (1.45)*	362.08 (1.23)*	380.13	405.00	460.00	415.00	512.00
Captive Power	28.13 (1.64)*	29.31 (1.55)*	32.94 (1.38)*	38.47	40.00	40.00	42.94	43.00
Cement	19.74	21.27	20.09	20.80	25.98	28.89	28.00	30.24
Steel DR	17.47	20.92	19.78	22.89	28.80	30.47	30.00	35.30
BRK & others	54.45	60.44	75.63	79.81	85.00	90.00	90.00	100.00
Colly. Consumption	0.99	0.93	0.85	0.76	--	--	0.73	--
Sub-Total Non-Coking	428.70 (3.25)*	465.27 (3.18)*	511.37 (2.61)*	542.86	584.78	649.36	606.67	720.54
Grand Total (I+II):	463.87 (3.25)*	504.29 (3.18)*	549.03 (2.61)*	582.25 (2.21)*	624.78	696.03	649.87	772.84

It is estimated that at the end of terminal year of 11th Five Year Plan (2012-13), the coal demand would be about 772 million tonnes, whereas the indigenous availability would be about 580.30 million tonnes. Therefore, there is likely to be a gap of 192.50 million tones, which is required to be met through imports. The details are given below:

(in million tonnes)

Source	2008-09 Actual	2009-10 Actual	2010-11 Actual (Prov)	2011-12 BE	2011-12 RE	XI Plan Proj. 2012-13
CIL	401.44	415.88	424.30	452.00	452.00	470.00
SCCL	44.54	49.37	50.14	51.00	51.00	53.10
Others	44.03	49.25	49.69	56.00	56.00	57.20
Total indigenous supply	490.01	514.50	524.13	559.00	559.00	580.30
Demand	550.00	597.98	656.31	696.03	649.87	772.84
Gap to be met through imports	59.98	83.48	132.18	137.03	90.87	192.50
Total Import	59.00	73.25	92.00	137.03	51.00	142.93

As per the present Import Policy, coal can be freely imported (under Open General License) by the consumers themselves considering their needs and exercising their own commercial prudence. Coking coal is being imported by Steel Authority of India Limited (SAIL) and other Steel sector manufacturing units mainly to bridge the gap between the requirement and indigenous availability and to improve the

quality. Coal based power plants, cement plants, captive power plants, sponge iron plants, industrial consumers and coal traders import non-coking coal. Coke is imported mainly by Pig-Iron manufacturers and Iron & Steel Sector consumers using mini-blast furnace.

(in million tonnes)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Coking Coal	16.93	16.89	17.88	22.03	21.08	24.69	19.48
Non Coking Coal	12.03	21.70	25.20	27.76	37.92	48.57	49.43
Coke	2.84	2.62	4.69	4.25	1.88	2.36	1.49
Total Import	31.80	41.21	47.77	54.04	60.88	75.62	70.4

(Source: Ministry of Coal – Annual Report 2011-12)

Recent key developments for Coal in India

- It is proposed to set up a Coal Regulatory Authority for which a Draft Bill has been finalized after consulting various Ministries/Departments. Draft Cabinet Note along with the Bill has been forwarding to the Cabinet for setting up of independent Regulator for Coal.
- With a view to bringing in more transparency, the Mines and Minerals (Development and Regulation) Amendment Act, 2010 for introduction of competitive bidding system for allocation of coal blocks for captive use, has been passed by the both Houses of Parliament and it has been notified in Gazette of India (Extraordinary) on 9th September, 2010.
- The Amendment Act seeks to provide for grant of reconnaissance permit, prospecting license or mining lease in respect of an area containing coal and lignite through auction by competitive bidding, on such terms and conditions as may be prescribed.
- The Government has finalized Rules for allocation of blocks through the competitive bidding and same are notified on 2.2.2012.

Overview of the Steel Sector

Steel has been regarded as the most useful product for mankind. It reaches every home, and has a wide range of applications from a small pin to the manufacture of automobiles, building of the railway systems, ships, big construction projects, housing, oil rigs, nuclear power stations and so on. Steel's two key components are iron (one of Earth's most abundant elements) and recycled steel. Once steel is produced it becomes a permanent resource because it is 100% recyclable and has an infinite life cycle. Infinite recyclability without loss of properties makes steel unique and valuable.

(Source: World Steel Association, 2012)

Steel market is primarily divided into two categories - flat and long.

- **Flat Steel:** Includes Plate or a (hot or cold) rolled strip product. Typical products are plates, HR coils, HR sheets, CR coils, CR sheets, Galvanized plates (GP), Galvanized coils (GC), pipes etc
- **Long Steel:** Includes Rod or a bar. Typical rod products are the reinforcing rods made from sponge iron for concrete, ingots, billets, engineering products, gears tools etc.

(Source: www.mcxindia.com)

Our company is primarily involved in the trade of long steel products.

Steel - Global Scenario

In 2011 the world crude steel production reached 1518 million tonnes (mt) and showed a growth of 6.2% over 2010 with China being the world's largest crude steel producer in 2011 (684 mt) followed by Japan (108 mt), the USA (86.4 mt) and India (72.2 mt; prov) at the 4th position (72.2 mt). The WSA has projected that global apparent steel use will increase by 3.6% to 1422 Mt in 2012, following growth of 5.6% in 2011. In 2013, it is forecast that world steel demand will grow further by 4.5% to around 1486 Mt. China's apparent steel use in 2012 and 2013 is expected to increase by 4% in both the years. For India, growth in apparent steel use is expected to grow by 6.9% in 2012 and by 9.4% in 2013.

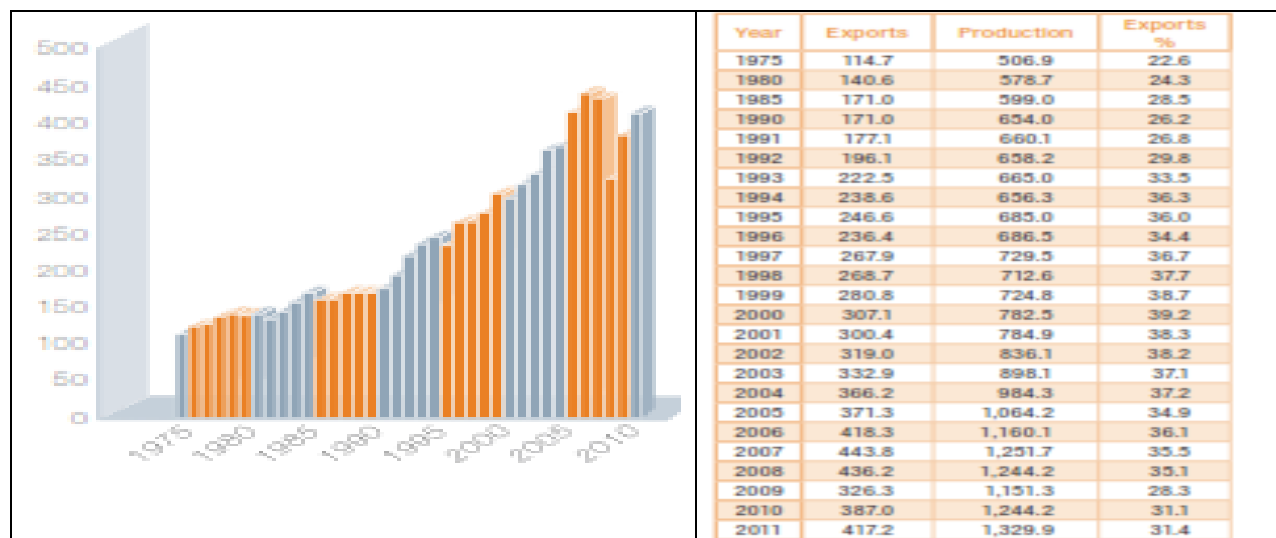
(Source: "An Overview of Steel Sector" – Ministry of Steel, India (Last updated on July 23, 2012))

World crude steel production for the 62 countries reporting to the World Steel Association (world steel) was 125 million tonnes (Mt) in January 2013, a slight increase of 0.8% compared to January 2012.

China's crude steel production for January 2013 was 59.3 Mt, up by 4.6% compared to January 2012. Elsewhere in Asia, Japan produced 8.9 Mt of crude steel in January 2013, an increase of 2.7% compared to the same month last year. South Korea's crude steel production was 5.8 Mt in January 2013, -0.4% lower than January 2012. *(Source: World Steel Association)*

World Trade in Steel Products

The total volume of Global Steel Trade Worldwide has increased from 114.70 million tonnes to 417.20 million tonnes from 1975 to 2011 as shown below:



(Source: World Steel Association Statistics Report, 2012)

(1) excluding intra-regional trade

(2) data for individual EU countries include intra-European trade

(Source: World Steel Association Statistics Report, 2012)

MAJOR IMPORTERS AND EXPORTERS OF STEEL:

Table given below shows the major importers and exporters of steel:

(in million tonnes)

Rank	Total Exports	Mt
1	China	47.9
2	Japan	40.7
3	European Union ⁽¹⁾	38.0
4	South Korea	28.9
5	Germany ⁽²⁾	26.4
6	Ukraine	26.0
7	Russia	24.7
8	Italy ⁽²⁾	17.2
9	Turkey	17.0
10	Belgium	16.4
11	France ⁽²⁾	14.2
12	United States	13.3
13	Brazil	10.8
14	Taiwan, China	10.6
15	Netherlands ⁽²⁾	10.4
16	India	10.2
17	Spain ⁽²⁾	9.9
18	Austria ⁽²⁾	7.0
19	Canada	6.4
20	United Kingdom ⁽²⁾	6.0

Rank	Total Imports	Mt
1	European Union ⁽¹⁾	35.9
2	United States	26.9
3	Germany ⁽²⁾	24.9
4	South Korea	22.8
5	Italy ⁽²⁾	17.5
6	China	16.3
7	France ⁽²⁾	14.7
8	Belgium	13.3
9	Thailand	12.5
10	Turkey	10.3
11	Vietnam	9.3
12	Canada	9.2
13	Indonesia	8.6
14	Spain ⁽²⁾	8.5
15	Iran	8.4
16	Netherlands ⁽²⁾	8.3
17	India	8.2
18	Taiwan, China	7.7
19	Poland ⁽²⁾	7.6
20	United Kingdom ⁽²⁾	7.5

Rank	Net Exports (exports - imports)	Mt
1	Japan	35.1
2	China	31.6
3	Ukraine	24.0
4	Russia	17.5
5	Brazil	7.0
6	Turkey	6.7
7	South Korea	6.0
8	Austria ⁽²⁾	3.2
9	Belgium	3.1
10	Taiwan, China	2.9
11	Luxembourg	2.2
12	Netherlands ⁽²⁾	2.1
13	European Union ⁽¹⁾	2.1
14	India	2.0
15	Slovakia ⁽²⁾	2.0

Rank	Net Imports (imports - exports)	Mt
1	United States	13.6
2	Thailand	10.9
3	Vietnam	8.3
4	Iran	8.2
5	Indonesia	7.3
6	United Arab Emirates	6.6
7	Saudi Arabia	5.5
8	Algeria	3.9
9	Philippines	3.8
10	Singapore	3.1
11	Canada	2.8
12	Lebanon	2.7
13	Poland ⁽²⁾	2.7
14	Iraq	2.6
15	Malaysia	2.6

(Source: World Steel Association Statistics Report, 2012)

Steel – Indian Scenario

India has become 4th largest producer of crude steel in the world as against the 8th position in 2003 and is expected to become the 2nd largest producer of crude steel in the world by 2015. Further, India continues to maintain its lead position as the world's largest producer of direct reduced iron (DRI) or sponge iron. The per capita steel consumption has risen from 38 kg in 2005-06 to 55 kg in 2010-11.

During April-December 2011-12 (prov), the following was the industry scenario as compared to same period of last year:

- Crude steel production was 53.357 MT, a growth of 3.5% over same period of last year. The Major Producers (Steel Authority of India Limited, Rashtriya Ispat Nigam Limited, Tata Steel, Essar, JSW Steel, JSW Ispat Steel and Jindal Steel & Power) together produced 29.984 MT during this period, which was a growth of 8.07% compared to last year. The rest i.e. 23.373 MT was the contribution of the Other Producers, which was a growth of 1.3% compared to last year.
- Pig iron production for sale in April – December 2011-12 was 4.247 mt, a growth of 0.7% over same period of last year. The Main Producers accounted for approximately 10% of the same, the rest (90%) being the share of the Other Producers.
- In case of total finished steel (alloy + non-alloy) during April – December 2011-12:
 - ✓ Production for sale was at 52.061 MT, a growth of 7.5%
 - ✓ Steel exports, at 3.048 mt saw a growth of 23.8% while steel imports were at 4.984 MT, a decline of 7%.
 - ✓ India remained a net importer of steel.
- Domestic real steel consumption was at 50.865 MT and increased by 4.4%.

Production and Consumption Steel in India

The table below shows the trend in production for sale, import, export and real consumption of total finished steel (alloy + non-alloy) in India:

Year	Total Finished Steel (alloy + non-alloy) ('000 tonnes)			
	Production for sale	Import	Export	Real Consumption
2006-07	52529	4927	5242	46783
2007-08	56075	7029	5077	52125
2008-09	57164	5839	4437	52351
2009-10**	60624	7382	3251	59339
2010-11*	66013	6798	3461	65610
Apr-Dec2011-12*	52061	4984	3048	50865

Source: JPC; * =Prov. ** Revised figures

(Source: Ministry of Steel Annual Report 2011-12)

Category wise production for sale of finished steel in India is as shown below:

in '000 tonnes

CATEGORY	2007 - 08				2008 - 09				2009 - 10				2010 - 11*				2011 - 12* (Apr - Dec)			
	Main Prods	Major + Other Prods	IPT / Own Consu	Production for Sale	Main Prods	Major + Other Prods	IPT / Own Consu	Production for Sale	Main Prods	Major + Other Prods	IPT / Own Consu	Production for Sale	Main Prods	Major + Other Prods	IPT / Own Consu	Production for Sale	Main Prods	Major + Other Prods	IPT / Own Consu	Production for Sale
1. Non-Flat Products																				
Bars & Rods	5313	14875		20188	5186	15241		20427	5731	16039		21770	5791	18577		24368	4042	14981		19023
Structurals/Spl.Sec.	1003	4040		5043	935	4431		5366	823	3318		4141	798	4739		5537	526	3842		4368
Rails&Rly.Materials	951	135		1086	1012	170		1182	862	179		1041	898	196		1094	655	137		792
TOTAL (Non - flat product)	7267	19050	0	26317	7133	19842	0	26975	7416	19536	0	26952	7487	23512	0	30999	5223	18960	0	24183
2. Flat Products																				
Plates	2688	1369		4057	2498	1506		4004	2521	1454	2	3973	2592	1662	4	4250	1763	1343	2	3104
HR Coils/Skelp/Strips	4707	8977	2010	11674	4577	9633	3043	11167	5033	11726	4757	12002	5036	13076	5750	12362	3628	10262	3770	10120
HR Sheets	302	455		757	277	338		615	283	342	22	603	265	334	29	570	152	217		369
C.R.Coils/Sheets/Strips	1891	5560	3012	4439	1657	5941	2983	4615	1761	7545	3392	5914	1778	7581	3597	5762	1183	5869	2758	4294
GP/GC Sheets	729	3652		4381	711	3843		4554	765	4855		5620	672	4924		5596	460	3966		4426
Elec.Sheet	81	78		159	71	75		146	79	67		146	77	99		176	44	76		120
Tin Plates	15	168		183	19	182		201	18	221		239	7	226		233	8	185		193
TMBP		6		6	0	4		4	0	0		0	0	0		0	0	0		0
Tin Free Steel				0	6			6	7			7	0	0		0	0	0		0
TOTAL (Flat Products)	10413	20265	5022	25656	9810	21528	6026	25312	10460	26217	8173	28504	10427	27902	9380	28949	7238	21918	6530	22626
3. Pipes (Large dia)	85	1250		1335	77	1788		1865	60	1576		1636	84	1767		1851	55	1477		1532
TOTAL Finished Steel (Non - Alloy)	17765	40565	5022	53308	17020	43158	6026	54152	17936	47329	8173	57092	17998	53181	9380	61799	12516	42355	6530	48341
TOTAL Finished Steel (Alloy / Stainless Steel)	255	2767	255	2767	196	3071	255	3012	102	3764	334	3532	282	4280	348	4214	199	3764	243	3720
TOTAL Finished Steel (Non - Alloy + Alloy)	18020	43332	5277	56075	17216	46229	6281	57164	18038	51093	8507	60624	18280	57461	9728	66013	12715	46119	6773	52061

Category wise export of finished steel in India is as shown below:

in '000 tonnes:

CATEGORY	2007 - 08	2008 - 09	2009 - 10	2010 - 11*	2011 - 12* (Apr - Dec)
Semi-finished Steel(Non-Alloy)	373.0	661.0	625.0	350.0	183.4
Finished Steel(Non-Alloy)					
Non - Flat					
Bars & Rods	213.0	187.0	212.0	136.0	153.8
Structurals	73.0	73.0	55.0	35.0	29.2
Rly. Materials				6.0	25.9
TOTAL (Non - Flat)	286.0	260.0	267.0	177.0	208.8
Flat					
Plates	153.0	264.0	66.0	133.0	315.6
HR Coils/skelp/Strips/Sheets	1391.0	943.0	540.0	525.0	775.5
CR Coils/ Sheets	510.0	341.0	345.0	283.0	209.5
GP/GC Sheets	2026.0	1849.0	1287.0	1250.0	938.9
Elec.Sheets	25.0	8.0	3.0	1.0	0.8
Tin Plates	36.0	89.1	75.0	62.0	22.5
Tin Free Steel					1.9
Pipes	200.0	504.0	495.0	608.0	274.9
TOTAL (Flat)	4341.0	3998.1	2811.0	2862.0	2539.6
TOTAL Fin. Steel (Non-Alloy)	4627.0	4258.1	3078.0	3039.0	2748.4
TOTAL Steel (Non - Alloy)	5000.0	4919.1	3703.0	3389.0	2931.8
Alloy/Stainless Steel					
Semi-finished Steel(Alloy)	0.0	85.0	0.0	0.0	3.1
Non - Flat Alloy	390.0	124.0	135.0	267.0	189.2
Flat Alloy	60.0	55.0	38.0	155.0	109.5
TOTAL Fin. Steel (Alloy)	450.0	179.0	173.0	422.0	298.7
TOTAL Steel (Alloy)	450.0	264.0	173.0	422.0	301.8
TOTAL Fin. Steel (Non - Alloy + Alloy)	5077.0	4437.1	3251.0	3461.0	3047.1
TOTAL Steel (Non - Alloy + Alloy)	5450.0	5183.1	3876.0	3811.0	3233.6
Pig Iron	560.0	350.0	362.0	358.0	306.2
Sponge Iron	38.0	34.0	25.0	8.0	16.7

(Source: Ministry of Steel Annual Report 2011-12)

Recent Key Developments in Steel in India:

- As per the report of the Working Group on Steel for the 12th Plan, there exist many factors which carry the potential of raising the per capita steel consumption in the country, currently estimated at 55 kg (provisional). These include among others, an estimated infrastructure investment of nearly a trillion dollars, a projected growth of manufacturing from current 8% to 11-12%, increase in urban population to 600 million by 2030 from the current level of 400 million, emergence of the rural market for steel currently consuming around 10 kg per annum buoyed by projects like Bharat Nirman, Pradhan Mantri Gram Sadak Yojana, Rajiv Gandhi Awaas Yojana among others.
- At the time of its release, the National Steel Policy 2005 had envisaged steel production to reach 110 million tonnes by 2019-20. However, based on the assessment of the current ongoing projects, both in Greenfield and Brownfield, the Working Group on Steel for the 12th Plan has projected that the crude steel capacity in the country is likely to be 140 mt by 2016-17 and has the potential to reach 149 mt if all requirements are adequately met. Availability of iron and steel in the country is projected by Ministry of Steel in its Five Yearly Plan documents. Gaps in availability are met mostly through imports. Interface with consumers by way of a Steel Consumers' Council exists, which is conducted on regular basis. Interface helps in redressing availability problems, complaints related to quality.

(SOURCE: steel.gov.in)

- International steel majors are expanding their Indian presence. Attracted by the growth potential of the Indian steel industry, several global steel players have been planning to enter the market or have announced expansion plans for their Indian businesses. For instance, Arcelor Mittal and POSCO have planned mega Greenfield projects at various locations in India. Some other global players have entered strategic partnerships or joint ventures with Indian steel majors to capitalize on their existing client base in the region.
- 100 per cent foreign direct investment (FDI) is allowed in the sector.

(SOURCE: Management)

- In order to preserve iron ore resources for domestic use on cheaper rates, export duty on iron ore has been increased w.e.f. 30.12.2011 to 30% ad valorem on all varieties of iron ore (except pellets).

(Source: Ministry of Steel Annual Report 2011-12)

Mines and Minerals Sector

Minerals are valuable natural resources being finite and non renewable. Besides catering to the energy requirements of the world, they are valuable inputs for diverse industrial activities. Natural endowment of minerals increases the potential wealth of a country but their distribution across the world varies substantially.

The Mines and Minerals sectors can be bifurcated into the following sub-segments:

- **Mineral Fuels** such as Steam coal (incl. anthracite and sub-bituminous coal), coking coal, lignite, natural gas, crude oil, oil sands, oil shales, uranium, etc.
- **Iron and Ferro Alloys** such as Iron, chromium, cobalt, manganese, molybdenum, nickel, tantalum-columbium, titanium, tungsten, vanadium, etc.
- **Non Ferrous Metals** such as Aluminum, antimony, arsenic, bauxite, bismuth, cadmium, copper, gallium, germanium, lead, lithium, mercury, rare-earth minerals, tellurium, tin, zinc etc.

- **Precious Metals** such as Gold, platinum-group metals (palladium, platinum, rhodium), silver, etc.
- **Industrial Metals** such as Asbestos, barite, bentonite, boron minerals, diamond (gem and industrial), diatomite, feldspar, fluorspar, gypsum and anhydrite, graphite, guano, kaolin (china-clay), magnesite, perlite, potash, phosphate rock, salt, sulfur, talc (incl. steatite and pyrophyllite), vermiculite, zircon, etc.

Our company is predominantly interested in the trading of and potential mining of Iron and Ferro Alloys.

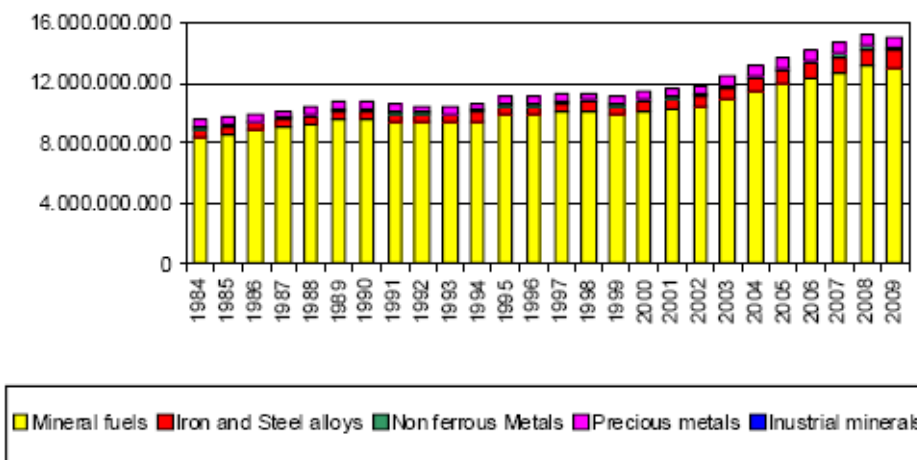
Mines and Minerals – Global Scenario

The last decade of the twentieth century saw the creation of mega-commodity corporations that increasingly moved downstream into the beneficiation area, leaving exploration for new mineral deposits increasingly to small junior mining companies. Application of new technology has led to productivity gains across the value chain.

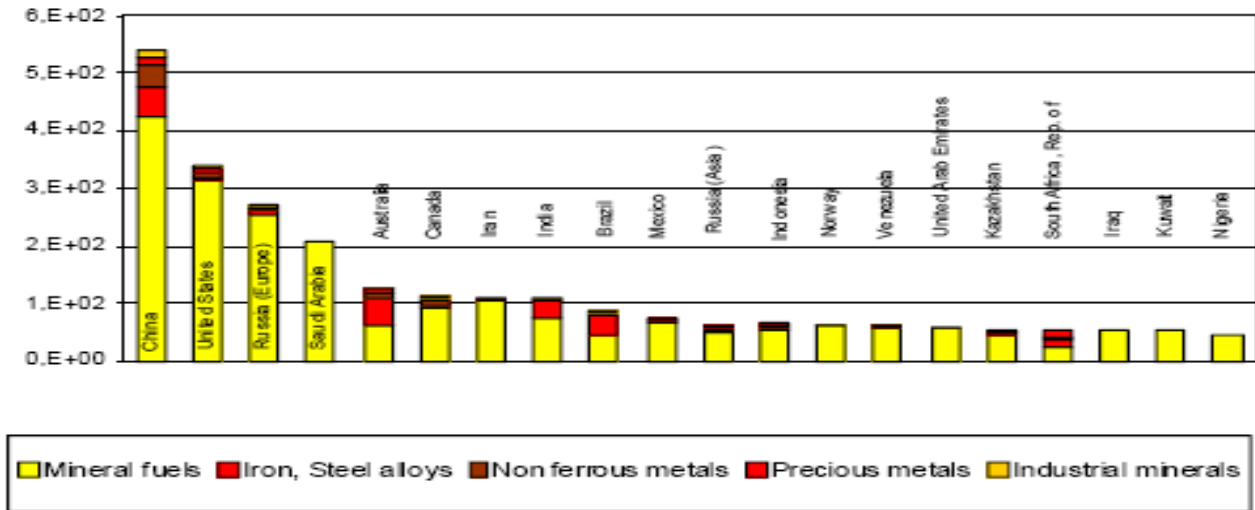
Apart from Antarctica (which has a treaty in place preventing short to medium term exploitation and exploration of minerals), mining takes place in all of the world’s continents. Traditional mining countries such as the USA, Canada, Australia, South-Africa and Chile dominate the global mining scene. These countries have become the traditional leaders in mining and exploration methods and technology. Exploration and development funding has changed over the past few years with emphasis shifting to areas that have been poorly explored or have had poor access for reasons of politics, infrastructure or legislation. Gold, base metal, diamonds and platinum group elements (PGE’s) are the more important commodities explored for and developed globally.

Mining capital investments worldwide increased from \$US 16 billion in 2001 to nearly \$US 80 billion in 2011. In 2011, major investments were made by Vale (US\$ 22 billion), Rio Tinto (US\$ 12 billion) and BHP Billiton (US\$ 10 billion). The world’s major metal and mineral trading centers are Switzerland (60%), Singapore (20%) and London (10%). (SOURCE: www.mbandi.com)

The data given below shows World-mining production since 1984-2009 by groups of minerals (without construction minerals, in mtr. tonnes):



The data given below shows the largest producer countries (without construction minerals, in billion US dollars \$):



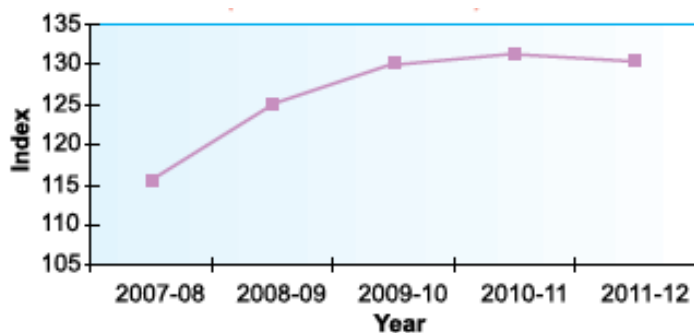
(SOURCE: World mining congress)

Indian Scenario:

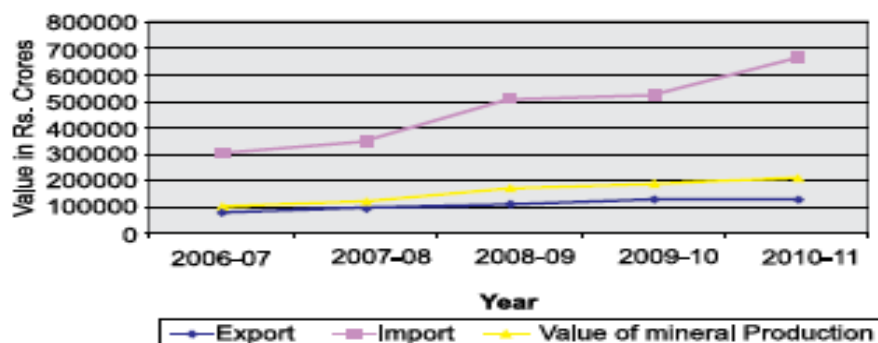
The history of mineral extraction in India dates back to the days of the Harappan civilization. The wide availability of the minerals in the form of abundant rich reserves made it very conducive for the growth and development of the mining sector in India.

Indian mining industry is characterized by a large number of small operational mines. The number of mines which reported mineral production [excluding minor minerals, petroleum (crude), natural gas and atomic minerals in India was 2076 in 2011-12 as against 2355 in the previous year. Out of 2076 reporting mines, 354 were located in Andhra Pradesh followed by Gujarat (308), Rajasthan (241), Madhya Pradesh (225), Karnataka (180), Tamil Nadu (156), Odisha (119), Jharkhand (106), Chhattisgarh (99), Maharashtra (86) and Goa (70). These 11 States together accounted for 93.64% of total number of mines in the country in the year 2011-12.

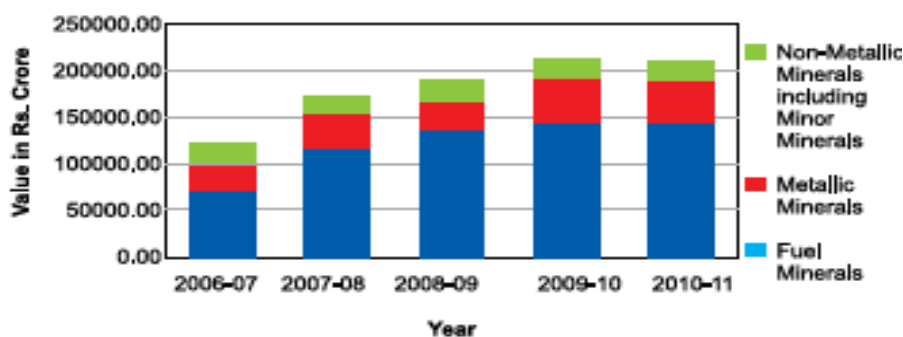
The data given below shows index of mineral production in India with Base – 1993-94=100:



The data given below shows trends in value of mineral production, exports and imports in India:



The data given below shows value of minerals by production in India:



Iron ore Indian scenario:

The major Iron Ore Mines in India include Devadaribetta Range (NMDC block) and Bellary district, Karnataka, which was explored during F.S. 2005-08. Further, in Chhattisgarh, Prospecting stage (G-3) investigation initiated during F.S. 2007-08 for assessment of iron in Aridongri area, Kanker district as a sponsored item of Chhattisgarh Mineral Development Corporation Limited was completed after getting necessary forest clearance for drilling in the month of December 2010 and also a total inferred resource (333) of 10.01 million tonnes with a grade of 62.28% Fe has been estimated. Iron ore investigations are also continuing in the states of Rajasthan, Karnataka, Orissa, and Jharkhand.

The data given below shows import of iron ore during the year 2009-10 and 2010-11:
value in '000

ET_COMMODITY_NAME	COUNTRY_NAME	Unit	2009-10		2010-11	
			Qty	Value	Qty	Value
IRON ORE CONC:NON-AGGLOMATED	U ARAB EMTS	THT	++	798	----	----
	SWEDEN	THT	10	483	----	----
	AUSTRALIA	THT	++	304	----	----
	BOLIVIA	THT	----	----	5	79
	CANADA	THT	++	16	----	----
IRON ORE CONC:NON-AGGLOMATED Total	ALL COUNTRIES	THT	10	1601	5	79
IRON ORE FINES 62% & ABOVE	PHILIPPINES	THT	----	----	55	179933
IRON ORE FINES 62% & ABOVE Total	ALL COUNTRIES	THT	----	----	55	179933
IRON ORE FINES BELOW 62%	AUSTRALIA	THT	152	779767	----	----
IRON ORE FINES BELOW 62% Total	ALL COUNTRIES	THT	152	779767	----	----
IRON ORE LUMPS 60% FE & ABOVE	MALI	THT	----	----	678	18869
IRON ORE LUMPS 60% FE & ABOVE Total	ALL COUNTRIES	THT	----	----	678	18869
IRON ORE PELLATES	BAHARAIN IS	THT	270	1575032	682	6310170
	UKRAINE	THT	226	1128411	117	960947
	BRAZIL	THT	36	197152	168	1598981
	RUSSIA	THT	99	527663	45	346466
	UNSPECIFIED	THT	----	----	73	595814
	FINLAND	THT	90	461533	----	----
	INDONESIA	THT	----	----	21	190054
	SOUTH AFRICA	THT	----	----	9	67688
	OTHER COUNTRIES	THT	----	----	++	2
IRON ORE PELLATES Total	ALL COUNTRIES	THT	721	3889791	1115	10070122
IRON ORE PYRITES ROASTED	CHINA P RP	THT	13	1223	13	226
IRON ORE PYRITES ROASTED Total	ALL COUNTRIES	THT	13	1241	13	285
IRON ORE PYRITES UNROASTED	FINLAND	THT	1	4630	1	9662
	AUSTRIA	THT	++	2576	++	1530
	CHINA P RP	THT	++	1265	++	2735
	GERMAN F REP/ GERMANY	THT	++	255	++	186
	FRANCE	THT	----	----	++	438
	PORTUGAL	THT	----	----	++	323
	THAILAND	THT	----	----	++	271

(SOURCE: Ministry of mines annual report 2011-2012)

Chrome Ore – Indian Scenario:

Chrome ore is one of the important ores that are available in the mines of Orissa. Although chromite mining in India started around 1903 there was no ferro-chrome production in the country till 1968. Hence most of the chromite ore was exported. India exported about 3.84 million tonnes in between 1903 to 1980. The current production rate of chromite ore in the country in between 0.7 to 0.9 million tonnes per annum. Estimated reserve of chromite ore in the country is about 140 million tones, and about 127 million tones are available in the Sukinda valley of Orissa. India has sufficient Chrome ore reserve which account for 98% of the chrome reserves in India. India offers different grades with chromium content in the 38-50 percent range. The voyage time from Paradip or Visakhapatnam Port to most of the Asian ports is 12-15 days against 40-45 days from others, there is considerable freight advantage and the eastern sector mines with their good quality ores are ideally placed for export thrust.

(Source: www.rektor.in/chromite.html)

Chrome ore demand is driven by ferrochrome demand as ~95 percent of the chrome ore is used for the metallurgical purpose. Two percent of the demand comes from chemical industry and rest from refractory

and foundry industry. Stainless steel is the largest consumer of ferrochrome and as such a change in the dynamics of the stainless steel industry has impact on the ferrochrome industry.
(Source: www.kpmg.com)

Overview of the Steel Scrap Sector

Steel scrap is a discarded steel or steel product, generally segregated by composition and size or "grade", suitable for melting. Steel scrap is a vital raw material for the production of new steel and cast-iron products. The domestic steel industry recycles millions of metric tons per year of steel cans, automobiles, appliances, construction materials, and other steel products. Consumption of steel scrap by remelting reduces the burden on landfill disposal facilities and prevents the accumulation of abandoned steel products in the environment. (Source: www.minerals.usgs.gov).

There are various types of steel scraps like Mixed steel can scrap, bundled steel can scrap, No 1 HMS steel scrap, No 1 HMS (2 foot scrap) No 2 HMS steel scrap, No 2 HMS (2 foot scrap), No 3 scrap steel (unprepared bushling), No 4 scrap steel (silicon bushling), No 4 shredded steel scrap, Scrap steel wheel rims, Manganese steel scrap.etc. (Source: www.metalworld.com)

Steel Scrap – Global Scenario

In 2011, global trade in steel scrap was particularly influenced by the USA as the world's leading exporter and by Turkey as its top importer. The global steel scrap market is projected to reach 631.5 million tons by 2015, driven by the rise in steel production following a lull in steel industry operations due to the global recession. Steel scrap's favorable impact on the environment is also expected to boost the consumption levels in steel making industry. Around 60% of the metal produced in the United States comes from recycled scrap. (Source: www.steelguru.com). Asia-Pacific and Europe accounts for more than 70% of the global steel scrap consumption, as stated by the new market research report on steel scrap. As majority of the scrap steel is used in the production of new steel, trends and developments in the steel industry significantly influence the demand scenario in the steel scrap industry. More than 55% of steel produced in the European Union employs steel scrap as the raw material. European companies using electric arc furnace technology, which uses steel scrap as the primary raw material for the manufacture of steel, accounted for over 40% of all steel production. (Source: www.commodityonline.com).

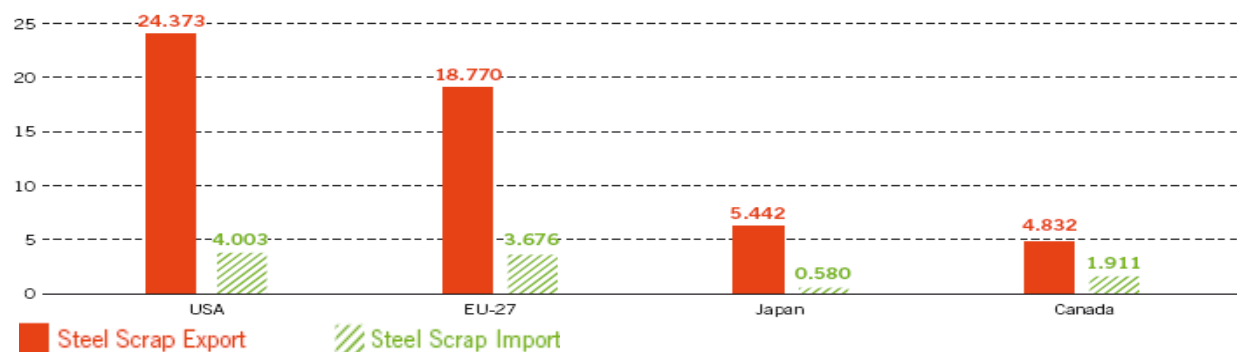
Major Steel Scrap Exporters (in million tonnes):

	2007	2008	2009	2010	2011	% 2010/ 2009
USA	16.642	21.712	22.439	20.556	24.373	+18.6
EU-27	10.566	12.799	15.779	19.033	18.770	-1.4
Japan	6.449	5.344	9.398	6.472	5.442	-15.9
Canada	4.100	4.084	4.792	5.154	4.832	-6.2
Russia	7.855	5.128	1.202	2.390	4.042	+69.1
Australia	1.501	1.708	1.925	1.636	1.745	+6.7
South Africa	0.752	1.271	1.144	1.224	1.436	+17.3

Major Steel Scrap Importers (in million tonnes):

	2007	2008	2009	2010	2011	% 2011/ 2010
Turkey	17.141	17.415	15.665	19.192	21.460	+11.8
Korea Rep.	6.887	7.319	7.800	8.091	8.628	+6.6
China	3.395	3.590	13.692	5.848	6.767	+15.7
India	3.014	4.579	5.336	4.643	2.929*	+10.7
Taiwan	5.418	5.539	3.912	5.364	5.328	-0.7
USA	3.692	3.571	2.986	3.775	4.003	+6.0
EU-27	5.142	4.809	3.270	3.646	3.676	+0.8
Malaysia	3.688	2.293	1.683	2.292	2.050	-10.6
Indonesia	1.260	1.899	1.484	1.642	2.157	+31.4
Canada	1.435	1.674	1.408	2.226	1.911	-14.2
Thailand	1.805	3.142	1.323	1.282	1.877	+46.4

Major Net Steel Scrap Exporters (in million tonnes):



(SOURCE: www.bir.org)

Steel Scrap – Indian Scenario

The Indian steel industry is growing at a pace as fast as India's industrial economy. Steel Scrap Recycling users in India are also growing at a rapid pace. As there is less domestic scrap generated than demand, India imports about 4 million tonnes to 5 million tonnes per annum. Scrap imports in North India account for almost 20% to 25% of the total imports in the country, making North based secondary steel mills one of the largest buyers of Steel Scrap. (Source: www.globalbusinessconnect.org)

India one of the leading importers of scrap, buys 3.0 million tonnes a year from the international market every year. And this figure is set to go up further. India is a major global market for metal and steel scrap. Apart from saving costs, metal scrap help reduce greenhouse emissions by a significant margin. Using recycled scrap for manufacturing takes up your energy savings by 74%. (Source: www.steelguru.com)

Indian scrap imports in the fiscal year 2011/12 ended 31 March touched a new record, having increased by almost 50 per cent to 6.03m tonnes from the previous year's figure of 3.99m tonnes. Principal scrap suppliers to India were the UK with a 16 per cent share, the USA (15 per cent) and UAE (14 per cent). Imports of ships for breaking in India also saw a sharp increase, from 357 ships (2.8m LDT) in 2010/11 to 425 (3.9m LDT) in 2011/2012. (Source: www.bir.org)

OUR BUSINESS

Aastha Group is promoted by Mr. Mohit Aggarwal, a dynamic first generation entrepreneur. Aastha Group has interests in diversified sectors such as Steel, wherein the group operates a manufacturing facility in Andhra Pradesh with an annual installed capacity of 1,18,000 M.T. p.a. for manufacturing Mild Steel Billets and TMT Bars, which are sold under the brand name "AASTHA 500 + TMX"; as well as Real Estate wherein the group in association with Vihaag Group are in the initial stages of developing an affordable housing township in Titwala, Thane spread across 200 acres of land.

Our company represents the International Procurement and Commodities Trading Arm of the Aastha Group of Companies. We are also a FMC Registered Trading cum Clearing Member (TCM) of the National Spot Exchange Limited (NSE) and are engaged in domestic and international trading of Coal, Steel, Scrap Metal, Iron Ore, Chrome Ore, Manganese Ore and other metals and minerals.

We operate from our Head Office at Bangalore and our Corporate Office at Mumbai. We have existing relationships with business houses based out of various countries such as Dubai, Indonesia, South Africa, Mali, Belgium, Singapore and Turkey for our international procurement activities, wherein we are importing various metals and minerals to India at Andhra Pradesh, Karnataka and Gujarat Ports in order to cater to the growing demand in our country.

Our finite understanding of the Steel and Coal related metals and minerals markets coupled with the group infrastructure (i.e. the strategically located offices, and a established client base of over 300+ dealers/customers across India) available to us has helped us exercise good control over the supply chain of our business verticals, in turn, controlling costs and ensuring that we have adequate operating margins to continue our operational growth.

Our Total Income has grown at a CAGR of 53.90% from Rs. 2962.18 lacs in F.Y. 2008 to Rs. 16616.05 lacs in F.Y. 2012. Our EBITDA has grown at a CAGR of 75.90% from Rs. 44.56 lacs in F.Y. 2008 to 426.59 lacs in F.Y. 2012 and our Net Profit after tax has grown at a CAGR of 68.87% from Rs. 14.66 lacs in F.Y. 2008 to Rs. 119.23 lacs in F.Y. 2012. Further our results for the six months ended September 2012 have shown aggressive growth reporting Total Income, EBITDA, and Net Profit of Rs. 69614.78 Lacs, Rs. 467.15 lacs, and Rs. 245.92 lacs respectively.

We have tied up with National Spot Exchange Limited to sell the imported coal through exchange platform. It is expected to facilitate large number of power sector companies, cement manufacturers, sponge iron manufacturers, sugar mills and other industries to source imported coal electronically. We endeavor to continuously innovate and enter into other such arrangements to increase our client as well as supplier base, thereby improving our negotiation powers for our international as well as domestic trading activities. Through this Issue, we propose to augment our Working Capital capabilities in order to be able to increase our operating scales across all current as well as proposed business verticals. Further, we propose to acquire Chrome Ore Mine in Turkey in order to improve our procurement efficiencies and operating margins.

As on date, our company employs a total of 38 people, of which, 35 are full time employees, 3 are on retainer basis and no contractual basis.

Our Strengths

Diverse Product Portfolio and Strong Execution capabilities

We believe that there are a number of business opportunities in India that for a variety of reasons offer the potential for long-term growth. We have developed a balanced and diversified portfolio of business verticals that spans across multiple industry sectors/product lines. Our Steel and Scrap Metal businesses are well complemented with our relatively new businesses in Coal, Chrome Ore and Iron Ore. We believe

that a Diversified product portfolio such as ours diminishes the risks associated with the specific dynamics, such as Seasonality and cyclical, of any particular industry and simultaneously helps us to benefit from the synergies of operating diverse business verticals. We believe that we have established diversified sourcing and distribution networks and that our industry expertise enables us to effectively capitalize on and manage risks associated with opportunities across markets.

Strong Supply Chain Management

We believe that our Supply Chain Management is one of our core business strength. We boast of a very sound supply chain comprising of dealers/customers across the country. Our Registered and Corporate Offices are situated in Bangalore and Mumbai respectively which are both key Industrial Locations of India. We also have a branch office at Kurnool and Stock Yards at Thane (Maharashtra), Kurnool (Andhra Pradesh) and Bangalore (Karnataka). Our presence in these key locations of India enables us to maintain relations with local suppliers and customers. It also enhances our ability to make goods available at the right place in the shortest time.

We also have strong relations with suppliers in overseas markets, which give us a competitive edge for our procurement activities. Our experienced top management exercises due control over all local offices and visits them at regular intervals.

We believe that by optimizing our Supply Chain Management, we have been able to derive many benefits, namely:

- Improved cost efficiencies
- Improved revenues
- Faster time / proximity to market
- Enhanced customer and supplier experience & relationships

Experienced and Professional Management Team

We believe that our qualified and experienced management would substantially contribute to the growth of our business operations. Our Promoter and Director, Mr. Mohit Aggarwal, has more than a decade of experience in Steel and Coal Industry and has been instrumental in launching innovative electronic platform for trading of Coal in India. Our Board of Directors is guided and supported by a team of qualified and experienced professionals, who have been appointed with a view to improve operational and financial scale as well as results of the company. *For further details regarding the educational details and experience of our directors and key managerial personnel, please refer to "Our Management" on page 116 of this Draft Red Herring Prospectus.* We believe that the combination of our dynamic and forward looking Board and qualified and experienced key managerial staff position us well to capitalize on future growth opportunities.

Aggressive approach to business opportunities, both in India and Abroad.

We have diversified from the Steel business into the Coal and Mineral Trading businesses, and we propose to enter Mining, Textiles and other such business verticals where we deem opportunities are existent. Lately, we have scaled up our Steel and Coal business by increasing the number of States in India where we operate, the services we offer and the number of clients we cover. In our Coal business, we have tied up with NSEL for selling imported South African Coal through the exchange, going further; we are planning to offer Chrome Ore and Manganese Ore through the NSEL platform to the end users. We are the first company to enter into a contract with NSEL for E-Trading of coal. Further, we are amongst the top performers in E-trading of TMT Bars on the NSEL Platform for FY 2011-12. Trading through Electronic platform will result in transparent and cost effective solution which will attract customers and ultimately drive sales for us. We believe that our ability to successfully identify new

business opportunities and scale businesses in high growth sectors in a short period of time provides us with a significant competitive advantage.

Strong Risk Management

In today's volatile markets, our clients look for a steady expertise to help them manage their exposure to price risk. Over the years, we have been identifying, measuring and managing our own exposure to risk and are well aware of the operating and financial risks in our business verticals. We work closely with all departments to measure our exposure to risk and quantify our risk tolerance. Then we develop and execute sound strategies that diminish the volatility. By managing our risk, we help our keep costs within an established range and preserve the potential to capture the upside of an opportunity. Our ability to provide risk-managed supply chains makes us a reliable supplier to clients and dealers across businesses.

Our Strategies

Our business strategy is focused on expanding our participation in the steel, coal and other minerals businesses in a socially relevant manner. To this end, we intend to continue to provide high quality services to our clients and grow our business by leveraging our strengths and implementing the following strategies:

Expand into other businesses by leveraging out trading expertise

We intend to establish our presence in international markets by leveraging our domestic experience and seeking Cost and operational advantages. We will continue to focus on markets with high economic growth rates where we believe opportunities for market penetration and expansion of market share and client base exist. Apart from the Steel, Scrap Metal, and Coal sectors, we propose to increase our presence in the Iron, Chrome Ore and Textiles driven opportunities in India and abroad. We believe our experience in these industries enables us to effectively identify and drive new business opportunities.

Ensure High Working Capital Adequacy

We believe that during times when the entire supply chain of metal, minerals and other markets are facing liquidity problems, there exists an inherent need for a strong trading company which can increase operational and financial efficiencies of the supply chain. We intend to maintain high Working Capital Adequacy in our company in order to give us ready liquidity when it is needed. Sufficient Working capital would help boost our company's efficiency as well as its short-term financial health. We have an aggressive business model and maintaining liquid funds in our company will help us to exploit business opportunities with ease and provide us with a competitive edge over others.

Pursue strategic alliances, opportunistic acquisitions and undertake suitable restructuring

We believe that due to economic uncertainty there are various assets in India and Abroad which are available for acquisition at well negotiated prices and may prove to be beneficial in the long term for our company. We propose to acquire Chrome Ore Mine in Turkey from the Issue Proceeds in order to increase the asset quality of our balance sheet and ensure high operational and financial efficiencies in the future. We intend to continue establishing strategic alliances or enter into mergers and acquisitions or joint ventures with companies, whose resources, skills and strategies are complementary to and are likely to enhance our business opportunities, including the formation of joint ventures and consortia to achieve a competitive advantage. We also intend to focus on exploring and participating in new investment opportunities, which may complement our existing business or provide us with an additional revenue stream.

Description of our Products and Services

We are an International procurement and trading company in India and have been providing services to the Energy, Steel and Construction Sector. Our current and proposed core business models include Trading of the following: (i) Steel Products (ii) Non-Coking Coal (iii) Mining and Mineral Trading (iv) Scrap Metal and (v) Textiles. Our business operations are geographically spread across India and conducted through the Registered Office, Corporate Office and its Branches.

Steel

Steel is the widely used metal and is an indispensable part of Household and Industry. For details regarding the Industry Scenario of Steel please refer to "Industry Overview" beginning on page 77 of this Draft Red Herring Prospectus.

In Steel, we trade majorly in TMT Bars, Structural Steel Items and MS Ingots. We have existing relationships with major real state and infrastructure companies as their empanelled supplier for these products. We achieved sales aggregating above 60,000 MT in the last two financial years and above 1,39,000 MT in the six months period ended September 30, 2012 in trading of steel products. We envision to do Steel business of above 2,00,000 MT for FY 2013-14.

The salient features of the products forming part of our steel business are as follows:

Product	Product Description
<p>TMT Bars <i>selling under the brand name of "Aastha 500+ TMX"</i></p> 	<p>Thermo Mechanically Treated (TMT) bars are hot rolled round bars/rods with indentations/ribs normally supplied in straight length or in folded bundles. TMT bars are protected by past rolling thermo process. There are two known technologies, which were independently developed in Europe and later recognized globally. These are the Thermo and Temporal Processes. Thermo processing of steel bars results in higher strength with better ductility than that offered by the Cold Twisted Deformed Process.</p> <p>We primarily deal in the Thermo Processed Bars.</p> <p>The Product is primarily industrial in nature and is applied in:</p> <ul style="list-style-type: none"> • Infrastructural applications like Dams, Bridges, Flyovers, etc. • Commercial applications like skyscrapers, malls, complexes, factories etc. • Concrete re-enforcement structures
<p>Structural Steel Items (MS Plate and MS Sheets)</p> 	<p>Structural steel is steel construction material, a profile, formed with a specific shape or cross section and certain standards of chemical composition and mechanical properties. Structural steel various in shape, size, composition, strength, storage, etc., and comprises of Plates, Sheets, Angles, Barbed Wire, Channels, Pipes, Round Bars, and Angles etc.</p> <p>We primarily deal in MS Plates and Sheets.</p> <p>The Product is primarily industrial in nature and is applied in:</p> <ul style="list-style-type: none"> • Bridge construction • Storage tanks • Ship building • Boilers • Other industrial purposes

MS Ingots



Mild steel ingots are the basic raw material for manufacturing various types of rerolled products. It is the primary Steel Product manufactured from Furnace of different kinds. Being resistant to effects of different types of chemicals, these products are highly durable and are a preferred choice of many industries.

These ingots are primarily used as raw materials for rolling mill and fabrication of TMT bars.


Coal

Coal provides 30.3% of global primary energy needs and generates 42% of the world's electricity. The Indian coal is broadly classified into two types – Coking and Non-Coking. The former constitute only a small part of the total coal resources of the country.

We are primarily involved in the Trading of Non-Coking Coal.

For details regarding the Size and prospects of the Coal Sector please refer to "Industry Overview" beginning on page 77 of this Draft Red Herring Prospectus.

Our company along with its foreign subsidiary – Akshaj Ventures Singapore Pte. Ltd. has exiting relationships with international miners and trading bodies based out of Indonesia, Singapore and Africa to import coal in bulk. We have also tied up with National Spot Exchange Limited to sell the imported coal through exchange platform. It is expected to facilitate large number of power sector companies, cement manufacturers, sponge iron manufacturers, sugar mills and other industries to source imported coal electronically. We achieved sales of above 45,000 MT of Coal for the six months period ending September 30, 2012. We vision to do a business of above 1,00,000 MT of Coal in FY 2013-14.

Product Name	Type	Application
 <p>Coal</p>	Non Coking	<p>The Product is Industrial in Nature and is applied as below:</p> <ul style="list-style-type: none"> • Thermal power plants for steam production. • Used as a fuel by Cement manufacturers, Sponge iron manufacturers and Sugar mills.

Mining and Mineral Trading

Minerals are valuable natural resources being finite and non renewable. Besides catering to the energy requirements of the world, they are valuable inputs for diverse industrial activities. Natural endowment of minerals increases the potential wealth of a country but their distribution across the world varies substantially.

The Mines and Minerals sectors can be bifurcated into the following sub-segments:

- **Mineral Fuels** such as Steam coal (incl. anthracite and sub-bituminous coal), coking coal, lignite, natural gas, crude oil, oil sands, oil shales, uranium, etc.

- **Iron and Ferro Alloys** such as Iron, chromium, cobalt, manganese, molybdenum, nickel, tantalum-columbium, titanium, tungsten, vanadium, etc.
- **Non Ferrous Metals** such as Aluminum, antimony, arsenic, bauxite, bismuth, cadmium, copper, gallium, germanium, lead, lithium, mercury, rare-earth minerals, tellurium, tin, zinc etc.
- **Precious Metals** such as Gold, platinum-group metals (palladium, platinum, rhodium), silver, etc.
- **Industrial Metals** such as Asbestos, barite, bentonite, boron minerals, diamond (gem and industrial), diatomite, feldspar, fluorspar, gypsum and anhydrite, graphite, guano, kaolin (china-clay), magnesite, perlite, potash, phosphate rock, salt, sulfur, talc (incl. steatite and pyrophyllite), vermiculite, zircon, etc.

Our company is predominantly interested in the trading of and potential mining of Iron and Ferro Alloys such as Iron Ore, Chrome Ore and Silico Manganese.

For details regarding the Industry Statistics pertaining to the Minerals Sector please refer to "Industry Overview" on page 77 of this Draft Red Herring Prospectus.

Our company along with its foreign subsidiary – Akshaj Ventures Singapore Pte. Ltd. has existing relationships for procurement of Iron Ore from Mali in West Africa and Turkey, wherein we shall import the iron one lumps in bulk from these locations and sell the same in the Indian Market. We are in the process of associating with mine owners out of Goa and Orissa in India for domestic procurement of iron ores. Further we have been leveraging our domestic relations for trading of Silico Manganese in Andhra Pradesh and Southern India.

Post this Issue, we propose to acquire Chrome Ore Mine in Turkey in order to increase our operational scale and profitability from this segment. For details regarding the same please refer to "Objects of the Issue" beginning on page 60 of this Draft Red Herring Prospectus.



We achieved sales aggregating above 119 MT in the last two financial years and above 2,600 MT in the six months period ended September 30, 2012 in trading of Iron and Ferro Alloy Minerals. We envision to do Mineral Trading business of above 30,000 MT for FY 2013-14.

Scrap Metals

The Scrap Metal Business is one including the dealing in all kinds of Metal Scraps in order to cater to manufacturers using induction furnace or other kind of metal melting exercises. The Scrap Metals business can be classified into Ferrous Metals Scrap (i.e. HMS, Motor Blocks, Turning and Boring, Bundles, Steel Logs, Rail and OTS etc); Non Ferrous Scrap Metal (i.e. Aluminum, Copper, Zinc etc) and Electronic Waste (i.e. Computers, Power Supplies, Printers, Hard Disks etc).

We primarily deal in the Ferrous Metals Scrap including but not limited to HMS, Turning and Boring Scrap, etc. We have relationships with Scrap generators based out of Belgium and South Africa for high quality imports to be traded into the Indian market. We leverage our relationships with steel manufacturers in India based out of Andhra Pradesh, Karnataka, Maharashtra and Gujarat for selling our Steel Scrap Products.

The salient features of the major products forming part of our Scrap Metals business are as follows

Product	Product Description
<p>HMS (Heavy Melting Scrap)</p> 	<p>HMS is the designation for recyclable steel and wrought Iron. HMS 1 stands for 'Heavy melting scrap'. HMS 2 contains galvanized and blackened steel whereas HMS 1 doesn't.</p> <p>We primarily deal in HMS 1.</p> <p>HMS is an Industrial Product and is the basic raw material for a blast furnace used for making steel ingots.</p>
<p>MS Turning and Boring Scrap</p> 	<p>Turning and boring are performed on a lathe where a single point tool is moved across the rotating work piece. When steel goes through this process it turns into scrap i.e. turning and boring scrap.</p> <p>MS turning and boring scrap is broadly used for various industrial purposes such as:</p> <ul style="list-style-type: none"> • pipe cutting, • plate cutting, • structural steel cutting and • machinery part cutting.

We achieved sales aggregating above 2,100 MT in the last two financial years in trading of Steel Scrap. We envision to do Steel Scrap Trading business of above 10,000 MT for FY 2013-14.

Textiles

Alongside the core integrated steel and coal operations, Aastha proposes to enter the textile business at domestic and international levels. We have recently setup a Limited Liability Partnership Firm named Aastha Hometex LLP in which our company is a 70% partner.

We propose to enter the business of Home Textile Products such as:

- **Made Ups** – i.e. a comprehensive range of items for daily household requirements, such as, Table Linen, Bed Linen, & Cushions, Kitchen Linen, Printed & Yarn Dyed Fabrics.
- **Bed Linen** – i.e. Bed-Linen in different sizes and composition from various fabrics like Sheetings, Seersuckers, Flannels and Satin to cater to a wide market.
- **Yarn Dyed Fabrics** – i.e. 100% cotton dyed & woven fabric. Besides the regular hand woven fabric, it also includes Yarn dyed Auto loom woven representations.

We propose to explore importing/sourcing opportunities from East Asia/India/Pakistan etc and exporting/selling opportunities in India, Middle East, Australia and USA.

Locational Infrastructure

Our business operations are geographically spread across India and conducted through multiple locations as shown below:

Registered Office	Situated at No.-W, 204, Sunrise Chambers, Ulsoor Road, Bangalore-560 042.
Corporate Office	Situated at Unit no. 1203, 12 th Floor, Tower1, Indiabulls Finance Centre, Elphinstone Road (W), Mumbai – 400013.
Mumbai Branch Office	Situated at 1116, Raheja Chambers, Nariman Point, Mumbai – 400 021
Kurnool Branch Office and Godowns	Situated at Survey No. 157 in Aswathapuram Village, Dupadu, Lakshmipuram Gram in Kallur Mandal, District. Kurnool.
Bangalore Godowns	Situated at Survey No. 2 of Mahadevpura Village, K. R. Puram Hobli, Bangalore (East) Taluk.
Thane Godowns	Situated at Survey No. 54, Hissa No. 2, Village – Goteghar, Tal. Dist. Thane.

We also co-occupy the office premises situated at 7500A Beach Road, 08-313, The Plaza, Republic of Singapore, 199591 through our wholly owned foreign subsidiary – M/s. Akshaj Ventures Singapore Pte. Ltd.

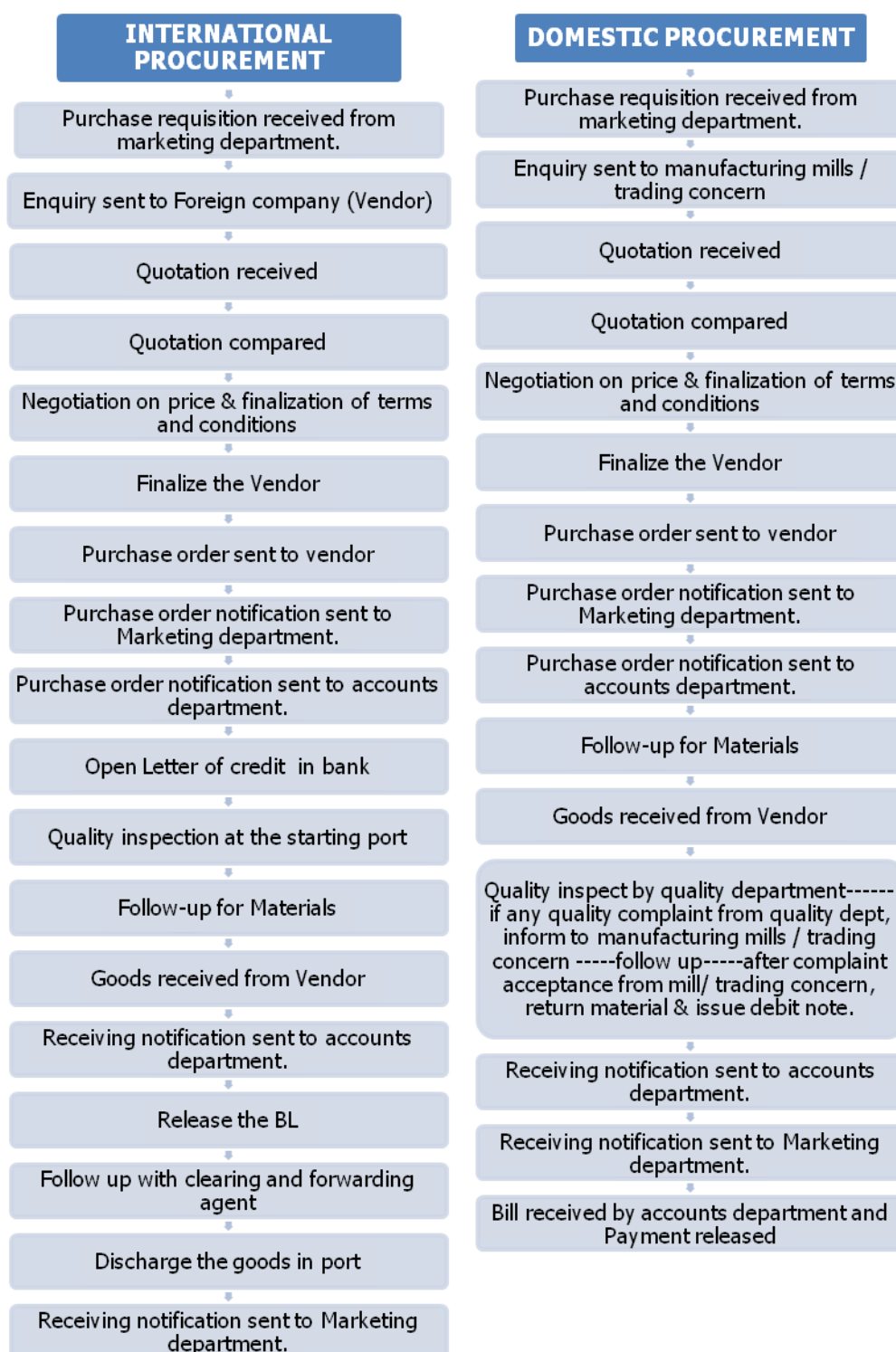
Collaborations:

Our group through its decade of presence in various industries and markets has developed likeliness in the market amid similar industries. The company's values and brand image has earned the company various tie-ups and associations.

In almost all our business verticals we have entered into strategic tie-ups and we maintain long term relationships with respective participants of the supply chain. For e.g. in Steel, the company has tie-ups/relationships with various infrastructure and real estate companies in the market as their empanelled suppliers for TMT bars. Our company along with its foreign subsidiary – Akshaj Ventures Singapore Pte. Ltd. has established relationships with various players in the Mineral Trading Supply Chain in various countries. In our Coal business, we have relationships/tie-ups with international miners and trading bodies based out of Indonesia, Singapore and South Africa to import coal in bulk. We have tied up with National Spot Exchange Limited for selling imported coal through the exchange. Further, we have existing business relationships for procurement of high grade Iron Ore from Mali in West Africa. We are also in the process of associating ourselves with mine owners based out of Goa and Orissa in India for domestic procurement of iron ores.

However, none of these tie-ups/relationships can be termed as a Collaboration as the same are not long term in nature and are negotiated separately for each transaction etc. For details regarding key risks pertaining to such informal tie-ups the company relies on for its operations, please refer to risk factor titled "*Majority of our international tie-ups are informal in nature. Our inability to retain existing suppliers and grow our supplier base in the future could materially adversely affect our results of operations and financial conditions*" on page no 15 of this Draft Red Herring Prospectus.

Our Key processes:



Our Marketing set up:

Our Company conducts its marketing arrangement through a strong and dedicated sales & marketing team. The Company works on a team based model, where everyone working in Sales & Marketing department is very well synchronized with company's objectives and values. The company's Sales and

Marketing team undergoes regular trainings and enhancements on developments in the market. The trade dynamics have been very volatile off late, therefore the company has a dedicated research team who collects the movements and activities of competitors, consumer behaviors and trade patterns in order to be ahead in the race. We have a separate and dedicated team for steel and minerals trading.

Our Marketing Set-up is headed by our CMD – Mr. Mohit Aggarwal and our newly appointed WTD – Mr. Deepak Agarwal in association with our CEO – Mr. BVH Prasad.

The company has a man force of 5 persons working for Marketing and R&D of Metal products headed by AGM-Business Development – Mr. Hardeep Saggi.

The company has a man force of 6 persons working for Marketing and R&D of Mineral products headed by Head (Coal) – Mr. Sourabh Sharma, AVP-Business Development – Mr. Vipin Baid and Sr. Mgr. (Business Development) – Mr. Anuj Moda.

Further the company has a dedicated team of 7 persons working in the Operations Team to ensure efficiency in supply chains and logistics for each product. Also the company makes use of third party logistics service providers as and when required for its operations.

We build long term relationships with our Customers. Our approach is ‘_Customer is King’. We grow with our Customers and help them to help us. Special measures are taken to ensure customer acquisition.

Some of our Marketing Strategies are:

- Dealer Network, Integrated wide-spread distribution network: Good dealer network helps to provide better services and timely deliveries to end-customers meeting specific quantity requirements.
- Free Samples: We provide free small samples to our customers for their testing and evaluation. This helps to build customers’ confidence in our product.
- Timely Deliveries: We follow the dispatch schedules required by the customers by keeping adequate stocks and foreseeing the monthly requirements. Moreover, our wide dealer network helps us in timely delivery of goods.

Competition:

We operate in competitive markets. The businesses we are engaged in are highly competitive and we have competitors in each of our major businesses on a local, regional, national and international level. The principal factors affecting competition include: Price, Customer Relationships, Contract Executions and Financial Strength.

In our steel business we face competition from large size domestic manufacturing companies such as TATA Steel Group, SAIL, JSW Group, SRMB Srijan Limited, RINL etc. Further, various small and medium sized players including manufacturers, dealers, stockists etc would compete with us for TMT Bars business. The major brands which we compete with in this vertical are: Indus, Primegold, Sunvick, Meenaxi, Gopala, Bhuwalka, Regency, Gaurdian, Bhagwati, Metro, Parvati, Dhanalaxmi, Vaishnav, Rathi, Kamdhenu, Atlas, Friends, and Kalpatru etc.

In our Coal trading business our major competitors are domestic players such as the Adani Group, Bhatia Group, Agarwal Coal Corporation Pvt. Ltd., as well as international players such as Phoenix Coal Company etc.

In the Mining and Mineral Trading Business of Ferrous Metal ores, our major competitors are MMTC, Adani Group, JSW Group, NMDC, Ashapura Group and various Small and Medium sized importers of Ferrous Metal Minerals in India.

In the Steel Scrap Trading Business, our major competitors include Garti Corporation, SBS Overseas, Bedi Steels etc.

Exports:

At present, we do not have any exports.

Export Obligations:

At present, we do not have any export obligations.

Manpower:

As on date, our company employs a total of 41 people, of which, 38 are full time employees, 3 are on retainer basis and no contractual basis.

Properties

We occupy certain properties for our operations and relevant activities. None of these properties are owned by us, and they are all on a rental/lease/service basis. The brief details of the properties occupied by us for our business purposes are set out below:

Sr. No.	Description of Property	Name of Owner / Lessor/ Landlord etc.	Consideration	Lease/Occupancy Rights Valid upto
1.	Registered Office: No.-W, 204, Sunrise Chambers, Ulsoor Road, Bangalore-560 042 admeasuring 792 sq. ft.	Mr. Bertram Devadas	Interest Free Security Deposit: Rs. 1,50,000/- Monthly Rent: Rs. 15,000/- (with an increase of 5% every 11 months from October 01, 2012.)	April 30, 2016
2.	Corporate Office: Unit no. 1203, 12 th Floor, Tower1, Indiabulls Finance Centre, Elphinstone (W), Mumbai – 400013 admeasuring 3481 sq. ft.	Indiabulls Real Estate Company Pvt. Ltd.	Interest Free Security Deposit: Rs. 17,72,516/- * Monthly Rent: Rs. 5,84,747/-*	March 10, 2018
3.	Mumbai Branch Office: 1116, Raheja Chambers, Nariman Point, Mumbai – 400021, admeasuring 1020 sq. ft.	M/s. B.D. Cotton Pvt. Ltd.	Interest Free Security Deposit: Rs. 2,25,000/- Monthly Membership Fee: Rs. 37,500/- plus service tax.	November 09, 2014
4.	Bangalore Godowns: An extent of Land measuring north to	Smt. Akkamma & Sri A.	Interest Free Security Deposit: Rs.	April 30, 2012 or until

	south 85 and East to West 105 feet, together with A.C. Sheet constructed on the south eastern portion of the land bearing Survey No. 2 of Mahadevpura Village, K. R. Puram Hobli, Bangalore (East) Taluk, totally admeasuring 2 acres, 38 guntas.	Srinivasa	1,20,000/- Monthly Rent: Rs. 17,000/- (renewable every year with a 10% increase in rent p.a. from May 01, 2012)	specifically cancelled by lessor.
5.	Kurnool Office & Godowns: Survey No. 157 in Aswathapuram Village, Dupadu, Lakshampuram Gram in Kallur Kandal, (Kallur (Subregn.-district), District. Kurnool, to an extent of Ac. 5.72 cents.	Mr. B. Bharath Kumar	Yearly Rent: Rs. 90,000 p.a.	April 30, 2015
6.	Thane Godowns: Land and Structure at Survey No. 54, Hissa No. 2, Village – Goteghar, Tal. Dist. Thane admeasuring about 505 sq. meters.	Mrs. Parvin Minaz Gadia (Deceased) through legal heir Mr. Minaz Mohan Gadiya and Mr. Minaz B. Keshvani.	Interest Free Security Deposit: Rs. 1,00,000/- Monthly License Fee: Rs. 17,500 per month for first 22 months (from July 01, 2012) and Rs. 22,500 per month for the remaining 11 months.	March 31, 2015

* The said considerations are shared between our company and AAPL in the ratio of 50:50 as both are utilizing the premises on sharing basis.

We also co-occupy the office premises situated at 7500A Beach Road, 08-313, The Plaza, Republic of Singapore, 199591 through our wholly owned foreign subsidiary – M/s. Akshaj Ventures Singapore Pte. Ltd.


Further, we own certain Land and Property. The details of the same are as follows:

Sr. No.	Description of Property	Name of Seller	Relationship of Seller with the Promoters /Directors etc.
1.	Site No.22, 23, and 24, admeasuring aggregate 7200 sq. ft. bearing Sy No.32, situated at Spring Layout, Boyalahalli village, Jala Hobli, North, Bangalore Taluk.	Mr. Syed Mohammed Muneer	N.A.

Note: This is a Vacant Plot, which has been purchased by the company; however, no operational activities are carried out herein.

Intellectual Properties

Our company uses the following logos/trademarks for its operations.

Logo / Trademark	Description
	<p>We use the Aastha Group Logo on all our Official Correspondence, Tax Invoices and General Corporate purposes. The Logo is in the process of getting registered in the name of our Group Company – M/.s. Aastha Alloy Corp Pvt. Ltd. (AACPL). We have received a NOC from AACPL for using such logo and the same is valid until cancelled.</p> <p><i>For further details regarding the Application made for the registration of such Intellectual Property please refer to "Government and Other Approvals" on page 178 of this Draft Red Herring Prospectus.</i></p>
Aastha 500+ TMX	<p>We use this Trademark in the TMT Bars business. The same is in the process of getting registered in our name.</p> <p><i>For further details regarding the Application made for the registration of such Intellectual Property please refer to "Government and Other Approvals" on page 178 of this Draft Red Herring Prospectus.</i></p>

Insurance

Our business operations are subject to hazards inherent in the metals and minerals trading businesses. We avail marine insurance from time to time for all our marine cargo goods in order to insure the goods against risks in transportation such as Tsunami, fire, and other force majeure events. Also, we have availed the mandatory Vehicle Insurance for vehicles forming part of our fixed assets.

We have to obtain Insurance for the goods and materials held by us. Following is the details of our Insurance Cover as on date of this Draft Red Herring Prospectus:

Sr. No.	Name, No. of Policy / Insurance Company	Tenure	Details of the Assets Covered	Insured Amount (Rs. in Lacs)	Premium (Rs. in Lacs)
1.	Standard Fire and Perils Policy No. 071600/ 11/ 12/ 11/ 00000207 from United India Insurance Company Ltd.	30/07/2012 to 25/06/2013	<p>Inventories situated at Survey No. 2 of Mahadevpura Village, K. R. Puram Hobli, Bangalore (East) Taluk</p> <p>Inventories situated at Survey No. 157 in Aswathapuram Village, Dupadu, Lakshmipuram Gram in Kallur Kandal, District. Kurnool</p>	150.00	0.39 (inclusive of taxes)
				1850.00	

KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Central/State Governments that are applicable to the Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

STEEL INDUSTRY

1. NATIONAL STEEL POLICY, 2005

The National Steel Policy, 2005 (hereinafter referred to as the "Policy") is not a regulation but a policy document which lays down a broad policy framework for India's steel industry, and aspires India to have a modern and efficient steel industry of world standards, catering to diversified steel demand. The Policy focuses on achieving global competitiveness not only in terms of cost, quality and product-mix, but also in terms of global benchmarks of efficiency and productivity. The Government proposes to create incremental demand for domestic consumption via promotional efforts, awareness drives and strengthening the delivery chain, particularly in rural areas. On the supply side the strategy would be to facilitate creation of additional capacity, remove procedural and policy bottlenecks in the availability of inputs such as iron ore and coal, make higher investments in R&D and HRD and encourage the creation of infrastructure such as roads, railways and ports.

2. THE ESSENTIAL COMMODITIES ACT, 1955

The Essential Commodities Act, 1955 (hereinafter referred to as the Act) provides for the control of the production, supply and distribution of, and trade and commerce, in certain commodities. Coal including coke and other derivatives as well as iron and steel including manufactured products of iron and steel are essential commodities as per Section 2 of the Act. Section 3 of the Act confers extensive powers on the Central Government to make orders for achieving the primary objective of exercising effective control over the supply and equitable distribution of the essential commodity at fair prices. The order made, under Section 3, by the Central Government may provide inter alia for regulating by licenses, permits or otherwise the production or manufacture of any essential commodity.

EMPLOYMENT & LABOUR RELATED LAWS

1. Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

Industrial Dispute Act, 1947 ("the ID Act") provides for the investigation and settlement of industrial disputes. It also contains various provisions to prohibit strikes and lock-outs, declaration of strikes and lockouts as illegal and provisions relating to lay-off and retrenchment and closure, conciliation and adjudication of industrial disputes by; Conciliation Officers, a Board of Conciliation, Courts of Inquiry, Labour Courts, Industrial Tribunals and a National Industrial Tribunal.

2. Minimum Wages Act, 1948

The Minimum Wages Act, 1948 gives power to appropriate government (Central or State) to fix minimum wages to be paid to the persons employed in scheduled or non scheduled employment and the concerned employer is required to pay the minimum wages, fixed by the appropriate government. Such employer is also required to maintain registers and exhibits giving the particulars of wages paid to employees.

3. Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees, if the factory or establishment has employed 20 or more persons in a day. Bonus is payable to every employee who has been employed for at least 30 days in an accounting year. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

4. Employees' State Insurance Act, 1948 ("the ESI Act")

All the establishments to which the ESI Act applies are required to be registered under the ESI Act with the Employees State Insurance Corporation. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

5. The Payment of Gratuity Act, 1972

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement or resignation, superannuation or death or disablement due to accident or disease.

TAX RELATED LEGISLATIONS

1. Excise Regulations

The Central Excise Act, 1944 seeks to impose an excise duty on excisable goods which are produced or manufactured in India. The rate at which such a duty is imposed is contained in the Central Excise Tariff Act, 1985. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification. Steel products are classified under Chapter 72 of the Central Excise Tariff Act.

2. Value Added Tax ("VAT")

The levy of Sales Tax within the state is governed by the Value Added Tax Act and Rules 2008 ("the VAT Act") of the respective states. The VAT Act has resolved the problem of Cascading effect (double taxation) that were being levied under the hitherto system of sales tax. Under the current regime of VAT the trader of goods has to pay the tax (VAT) only on the Value added on the goods sold. Hence VAT is a multi-point levy on each of the entities in the supply chain with the facility of set-off of input tax- that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. Periodical returns are required to be filed with the VAT Department of the respective States by the Company. The following, among others, are the State VAT legislations applicable to the Company:

- Karnataka Value Added Tax Act, 2003
- Maharashtra Value Added Tax Act, 2002
- Andhra Pradesh Value Added Tax Act, 2005

3. Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

4. Customs Act, 1962 ("the Customs Act")

The provisions of the Customs Act and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any company that wishes to import or export any goods is first required to get itself registered and obtain an IEC (Importer Exporter Code).

5. Importer Exporter Code

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/ divisions/ units/factories.

6. Central Sales Tax Act, 1956

In accordance with the Central Sales Tax Act, every dealer registered under the Act shall be required to furnish a return in Form I (Monthly/ Quarterly/ Annually) as required by the State sale Tax laws of the assessee authority together with treasury challan or bank receipt in token of the payment of taxes due.

INTELLECTUAL PROPERTY LAWS

1. Copyright Act, 1957

The Copyright Act, 1957 ("Copyright Act") protects original literary, dramatic, musical and artistic works, cinematographic films and sound recordings from unauthorized use of such works. Copyright protects the expressions and not the ideas. There is no copyright in an idea. The object of copyright law is to encourage authors, artists and composers to create original works by rewarding them with exclusive right for a fixed period to reproduce the works for commercial exploitation. Copyrights subsist in following class of works:

- a) Original literary, musical, dramatic and artistic works
- b) Cinematograph films
- c) Sound recordings

Under the copyright law the creator of the original expression in a work is its author who is vested with a set of exclusive rights with respect to the use and exploitation of the work. The author is also the owner of the copyright, unless there is a written agreement by which the author assigns the copyright to another person or entity, such as a publisher. The owner of a copyright in a work can assign or license his copyright to any person, such as publisher, under a written agreement. Copyright subsists in a work since the time it come into being. Therefore, registration of copyright neither creates any rights nor precludes enforcement of the existing ones. However, owing to its evidentiary value, a registered copyright is easier to establish in the court of law. The term of copyright varies across different types of works.

2. Trade Marks Act, 1999

The Indian law of trademarks is enshrined in the Trade Marks Act; The Trade Marks Act seeks to provide for the registration of trademarks relating to goods and services in India. A trade mark means a mark used in relation to goods for the purpose of indicating a connection in the course of trade between the goods and the proprietor. While registration of a trademark is not compulsory it offers better legal protection. Any person can apply for registration of a trademark to the Trademark Registry under whose jurisdiction the principal place of the business of the applicant in India falls. The term of a trademark

registration is for a period of ten years. The renewal is possible for further period of 10 years each. There is no system as yet wherein a single trademark application is sufficient to protect the trademark right internationally. However, Paris convention to which India is a party provides certain privileges to member countries in trademark registration. A party that files their first trademark application in a member state of the Convention, such as India, can within six months of that filing date file applications in other member countries claiming the priority of the first application. If such a trademark is accepted for registration it will be deemed to have registered from the same date on which the application is made in the home country.

MISCELLANEOUS LAWS

1. The Companies Act, 1956

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

2. Regulation of Foreign Investment in India

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations promulgated there under. The RBI, in exercise of its powers under FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") which prohibit, restrict and regulate transfer or issue of securities, to a person resident outside India. Pursuant to the FEMA Regulations, no prior consent or approval is required from the RBI for foreign direct investment under the "automatic route" within the specified sectoral caps prescribed for various industrial sectors. In respect of all industries not specified under the automatic route, and in respect of investments in excess of the specified sectoral limits under the automatic route, approval for such investment may be required from the FIPB and/or the RBI.

Further, FIIs may purchase shares and convertible debentures of an Indian company under the portfolio investment scheme through registered brokers on recognized stock exchanges in India. Regulation 1 (4) of Schedule II of the FEMA Regulations provides that the total holding by each FII or SEBI approved sub-account of an FII shall not exceed 10% of the total paid-up equity capital of an Indian company or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs and sub accounts of FIIs added together shall not exceed 24% of the paid-up equity capital or paid-up value of each series of convertible debentures. However, this limit of 24% may be increased up to the statutory ceiling as applicable, by the Indian company concerned passing a resolution by its board of directors followed by the passing of a special resolution to the same effect by its shareholders.

3. Shops and Establishment Act

The respective State Governments have the power to make laws on the subject matter. In exercise of these powers, various State Governments have enacted the shops and establishments act which is applicable to the shops and commercial establishments within the respective states as may be specified by the Government. Each state has its own legislation on shops and establishments which lay down inter alia, guidelines for regulating the hours of work, payment of wages, leave holidays, terms of service, overtime and other conditions of work of persons employed in shops, commercial establishments etc. and

to discourage the malpractices by employers towards their employees. The Bombay Shops & Establishment Act and the Karnataka Shops and Establishment Act, governs the Company as the Company has its office in the state of Maharashtra and Karnataka.

4. The Competition Act, 2002

The Competition Act, 2002 (the "Competition Act") prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "CCI") as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as 'Individuals' and 'Group'. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

5. The Indian Contract Act, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated as "Aastha Minmet (India) Private Limited", under the Companies Act, 1956 on May 07, 2007. Pursuant to a special resolution passed July 19, 2012, the company was converted to a Public Company and a fresh certificate of incorporate was issued by Registrar of Companies, Bangalore dated August 13, 2012.

Post Incorporation, our company took over the entire business of M/s. Shri Impex (Proprietary Concern of our Promoter – Mr. Mohit Agarwal) and allotted shares to Mr. Mohit Aggarwal on August 18, 2008 against the same. Since then, the company has been the International Procurement and Commodities Trading Arm of the Aastha Group of Companies. We are also a FMC Registered Trading cum Clearing Member (TCM) of the National Spot Exchange Limited (NSEL) and are engaged in domestic and international trading of Coal, Steel, Scrap Metal, Iron Ore, Manganese and other metals and minerals.

Our Total Income has grown at a CAGR of 53.90% from Rs. 2962.18 lacs in F.Y. 2008 to Rs. 16616.05 lacs in F.Y. 2012. Our EBITDA has grown at a CAGR of 75.90% from Rs. 44.56 lacs in F.Y. 2008 to 426.59 lacs in F.Y. 2012 and our Net Profit after tax has grown at a CAGR of 68.87% from Rs. 14.66 lacs in F.Y. 2008 to Rs. 119.23 lacs in F.Y. 2012. Further our results for the six months ended September 2012 have shown aggressive growth reporting Total Income, EBITDA, and Net Profit of Rs. 69614.78 Lacs, Rs. 467.15 lacs, and Rs. 245.92 lacs respectively.

Changes in the Registered Office

At the time of incorporation, the registered office of our Company was located at 402, Motati Neadows, 4th Floor, Old Madras Road, C V Raman Nagar, Bangalore (Karnataka) 560093. Subsequently, pursuant to a board resolution dated March 07, 2012, our registered office was shifted to No. – W - 204, 2nd Floor, Sunrise Chambers, Ulsoor road, Bangalore (Karnataka) 560042.

Shareholders

The total number of members of our Company as on the date of filing this Draft Red Herring Prospectus is 9.

Major Events and Milestones

Financial Year	Events
2008	<ul style="list-style-type: none"> - Incorporation of Company. - Took over the entire business of M/s. Shri Impex (Proprietary Concern of our Promoter – Mr. Mohit Aggarwal). - Availed 1st Working Capital Facilities from Syndicate Bank Ltd.
2009	<ul style="list-style-type: none"> - Out Total Income crosses Rs. 5000.00 Lacs for the first time. - Working Capital Facilities taken over by IDBI Bank Ltd.
2010	<ul style="list-style-type: none"> - Began Import of Ferrous Metal Minerals from South Africa and USA. - IDBI Bank Limited increases our Sanctioned Exposure to over Rs. 1500.00 Lacs
2011	<ul style="list-style-type: none"> - Opening of our Branch Office at Mumbai. - Opening of our Godown at Thane, Maharashtra. - Successfully Imported our First Steel Scrap from Belgium and South Africa.
2012	<ul style="list-style-type: none"> - Obtained FMC Registration as a Trading cum Clearing Member (TCM) of the National Spot Exchange Limited (NSEL). - Tied up with National Spot Exchange Limited to sell imported coal through exchange platform. - Our Total Income crosses Rs. 15000.00 Lacs for the first time.

2013	<ul style="list-style-type: none"> - Pursuant to a special resolution passed July 19, 2012, the company was converted to a Public Company and a fresh certificate of incorporate was issued by Registrar of Companies, Bangalore dated August 13, 2012. - Successfully Imported our First Coal Consignment from Africa. - Our Total Income crosses Rs. 69,000.00 Lacs for the first time.
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Main Objects of our Company

The Main Objects clause and the Objects incidental or ancillary to the Main Objects of our memorandum enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main objects for which our Company is established are:

1. *To Carry on business as processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, distributors, stockiest, buyers, sellers, agents or merchants in all kinds and forms of steel including mild, high carbon, spring, high speed, tool, alloy, stainless and special steels, iron, minerals, metals, and alloys ingots.*
2. *To carry on the business as manufactures, producers, exporter, importers, traders, dealers, distributors, stockiest, buyers, sellers, agents or merchants in all kind of tools, components, parts, accessories of machinery made out of all kinds and forms of steel, iron, metals, alloys, ingots.*
3. *To carry on business of buyers, sellers, importers, exporters, wholesalers, retailers, franchisee, agents, consignment agents, processors, distributors, stockiest, or otherwise deal in all types of ferrous and non ferrous metals including iron and steel in all its shapes and forms, iron and steel pipe and pipe fittings, plastic pipe and fittings, sand pipes and fittings and all types of cement, clinkers, white cement, hardware, tools & fittings.*

Changes in Memorandum of Association

Date of Resolution	Changes in Memorandum of Association
June 16, 2008	Alteration in Capital Clause Increased from 2,50,000 Equity Shares of Rs. 10/- each aggregating to Rs. 25 lacs to 10,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 100 lacs.
November 28, 2008	Alteration in Capital Clause Increased from 10,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 100 lacs to 25,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 250 lacs.
July 19, 2012	Alteration in Capital Clause Increased from 25,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 250 lacs to 1,10,00,000 Equity Shares of Rs. 10/- each aggregating to Rs. 1,100 lacs. Change of Name Change of name from Aastha Minmet (India) Private Limited to Aastha Minmet (India) Limited. Fresh certificate of incorporation consequent to change of name to Aastha Minmet (India) Limited issue by RoC dated August 13, 2012.
December 22, 2012	Alteration in Capital Clause Increased from 1,10,00,000 Equity Shares of Rs.10/- each aggregating to Rs.1,100 lacs to 1,25,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 1250 lacs.
March 14, 2013	Alteration in Capital Clause Increased from 1,25,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 1250 lacs to 1,50,00,000 Equity Shares of Rs.10/- each aggregating to Rs. 1500 lacs.

Subsidiaries /Joint Ventures

As on the date of this Draft Red Herring Prospectus, we have one Foreign Subsidiary – Ms. Akshaj Ventures Singapore Pte. Ltd. and we have controlling stake (i.e. 70%) in a Limited Liability Partnership Concern named “Aastha Hometex LLP”.

The details of our subsidiary is as under:

1. Akshaj Ventures Singapore Pte. Ltd.

Akshaj Ventures Singapore Pte. Limited was originally incorporated as Anker Shipping Pte. Limited under the Companies Act, (CAP.50) on March 12, 2011 in Singapore. The name of the company was changed to Akshaj Ventures Singapore Pte. Limited on June 18, 2012.

Its registered office is situated at 7500A Beach Road, 08-313, The Plaza, Republic of Singapore, 199591. It was acquired as a subsidiary to our company on March 22, 2013.

Board of Directors

- Mr. Ajay Chauhan
- Mr. Kalyanasundaram Maran
- Mr. Mohit Aggarwal

Shareholding Pattern

The shareholding Pattern of AVSPL as on date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares Held	Shareholding (%)
<i>A.</i>	<i>Promoters</i>		
1.	Aastha Minmet (India) Limited	1	100.00 %
	<i>Total (A)</i>	1	100.00 %
<i>B.</i>	<i>Others (B)</i>	-	-
	TOTAL (A+B)	1	100.00 %

Financial Performance

The summary of audited financial information of AVSPL is as follows:

Sr. No.	Particulars	March 12, 2011 to March 31, 2012* (In USD)
1.	Equity Capital	1
2.	Reserves (excluding revaluation reserve) and Surplus	37,085
3.	Income including other income	42,380
4.	Profit/ (Loss) after tax	37,085
5.	Earnings per share (face value of \$1 each)	37,085
6.	Net asset value	37,086

(As on March 30, 2012; 1USD = 51.16 Rs – Source RBI website)

* The company was incorporated on March 12, 2011 and hence has completed only one financial reporting period.

The details of our joint venture are as below:

2. Aastha Hometex LLP

Aastha Hometex LLP was incorporated pursuant to section 12(1) of the Limited Liability Partnership Act 2008 on March 21, 2013.

As specified in the Limited Liability Partnership Deed dated March 22, 2013. The LLP was incorporated with a capital of Rs. 1 Lac. The profit /loss of the LLP shall be allocated amongst in the Partners in the following ratio

Name	Address
M/s. Aastha Minmet (India) Limited	70%
Mrs. Shilpa Aggarwal	30%

The LLP shall carry out the business of manufacturing inside India home textile articles / made ups (bed sheet, curtains, cushion covers etc) and exporting to all around the world; buy Grey Fabric (Raw fabric) and then process (dyeing & Printing) it.

Injunctions or restraining orders

Our Company is not operating under any injunction or restraining order.

Strategic Partners

Our Company does not have any strategic partners.

Financial Partners

Our Company does not have any financial partners.

Shareholders Agreement

Our Company has not entered into any agreement with any shareholders.

Other Agreements

As on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association, our Company is required to have not less than three Directors and not more than twelve Directors. Our Company currently has 6 Directors on Board, of which 3 are Independent Directors. The following table sets forth details regarding our current Board of Directors:

Sr. No.	Name, Designation, Address, Occupation,	Nationality, Term and DIN	Date of Birth and Age	Other Directorships
1	<p>Mr. Mohit Aggarwal s/o Mr. Ishwardas Aggarwal</p> <p><i>Designation:</i> Chairman & Managing Director</p> <p><i>Address:</i> 50/51, 2nd Main 2nd Cross Rhb Layout, Whitfield Road, Mahadevpura, Bangalore – 560 048</p> <p><i>Occupation:</i> Business</p>	<p><i>Nationality:</i> Indian</p> <p><i>Term:</i> March 14, 2013 to March 13, 2016</p> <p><i>DIN:</i> 01374927</p>	<p><i>Date of birth:</i> June 26, 1981</p> <p><i>Age:</i> 31 years</p>	<ul style="list-style-type: none"> • Aastha Alloy Steel Private Limited • Aastha Alloycorp Private Limited • Brizo Reality Company Private Limited • Vinuthna Properties Private Limited
2	<p>Mrs. Shilpa Aggarwal d/o Mr. Dinesh Kumar Agarwal</p> <p><i>Designation:</i> Whole time Director</p> <p><i>Address:</i> 50/51, 2nd Main 2nd Cross Rhb Layout, Whitfield Road, Mahadevpura, Bangalore – 560 048</p> <p><i>Occupation:</i> Business</p>	<p><i>Nationality:</i> Indian</p> <p><i>Term:</i> March 14, 2013 to March 13, 2016</p> <p><i>DIN:</i> 01793857</p>	<p><i>Date of birth:</i> July 04, 1983</p> <p><i>Age:</i> 29 years</p>	<ul style="list-style-type: none"> • Aastha Alloy Steel Private Limited • Aastha Alloycorp Private Limited • Brizo Reality Company Private Limited
3	<p>Mr. Deepak Agarwal s/o Mr. Ramniwas Agarwal</p> <p><i>Designation:</i> Whole Time Director</p> <p><i>Address:</i> Mahanadi Vihar, Plot No. 1036, Chauliaganj, Cuttack, Orissa 753 004</p> <p><i>Occupation:</i> Business</p>	<p><i>Nationality:</i> Indian</p> <p><i>Term:</i> March 14, 2013 to March 13, 2016</p> <p><i>DIN:</i> 00656960</p>	<p><i>Date of birth:</i> August 03, 1974</p> <p><i>Age:</i> 33 years</p>	<ul style="list-style-type: none"> • Mahabali Alloys Private Limited
4	<p>Mr. Ravipati Hanumantha Rao</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> Sri Hanuman Residency,</p>	<p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Liable to retire by rotation</p>	<p><i>Date of birth:</i> March 02, 1946</p> <p><i>Age:</i> 67 years</p>	<ul style="list-style-type: none"> • Mideast Integrated Steels Limited • SOL Shipping & Logistics Pvt. Ltd.

	D.No.6-46/1, G. Yendada Gitam, P.O, Visakhapatnam 530 045 <i>Occupation:</i> Professional	<i>DIN:</i> 00044028		
5	Mr. Pradip Shah <i>Designation:</i> Independent Director <i>Address:</i> B/504, Ambika apartment, Sahani chowk, 90 Feet Road, Mulund (E), Mumbai – 400 081 <i>Occupation:</i> Professional	<i>Nationality:</i> Indian <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 05223141	<i>Date of birth:</i> November 11, 1969 <i>Age:</i> 43 years	NIL
6	Mr. Veraswamy Vemuri <i>Designation:</i> Independent Director <i>Address:</i> H. No. 3-1-59/1, Vidyanagar Colony, Chunchupally Village, Kothagudem, Dist. – Khammam, Andhra Pradesh - 507101 <i>Occupation:</i> Professional	<i>Nationality:</i> Indian <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 06522070	<i>Date of birth:</i> August 05, 1952 <i>Age:</i> 60 years	NIL

Brief Profile of our Directors

Mr. Mohit Aggarwal, aged 31 years, is the first generation progressive and forward looking entrepreneur and the founder of Aastha Group. He has hand on experience of over a decade in managing Metals and Minerals Trading and Manufacturing businesses. He is responsible for the formulation and execution of the overall strategic policy governing the growth drivers of our Company and Group. He is an active member of Industry Associations like Karnataka Steel Re-rolling Mill Association and Bangalore Iron Steel and Hardware Merchants Association. He has been on board of Directors of our Company since incorporation and has been re-designated Chairman and Managing Director of our Company w.e.f March 14, 2013.

Mrs. Shilpa Aggarwal, aged 29 years, is the founding Promoter and Director of our Company. She holds a Bachelor's Degree in Commerce. Having been involved in the family business since over 5 years, she has developed a finite understanding of the groups operational activities. She is currently involved in supervising the company's accounts and administration departments. She has been on board of Directors of our Company since incorporation and has been re-designated Whole Time Director of the Company w.e.f March 14, 2013.

Mr. Deepak Agarwal, aged 33 years, is the Whole Time Director of our company. He holds a Bachelor's Degree in Commerce from Choudhwar College, Cuttack. He has hands on entrepreneurial experience of over 8 years in Steel Manufacturing and Trading activities through his companies – M/s. Bajrangbali Alloys Private Limited and M/S Mahabali Alloys Pvt. Ltd. His core responsibilities in our company would include supervising the Marketing, Business Development and operational activities of the company in co-ordination with the CMD of the company. He has been inducted on our Board of Directors on November 02, 2012 and has been re-designated Whole Time Director w.e.f March 14, 2013.

Mr. Ravipati Hanumantha Rao, aged 67 years is an Independent Director in our company. His education qualification includes Bachelors in Engineering from Jodhpur University, Masters in Science (Mining) from Benarus Hindu University, and other professional qualifications such as I and II Class Mines Manager Certificate of Competency (Unrestricted) from the Board of Mining Examinations, DGMS, Dhanbad. He has over four decades of Mining and Minerals Industry Experience having worked for companies such as Bharat Gold Mines Limited for 10 years, Andhra Cements and Madras Cements for 9 years, RINL for 7 years, and is currently working with Mesco Steel since the last 7 years. He is also the Chairman of the Mining Engineers Association of India (MEAI –Vizaag Chapter) and an active member of the Society of the American Institute of Mining (SME). He was appointed on our board as an Independent Director on March 14, 2013.

Mr. Pradip Shah, aged 43 years, is an Independent Director in our company. His education qualification includes Bachelors in Commerce from Bombay University, Diploma in Central Excise from Advocate T. Gunasekharan’s TVC Institute, Course in Double Tax Avoidance Agreement by Bombay Chartered Accountants Society. He is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He has an experience of over 15 years. Currently acts as a professional and advises companies on topics like Income Tax, Excise, Service tax, accounting, Finance & Investment. He was appointed on our board as an Independent Director on March 14, 2013.

Mr. Veraswamy Vemuri, aged 69 years, is an Independent Director in our Company. His educational qualifications include a Bachelors in Engineering (Mining) from Osmania University and other professional qualification such as First Class Mine Manager’s Certificate of Competency issued by DGMS. He has over 35 years of extensive experience in Strategic Planning, Mining Operations, and related fields in various capacities, prior to retiring as CGM (R&D) in 2012. During the tenure of his work, he was awarded “Best Officer Award” for 2003, and “Best Project Implementation Award” by MGMI in 1989-90. He is currently retired. He was appointed on our board as an Independent Director on March 14, 2013

Confirmations

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of this DRHP, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

None of the Directors is or was a director of any listed company which has been or was delisted from any recognised stock exchange in India during the term of their directorship in such company.

Relationship among the Directors

Name of Directors	Relatives
Mr. Mohit Aggarwal and Mrs. Shilpa Aggarwal	Husband - Wife
Mr. Mohit Aggarwal and Mr. Deepak Aggarwal	Cousins

Remuneration of our Executive Directors:

Name	Mr. Mohit Aggarwal
Designation	Chairman and Managing Director
Appointment/Term	With Effect From March 14, 2013 for the Period of 3 years.
Remuneration Package	Remuneration not exceeding Rs. 1,50,000/- per month including all benefits and perquisites.
Remuneration paid in FY 2011-2012.	Rs. 12,00,000/-

Name	Mrs. Shilpa Aggarwal
Designation	Whole Time Director
Appointment/Term	With Effect From March 14, 2013 for the Period of 3 years.
Remuneration Package	Remuneration not exceeding Rs. 1,00,000/- per month including all benefits and perquisites.
Remuneration paid in FY 2011-2012.	Rs. 12,00,000/-

Name	Mr. Deepak Agarwal
Designation	Whole Time Director
Appointment/Term	With Effect From March 14, 2013 for the Period of 3 years.
Remuneration Package	Remuneration not exceeding Rs. 1,00,000/- per month including all benefits and perquisites.
Remuneration paid in FY 2011-2012.	N.A. (<i>As he has been appointed after FY 2011-12</i>)

Note: There is no definitive and / or service agreement that has been entered into between our Company and the Directors in relation to their appointment.

Remuneration of our Non Executive Directors

All our Non-Executive Independent Directors are entitled to receive sitting fees of Rs. 20,000 per meeting for attending the Board Meetings and Rs. 20,000 per meeting for attending the committee meetings, within the limits laid down in the Companies Act and as decided by our Board. The Company will also reimburse such Directors for out-of-pocket expenses to attend such meetings and perform their role as a Director. These Directors may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulation.

Bonus or Profit Sharing Plan for the Directors

There is no bonus or profit sharing plan for the Directors of our Company.

Contingent and Deferred Compensation payable to Directors

No Director has received or is entitled to any contingent or deferred compensation.

Shareholding of Directors in our Company

For details of shareholding of our Directors in our Company, see section titled "Capital Structure" on page 50.

Details of Service Contracts

There are no service contracts entered into with any Directors for provision of benefits or payments of any amount upon termination of employment.

Interests of Directors

All the Directors of our Company may be deemed to be interested to the extent of sitting fees and/or other remuneration if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of reimbursement of expenses if any payable to them under the Articles of Association. All the Directors may also be deemed to be interested in the Equity Shares of our Company,

if any, held by them, their relatives or by the companies or firms or trusts in which they are interested as directors / members / partners or that may be subscribed for and allotted to them, out of the present Issue and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any other company in which they have direct /indirect interest or any partnership firm in which they are partners.

Mr. Mohit Aggarwal and Mrs. Shilpa Aggarwal, our Managing Director and Whole time Director are also our Promoters and are responsible for management of the affairs of our Company. Further, all three of our Executive Directors may be deemed to be interested to the extent of their salary/remuneration payable to them as decided by the Board of Directors and Shareholders of the Company.

Our Directors have no interest in any property acquired by our Company within two preceding years from the date of filing of this Draft Red Herring Prospectus, or presently intended to be acquired by our Company as disclosed in this Draft Red Herring Prospectus.

Except as stated in “Financial Information– Related Party Transactions” on page 149, and to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Except as stated in this section, respectively, no amount or benefits were paid or were intended to be paid to our Directors within two preceding years from the date of filing of this Draft Red Herring Prospectus.

Borrowing Powers of the Directors

Pursuant to an ordinary resolution passed at Extra Ordinary General Meeting of our Company held on March 20, 2013 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 293(1)(d) of the Companies Act, 1956 for borrowing from time to time any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company’s bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 50000.00 Lacs.

Changes in our Board during the last three years

Name	Date of Appointment	Date of Cessation	Reason
Mr. Ajay Singh Chauhan	24/03/2012	02/11/2012	Resignation due to personal reasons.
Mr. Deepak Agarwal	02/11/2012	N.A.	New Appointment (Additional Director)
Mr. Ravipati Hanumantha Rao	14/03/2013	N.A.	New Appointment (Independent Director)
Mr. Pradip Shah	14/03/2013	N.A.	New Appointment (Independent Director)
Mr. Veraswamy Vemuri	14/03/2013	N.A.	New Appointment (Independent Director)

Corporate Governance

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. The provisions of the listing agreement to be entered into with the Stock

Exchanges (“Listing Agreement”) with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges.

As of the date of this Draft Red Herring Prospectus, the Company is in compliance with the provisions of Clause 49 of the Listing Agreement, including with respect to the appointment of 50% Independent Directors on the Board, the constitution of the Audit, Remuneration and Shareholders/Investors Grievance committees.

Further, in accordance with Clause 49 of the Listing Agreement, the Company has constituted the following committees:

Audit Committee

The Audit Committee was constituted at our Board meeting held on March 14, 2013. The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of our financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters. The terms of reference of Audit Committee complies with the requirements of Clause 49 of the Listing Agreement, proposed to be entered into with the Stock Exchanges in due course. The committee presently comprises following:

Name of Directors	Status	Nature of Directorship
Mr. Pradip Shah	Chairman	Non-Executive Independent Director
Mr. Veraswamy Vemuri	Member	Non-Executive Independent Director
Mr. Mohit Aggarwal	Member	Chairman and Managing Director

The terms of reference of the Audit Committee are as follows:

1. Overseeing our Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to our Board, the appointment, re-appointment and, if required, the replacement or removal of our Statutory Auditors and the fixation of audit fees.
3. Approval of payment to our Statutory Auditors for any other services rendered.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (2AA) of section 217 of the Companies Act.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to our Board for approval:

- a. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc), the statement of funds utilized for the purposes other than this stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with our internal auditors about any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with our Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. Reviewing our Company's risk management policies.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
13. Reviewing any changes in the accounting policies or practices as compared to the last completed financial year and commenting on any deviation from the Accounting Standards.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Our Audit Committee is empowered, pursuant to its terms of reference, to:

1. Investigate any activity within its terms of reference and to seek any information it requires from any employee.
2. Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

Our Company has systems and procedures in place to ensure that our Audit Committee mandatorily reviews:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor.

6. Whenever applicable, the uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc), as part of the quarterly declaration of financial results.
7. If applicable, on an annual basis, statement certified by the statutory auditors, detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/notice.
8. In addition, the Audit Committee of the company is also empowered to review the financial statements, in particular, the investments made by the unlisted subsidiary companies (if any), in view of the requirements under Clause 49.

The Audit Committee is also apprised on information with regard to related party transactions by being presented:

1. A statement in summary form of transactions with related parties in the ordinary course of business
2. Details of material individual transactions with related parties which are not in the normal course of business.
3. Details of material individual transactions with related parties or others, which are not on an arm's length basis along with management's justification for the same.

The Company Secretary of the Company acts as the Secretary to the Committee.

Shareholder/Investors Grievance Committee

The Investor Grievance Committee was constituted at our Board meeting held on March 14, 2013. This Committee is responsible for the redressal of shareholder grievances. The Investor Grievances Committee comprises:

Name of Directors	Status	Nature of Directorship
Mr. Ravipati Hanumantha Rao	Chairman	Non-Executive Independent Director
Mr. Pradip Shah	Member	Non-Executive Independent Director
Mrs. Shilpa Aggarwal	Member	Whole Time Director

Role of Shareholders/Investors Grievance Committee

The Shareholders / Investors Grievance Committee of our Board look into:

1. The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
2. Matters related to share transfer, issue of duplicate share certificate, dematerializations.
3. Also delegates powers to the executives of our Company to process transfers etc.

The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

The Company Secretary of the Company acts as the Secretary to the Committee.

Remuneration Committee

The Remuneration Committee was constituted at our Board meeting held on March 14, 2013. The Remuneration Committee comprises:

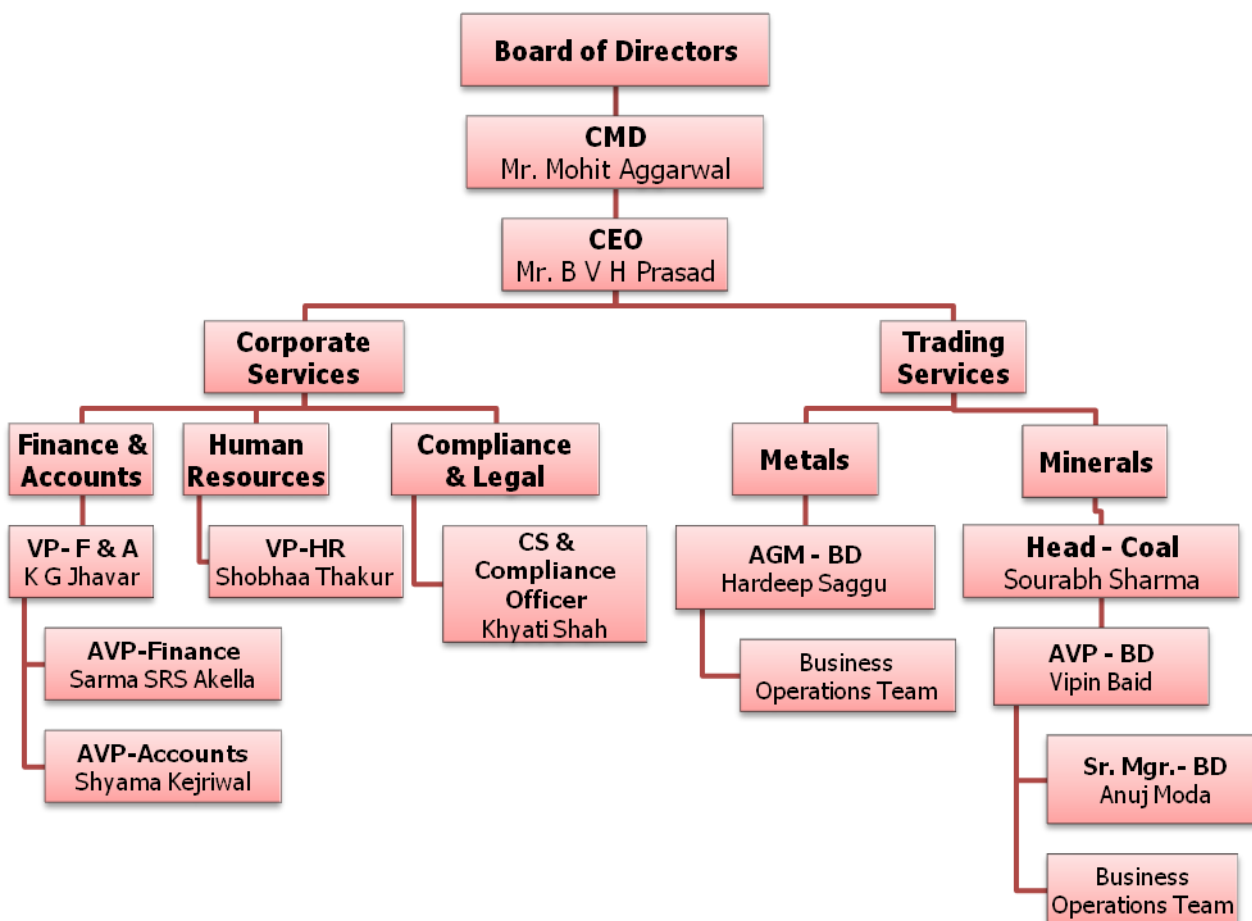
Name of Directors	Status	Nature of Directorship
Mr. Veraswamy Vemuri	Chairman	Non-Executive Independent Director
Mr. Pradip Shah	Member	Non-Executive Independent Director
Mr. Ravipati Hanumantha Rao	Member	Non-Executive Independent Director

The Remuneration Committee has been empowered with the role and function as per the provisions as specified under Annexure I D(2) of the Corporate Governance Code under Clause 49 of the Listing Agreement including the appointment and finalizing the remuneration of senior level employees of our Company.

The Company Secretary of the Company acts as the Secretary to the Committee.

Organization Chart of Our Company

As on the date of this Draft Red Herring Prospectus, the following is the organization structure of our Company:



Key Management Personnel

The details of our Key Management Personnel as of the date of this Draft Red Herring prospectus are as follows:

B V H Prasad, aged 53 years, is the Chief Executive Officer of our Company and has been associated with our Company since April 14, 2012. He holds a Bachelor's degree in Commerce, and LLB. He is a fellow member of the Institute of Company Secretaries of India. He has an overall experience of over 27 years. He is instrumental in the strategic decision making processes in our Company. In the past he has worked as a sub-broker at Hyderabad Stock Exchange, Harjivandas Nemidas & Sons, Piyush Vora & Company, managed a franchisee of Motilal Oswal Securities.

Mr. K G Jhavar, aged 51 years, is the Vice President – Finance & Accounts and was appointed on March 25, 2013. He holds a Bachelor's degree in Commerce and is an Associate of the Institute of Chartered Accountants of India since 1992. He brings along an experience of nearly 25 years' in Project Financing, Working Capital Management and Financial Planning. His areas of expertise include Commercial/ Financial Operations, Taxation, Cost Rationalization & Pricing, Portfolio Management, CAPEX & OPEX, ROI Accountability, Working Capital Management, Internal Audit, Budgeting, Risk Assessment, Cash / Funds Management, Cross-functional Coordination, MIS Reporting. In the past he has worked with companies like Base Corporation Ltd, Everest Industries Ltd, Dainik Bhaskar, GTC Industries Limited and Imp Power Limited.

Mr. Sourabh Sharma, aged 31 years, is the Head of Department - Coal and was appointed on January 23, 2013. He holds a Bachelor's degree in Commerce and MBA in International Business. He brings along experience of a decade in Supply Chain Management, MIS Reporting, Business Development and International Trade. In the past he has worked with companies like Choradia Edible Oil Pte. Limited, Indosino Trade Pte. Limited (Singapore), Gupta Coal (I) Ltd. and Namco Corp Ltd.

Mr. Sarma SRS Akella, aged 38 years, is the Assistant Vice President – Finance and was appointed on March 22, 2013. He holds a Bachelor's degree in Commerce and is an Associate of the Institute of Chartered Accountants of India. He brings along an experience of nearly 15 years'. His areas of expertise include Fund Management, Operations Management, Commercial Negotiations, Financial Modeling and budgeting, Financial Analysis & Presentations, Strategic Planning, and Process Improvement. In the past he has worked with companies like Pte. Berkas Bumi Indo (Jakarta and India), MEC Coal Pte. Ltd. (Indonesia) and Vishakapatnam Steel Plant (Vizag & Mumbai).

Mr. Hardeep Singh Saggi, aged 36 years, is the Assistant General Manager – Business Development of the Steel Division and has been associated with us since January 16, 2012. He holds a Bachelor's degree in Commerce and Masters of Business Administration from Sikkim Manipal University. Previously he has worked with RSK Steel India Limited, Kamdhenu Ispat Limited and M/S Zee Industries and brings along with him an experience of over 14 years. The remuneration paid to him for the last Fiscal was ₹ 1.01 lacs (for a period of 2.5 months).

Mr. Vipin Baid, aged 38 years, is the Assistant Vice President – Business Development of the Coal Division and has been associated with us since May 15, 2012. He holds a Bachelor's degree in Commerce from Mumbai University. He was previously associated at the Managerial Level with Vigneshwara Exports Limited and Hazel Mercantile Limited. He brings along with him an experience of more than 16 years in international trade.

Mrs. Shyama Kejriwal, aged 33 years, is the Assistant Vice President – Finance and has been associated with our Company since May 01, 2012. She holds a Bachelor's degree in Commerce and Diploma in Information Systems Audit from ICAI. She also is an Associate of the Institute of Chartered Accountants of India. She has previously worked with Alankit Assignments Limited, ICICI Bank Limited,

M/S Rahee Industries Limited and M/S Agarwal Subodh & Company. She brings along with her an experience of over 7 years.

Mrs. Shobha Thakur, aged 41 years, is the Vice President - Human Resources and has been associated with our Company since November 21, 2012. She holds a Bachelor's degree in Science (B.Sc), Advanced Diploma in HRD, Masters in Personnel Management. She brings along with her an experience of over 18 years which she gained with organizations like New Age Knowledge Solutions Limited, Educomp Solutions Limited, Midtech Limited, Zee Interactive Learning Limited, Cable Corporation of India Limited, Surya Morphy Richards, Ashoka Group.

Mr. Anuj Moda, aged 25 years, is the Senior Manager – Business Development of the Coal Division and has been associated with us since March 01, 2012. He holds a Bachelor's degree in Commerce and has pursued Post Graduate Diploma in International Business from Institute of Technology and Management, Navi Mumbai. He was previously associated with City Bank, M/S Brij Mohan Mundhra & Associates. He brings along with him an experience of more than 3 years. The remuneration paid to him for the last Fiscal was ₹ 0.50 lacs (for a period of 1 month).

Ms. Khyati Shah, aged 24 years, is the Company Secretary and Compliance Officer and has been associated with our Company since March 13, 2013. She holds a Bachelor's degree in Commerce (B.Com) and is a Member of the Institute of Company Secretaries of India (CS). She has previously worked with the Securities and Exchange Board of India (SEBI) in the Investor Grievance Department and SKJ & Associates, Company Secretaries. She has 3 years of experience in handling Secretarial matters.

All the Key Management Personnel are permanent employees on the rolls of our Company and all the Key Management Personnel mentioned above are officers of our Company vested with executive powers and function at a level immediately below the Board.

Details of Service Contracts of our Key Management Personnel

Except for terms set forth in the appointment letters, our Key Management Personnel have not entered into any other contractual arrangements with our Company.

Interest of Key Managerial Personnel

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. In addition, some of the key managerial personnel may also be deemed to be interested to the extent of any shareholding and entitlement to dividend thereof.

Shareholding of the Key Managerial Personnel

None of the Key Managerial Personnel of our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus.

Changes in the Key Managerial Personnel

The changes in the Key Managerial Personnel of the Company in the last three years are as follows:

Name of the Key Managerial Person	Designation	Date of Change	Reason
Mr. Jitendra Indoria	General Manager – Finance	November 30, 2011	Resigned
Mr. Sarang Chavan	General Manager – Finance	November 01, 2011	New Appointment
Mr. Sarang Chavan	General Manager – Finance	August 30, 2012	Resigned

Mrs. G Jayanti	General Manager - Human Resources & Admin	November 30, 2011	Resigned
Mr. Hardeep Singh Saggu	Assistant General Manager – Business Development	January 16, 2012	New Appointment
Mr. Anuj Moda	Senior Manager – Business Development	March 01, 2012	New Appointment
Mr. B V H Prasad	Chief Executive Officer	April 14, 2012	New Appointment
Mr. Vipin Baid	Assistant Vice President – Business Development	May 15, 2012	New Appointment
Mrs. Shyama Kejriwal	Assistant Vice President – Finance	May 01, 2012	New Appointment
Mrs. Shobha Thakur	Vice President - Human Resources	November 21, 2012	New Appointment
Mr. Sourabh Sharma	Head of Department - Coal	January 23, 2013	New Appointment
Ms. Khyati Shah	Company Secretary and Compliance Officer	March 14, 2013	New Appointment
Mr. Sarma SRS Akella	Assistant Vice President – Finance	March 22, 2013	New Appointment
Mr. K G Jhawar	Vice President – Finance & Accounts	March 25, 2013	New Appointment

Bonus or profit sharing plan of the Key Managerial Personnel

The Company does not have a performance linked bonus or a profit sharing plan for the Key Managerial Personnel.

Employee Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Draft Red Herring Prospectus.

Payment or Benefit to our Officers

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

Loans to Key Managerial Personnel

There are no loans outstanding against Key Managerial Personnel as on the date of this Draft Red Herring Prospectus.

Family Relationship between Key Managerial Personnel



All our Key Managerial Personnel as disclosed above are our permanent employees and none of the Key Managerial Personnel are related to each other.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

1. Mr. Mohit Aggarwal
2. Mrs. Shilpa Aggarwal

The details of our Promoters who are individuals are as follows:

 Mr. Mohit Aggarwal	Identification	Details
	PAN	ADSPA9301K
	Passport No.	G7319899
	Driving License Number	17596/2000-2001
	Voter's ID	SVF3454170
	Bank Account Number	060101508519
	Name of Bank & Branch	ICICI Bank; Nariman Point Branch
 Mrs. Shilpa Aggarwal	Identification	Details
	PAN	AEXPA1230M
	Passport No.	G3907086
	Driving License Number	Not Applicable*
	Voter's ID	Not Applicable*
	Bank Account Number	060101503713
	Name of Bank & Branch	ICICI Bank; Nariman Point Branch

*Mrs. Shilpa Aggarwal, does not hold a driving license and Voters ID.

For additional details on the age, background, personal address, educational qualifications, experience, positions/posts held in the past, terms of appointment as Directors and other directorships of our Promoters, kindly refer to the Chapter titled "Our Management" beginning on page 116 of this Draft Red Herring Prospectus.

For details of the build-up of our Promoters' shareholding in our Company, kindly refer to "Capital Structure" on page 50 of this Draft Red Herring Prospectus.

Other undertakings and confirmations

We confirm that the PAN, bank account number and passport number of the Promoters have been submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus with the Stock Exchange.

Our Promoters, the members of our Group Companies and relatives of our Promoters (as per the Companies Act) have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoters, Promoter Groups or Group Companies or persons in control of or on the boards of bodies

corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the sections titled "Risk Factors" and "Outstanding Litigation & Material Development" on pages 14 and 175 respectively.

Companies with which the Promoters have disassociated in the last three years

Except as disclosed below, the promoters of our company have not disassociated themselves from any of the companies, firms or entities during the last three years preceding the date of this offer document:

Mr. Mohit Aggarwal

Mr. Mohit Aggarwal has disassociated from the following Entities during the preceding three years:

Sr. No.	Name of Entity	Designation	Resignation Date
1.	Osho Shipping Company Limited (1)	Director	27-10-2012
2.	Karma Strategies Private Limited (2)	Managing Director	Com. Strike Off

(1) Mr. Mohit Aggarwal was appointed as the Director in Osho Shipping Company Limited on January 5, 2012 and he resigned from the company on October 27, 2012 due to his pre-occupations.

(2) Karma Strategies Private Limited closed and stricken off from records of the RoC, Cuttack.

Experience of Our Promoters in the business of Our Company

Our Promoters Mr. Mohit Aggarwal and Mrs. Shilpa Aggarwal have an experience of over 10 years and 5 years respectively, in the business of our company. Our Promoters are assisted by a team of highly qualified professionals to manage the operations of our Company.

Interests of Promoters

The Promoters are interested in the Company to the extent that they have promoted the Company and that they along with their relatives and other members of the Promoter Group hold Equity Shares in the Company. For details on the shareholding of the Promoters and Promoters Group in the Company, kindly refer to the Chapter titled "*Capital Structure*" beginning on page 50 of this Draft Red Herring Prospectus.

All Promoters are also Directors of the Company and hence may be interested to the extent of their remuneration and reimbursement payable to them by the Company. For further details kindly refer to the Chapter titled "*Our Management*" beginning on page 116 of this Draft Red Herring Prospectus.

Payment of benefits to the Promoters

Except as stated in "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149 of this Draft Red Herring Prospectus, there has been no payment of benefits to the Promoters during the two years preceding the date of this Draft Red Herring Prospectus.

Common Pursuits of Promoters

Our Promoter and the Managing Director, Mr. Mohit Aggarwal and Mrs. Shilpa Aggarwal are on the Board of Directors of our Group Companies Aastha Alloycorp Private Limited and Aastha Alloy Steel Private Limited. These companies are enabled under their objects of their respective Memorandum of Associations to undertake activities which are similar to ours.

Our Company has not adopted any measures for mitigating such conflict situations. For further details on the related party transactions, to the extent of which our Company is involved, kindly refer to "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149 of this Draft Red Herring Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is promoted by Mr. Mohit Aggarwal and Mrs. Shilpa Aggarwal in order to carry on its present business. Our Promoters are interested in our Company as mentioned above under "Our Promoters and Promoter Group – Common Pursuits of our Promoters" and to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest of Promoters in the Property of our Company

Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within two years preceding the date of this DRHP or proposed to be acquired by our Company as on the date of filing of the DRHP. Further, other than as mentioned in the sections titled "Our Business", our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Payment of Amounts or Benefits to our Promoters or Promoter Group during the last two years

For details, kindly refer to "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149 of this Draft Red Herring Prospectus.

Interest of Promoters in our Company other than as Promoters

Other than as promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. For details see section titled "Our Management", "Capital Structure" and "Financial Indebtedness" on pages 116, 50 and 172, respectively.

Except as mentioned in this section and the sections titled "Our Business", "History and Corporate Structure", "Financial Indebtedness" and "Financial Information - Related Party Transactions" on pages 94, 112, 172 and 149 respectively, our Promoters do not have any interest in our Company other than as promoters.

Related Party Transactions

Except as stated in "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149, our Company has not entered into related party transactions with our Promoters or our Group Companies.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of filing of this DRHP see section titled "Capital Structure" beginning on page 50.

Other confirmations

Our Company has neither made any payments in cash or otherwise to the Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the section ""Annexure XII - Related Party Transactions" of the "Auditor's Report" on page 149.

OUR PROMOTER GROUP

In addition to the Promoters named above, the following individuals and entities form a part of the Promoter Group:

1. Natural Persons who are Part of the Promoter Group

The Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Name of the Relative	Relationship with the Relative
Late Mr. Ishwar Das Aggarwal	Father of Mohit Aggarwal
Mrs. Mala Devi Aggarwal	Mother of Mohit Aggarwal
Mr. Dinesh Kumar Aggarwal	Father of Shilpa Aggarwal
Mrs. Kamla Aggarwal	Mother of Shilpa Aggarwal
Mr. Kushagr Aggarwal	Son(s) of Mohit Aggarwal and Shilpa Aggarwal
Ms. Garvika Aggarwal	Daughter(s) of Mohit Aggarwal and Shilpa Aggarwal

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity
1.	Aastha Alloycorp Private Limited (Formerly known as Sree Balajee Rod Mills Private Limited)
2.	Aastha Alloy Steel Private Limited (Formerly known as Aastha Alloys Private Limited)
3.	Brizo Reality Company Private Limited

OUR GROUP COMPANIES

The following companies are promoted by our Promoter (including companies under the same management pursuant to Section 370 (1B) of the Companies Act) and thus, are our Group Companies as defined under Schedule VIII of the SEBI Regulations

All the Group Companies are unlisted companies and they have not made any public issue of securities (including rights) in the preceding three years. The information provided in this section is as of the date of this Draft Red Herring Prospectus.

The Group Companies are as follows:

- Aastha Alloycorp Pvt. Ltd.
- Aastha Alloy Steels Pvt. Ltd.

DETAILS OF OUR GROUP COMPANIES:

1. Aastha Alloycorp Private Limited (herein after known as "AAPL")

Corporate Information

Aastha Alloycorp Pvt. Ltd. was originally incorporated on December 16, 2005, under the Companies Act, 1956 in the state of Andhra Pradesh, in the name and style of Sree Balajee Rod Mills Private Limited. Further, the name of the company was changed to Aastha Alloycorp Private Limited on January 11, 2012.

Its registered office is situated at Vill: Aswathapuram, Lakshimpuram Ulindakonda, Kurnool, Andhra Pradesh 518218, India.

AAPL is currently involved in manufacturing activities of Mild Steel Billets and TMT Bars, which are sold under the brand name "AASTHA 500 + TMX"

Board of Directors

- Mr. Mohit Aggarwal
- Mrs. Shilpa Aggarwal

Shareholding Pattern

The shareholding Pattern of AAPL as on date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares Held	Shareholding (%)
<i>A.</i>	Promoters		
1.	Mr. Mohit Aggarwal	33,90,000	61.64 %
2.	Mrs. Shilpa Aggarwal	21,10,000	38.36 %
	Total (A)	55,00,000	100.00 %
<i>B.</i>	Others (B)	-	-
	TOTAL (A+B)	55,00,000	100.00%

Financial Performance

The summary audited financial information of AAPL is as follows:

(₹ in lacss)

Sr. No.	Particulars	As at March 31		
		2012	2011	2010
1.	Equity Capital	57.70	57.70	57.70
2.	Reserves (excluding revaluation reserve) and Surplus	355.36	133.45	70.83
3.	Income including other income	21294.09	9353.09	3573.33
4.	Profit/ (Loss) after tax	221.33	62.61	44.23
5.	Earnings per share (face value of ₹10 each)	4.02	1.13	0.80
6.	Net asset value per share	7.55		

2. Aastha Alloy Steels Private Limited (herein after known as "AASPL")

Corporate Information

Aastha Alloy Steels Pvt. Ltd. was originally incorporated on August 07, 2008, under the Companies Act, 1956 in the state of Orissa, in the name and style of Aastha Alloys Private Limited. Further, the name of the company was changed to Aastha Alloy Steel Private Limited on October 04, 2011.

Its registered office is situated at AT-Plot No-63, N.H.5, Pahal, Bhubaneswar, Orissa – 752 101, India.

The company is involved in various activities including but not restrictive to real estate, investments and steel.

Board of Directors

- Mr. Mohit Aggarwal
- Mrs. Shilpa Aggarwal

Shareholding Pattern

The shareholding Pattern of AASPL as on date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares Held	Shareholding (%)
<i>A.</i>	<i>Promoters</i>		
1.	Mr. Mohit Aggarwal	10,000	50.00 %
2.	Mrs. Shilpa Aggarwal	10,000	50.00 %
	<i>Total (A)</i>	<i>20,000</i>	<i>100.00 %</i>
<i>B.</i>	<i>Others (B)</i>	-	-
	TOTAL (A+B)	20,000	100.00 %

Financial Performance

The summary of audited financial information of AASPL is as follows:

(₹ in lacs)

Sr. No.	Particulars	As at March 31		
		2012	2011	2010
1.	Equity Capital	2.00	2.00	2.00
2.	Reserves (excluding revaluation reserve) and Surplus	Negligible	0.00	0.00
3.	Income including other income	0.20	0.00	0.00
4.	Profit/ (Loss) after tax	Negligible	0.00	0.00
5.	Earnings per share (face value of ₹10 each)	Negligible	0.00	0.00
6.	Net asset value	10.01	10.01	10.01

Defunct Group Companies

There are no Group Companies, which had remained defunct or for which application was made to the registrar of companies for striking off its name, during the five years preceding the date of filing of this DRHP.

Other Confirmations

None of our Group Companies have been become sick companies under the meaning of the SICA or are under winding up.

Interest of our Promoters in our Group Companies

Further, except to the extent of their shareholding and/or directorship, as detailed above, our Promoters have no other interest in our Group Companies.

Outstanding Litigation

There are no outstanding litigation against our Promoters and Group Companies, except as disclosed in the sections "Risk Factors" and "Outstanding Litigation and Material Developments" on page 14 and 175, respectively.

Companies with negative net worth

None of our Group Companies had negative net worth in Fiscal 2011.

Previous Public Issues by Group Companies and Promise v/s Performance

None of our other Group Companies have made any public issue (including any rights issue to the public) during the last three years and the equity shares of such Group Companies are not listed on any stock exchange.

Common Pursuits of our Group Companies

None of our Group Companies is currently engaged in businesses similar to ours. However, certain of our Group Companies have been authorised by their respective Memorandum of Associations to undertake activities which are similar to ours. Following are the Group Companies, whose main objects are similar to ours and this may result in potential conflicts of interest with our Company in the future:

1. Aastha Alloy Corp Private Limited
2. Aastha Alloy Steel Private Limited

Our Company has not adopted any measures for mitigating such conflict situations. For further details on the related party transactions, to the extent of which our Company is involved, kindly refer to "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149 of this Draft Red Herring Prospectus.

Related Business Transactions

For details, kindly refer to "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149 of this Draft Red Herring Prospectus.

Sale/Purchase exceeding 10% in aggregate of the total sales or purchases of our Company

For details, kindly refer to "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149 of this Draft Red Herring Prospectus.

Interest of Group Companies in promotion of our Company

None of the Group Companies have any interest in the promotion of the Company, except to the extent of their shareholding in the Company, if any. For details regarding the shareholding of our Group Companies in our company kindly refer to the Chapter titled "*Capital Structure*" beginning on page 50 of this Draft Red Herring Prospectus.

Interest of our Group Companies in the property of our Company

None of our Group Companies have any interest in any property acquired by our Company since its incorporation preceding the date of this DRHP or proposed to be acquired by our Company. However, we share our locational infrastructure with our group companies as and when required.

Payment of amount or benefits to our Group Companies during the last two years

Except as disclosed in "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149, no amount or benefits were paid or were intended to be paid to our Group Companies since the incorporation of our Company.

Interest of Group Companies in any transaction by our Company

Except as disclosed in "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149, none of our Group Companies were interested in any transaction by our Company involving acquisition of land, construction of building or supply of any machinery.

Business interests of our Group Companies in our Company

Except as disclosed in "*Annexure XII - Related Party Transactions*" of the "*Auditor's Report*" on page 149, there are no business interests of our Group Companies in our Company.

Shareholding of our Group Companies in our Company

Except as stated in the section "*Capital Structure*" on page 50, none of our Group Companies hold any Equity Shares in our Company.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, kindly refer to "*Annexure XII - Restated Statement of Related Parties and Transactions*" on page 149, respectively of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our shareholders, at their discretion and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. The Board may also from time to time pay interim dividends. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements we may enter into.

Our Company has no stated equity dividend policy and has not paid any equity dividend in the last five years. The Preference dividends paid by our Company during the last five fiscal years have been presented in "*Annexure Xv: Restated Statement of Dividend Declared*" on page 151 respectively, of this Draft Red Herring Prospectus.

SECTION V – FINANCIAL INFORMATION

AUDITORS REPORT

ON FINANCIAL INFORMATION OF AASTHA MINMET (INDIA) LIMITED Auditor's Report as required by Part II of Schedule II to the Companies Act, 1956.

To

The Board of Directors

AASTHA MINMET INDIA LIMITED

W-204, 2nd Floor,

Sunrise Chambers, Ulsoor Road,

Bangalore- 560042.

Dear Sirs,

Re: Proposed Public Issue of Equity Shares of Aastha Minmet India Limited

1. I have examined the attached **Restated Financial Information** of **Aastha Minmet India Limited (AMIL)**, as at 30th September 2012, 31st March 2012, 31st March 2011, 31st March 2010, 31st March 2009 and 31st March 2008 and **Restated Profit & Loss and Cash Flow Statements** for the Half Year Ended 30th September 2012 and each of the years ended 31st March 2012, 31st March 2011, 31st March 2010, 31st March 2009 and 31st March 2008 for **Aastha Minmet India Limited** (Collectively the "**Restated Financial Statements**"), as approved by the Board of Directors of AMIL prepared in terms of the requirements of Paragraph B(1) of Part II of Schedule II to the Companies Act, 1956 (the "Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended to date (the "SEBI Regulations") and the terms of my engagement with you in accordance with my Engagement Letter dated 10th Feb 2013 in connection with the Company's Proposed Initial Public Offer (IPO) of equity shares at ₹ 10/- each at such premium arrived at by the 100% Book Building Process (referred to as the "**Issue**") as may be decided by the Company's management.
2. The Restated Financial Information have been extracted by the management from the financial statements for the Period / Financial Year ended 30th September 2012, 31st March 2012, 31st March 2011, 31st March 2010, 31st March 2009 and 31st March 2008 was conducted by previous auditors and reliance has been placed on the financial statements audited by them, the audit for the period/year ended 30th September 2012, 31st March 2012 have been conducted by me
3. Information of the Company are for the Financial Year ended 30th September 2012, 31st March 2012, 31st March 2011, 31st March 2010, 31st March 2009 and 31st March 2008 is based solely on financial statements audited by previous auditor and for the Period / Financial Year ended 30th September 2012, 31st March 2012 have been re-audited by me as required under the SEBI ICDR Regulations and books of account underlying those financial statements and other records of the Company, to the extent considered necessary by me, for the presentation of the Restated Statements under the requirements of Revised Schedule VI of the Act, in relation to the years ended 31st March 2011 and 31st March 2010, 31st March 2009 and 31st March 2008.
4. In accordance with the requirements of Paragraph B (1) of Part II of Schedule II to the Companies Act 1956, the SEBI Regulations; Revised Guidance Note on Reports in Company Prospectuses (as amended from time to time) issued by the Institute of Chartered Accountants of India (the "ICAI") and the term of my engagement agreed with you, I further report that:
 - i. The Restated Statement of Assets and Liabilities of the Company as at 30th September 2012, 31st March 2012, 31st March 2011, 31st March 2010, 31st March 2009 and 31st March 2008 as set out in "**Annexure I**" to this report read with the Significant Accounting Policies and related Notes in

Annexure XVII are after making such adjustments and regroupings as in my opinion are appropriate in the year to which they relate and more fully described in Schedules to the Restated Statements.

- ii. The Restated Profit & Loss Statement of the Company for the Period/ Financial Year ended 30th September 2012, 31st March 2012, 31st March 2011, 31st March 2010, 31st March 2009 and 31st March 2008 as set out in "**Annexure II**" to this report read with the significant accounting policies and related Notes in Annexure XVII are after making such adjustments and regroupings as in my opinion are appropriate in the year to which they relates and more fully described in Schedules to the Restated Statements.

I have also examined the following financial information as set out in Annexure prepared by the Management and approved by the Board of Directors relating to the Company for the Period / Financial Year ended 30th September 2012, 31st March 2012, 31st March 2011, 31st March 2010, 31st March 2009 and 31st March 2008.

Annexure III	Restated Statement of Cash Flows
Annexure IV	Restated Statement of Fixed Assets
Annexure V	Restated Statement of Trade Receivables
Annexure VI	Restated Statement of Loans and Advances
Annexure VII	Restated Statement of Long Term Borrowings
Annexure VIII	Restated Statement of Short Term Borrowings
Annexure IX	Restated Statement of Current Liabilities and Provisions
Annexure X	Restated Statement of Capitalization Statement
Annexure XI	Restated Statement of Contingent Liabilities
Annexure XII	Restated Statement of Related Party Transactions
Annexure XIII	Restated Statement of Tax Shelters
Annexure XIV	Restated Statement of Other Income
Annexure XV	Restated Statement of Dividend Declared
Annexure XVI	Restated Statement of Accounting Ratios
Annexure XVII	Restated Statement of Significant Accounting Policies and Notes to Accounts

In my Opinion, the above financial information contained in Annexure I to XVI of this report read along with the Restated Statement of Significant Accounting Policies, and related Notes (refer Annexure XVII) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations and the Guidance Notes on the Reports in Company's Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of my engagement as agreed with you.

My report is intended solely for the use of management and for inclusion in the Draft Offer Document / Offer Document in connection with the proposed issue of equity shares of the Company and my Report should not to be used, referred to or distributed for any other purpose without my written consent.

JATIN V. SHAH
CHARTERED ACCOUNTANT

Membership No: 103858

Place: Mumbai

Date: 18th March, 2013.

ANNEXURE I: RESTATED STATEMENT OF ASSETS AND LIABILITIES
(Rs. in Lacs)

	Particulars	As on Sept 30, 2012	As on March 31				
			2012	2011	2010	2009	2008
A	Non-Current Assets						
1	Fixed Assets						
	(i) Tangible Assets	125.81	128.10	70.24	76.70	23.48	18.45
	(ii) Intangible Assets	5.00	6.67	0.00	0.00	0.00	0.00
2	Non-Current Investments	0.00	0.00	0.00	0.00	0.00	0.00
3	Deferred Tax Assets (Net)	5.49	4.32	2.72	2.31	1.93	1.79
4	Long Term Loan & Advances	24.29	58.53	54.45	48.49	46.55	15.86
5	Other Non-Current Assets	35.94	51.33	30.43	0.25	41.64	0.50
	Total (A)	196.53	248.94	157.84	127.76	113.61	36.60
B	Current Assets						
1	Inventories	8979.23	2009.26	647.90	287.98	201.40	75.89
2	Trade Receivables	1740.93	1437.57	1298.29	922.74	883.90	938.03
3	Cash and Cash Equivalents	1819.12	31.83	143.30	194.42	49.90	10.04
4	Short Term Loans and Advances	218.87	878.61	296.54	471.35	104.03	112.41
	Total (B)	12758.15	4357.28	2386.04	1876.50	1239.23	1136.38
C	Total Assets (A+B)	12954.68	4606.22	2543.88	2004.26	1352.84	1172.98
D	Non-Current Liabilities						
1	Long Term Borrowings	39.90	45.28	16.35	47.87	66.61	59.39
	Total (D)	39.90	45.28	16.35	47.87	66.61	59.39
E	Current Liabilities						
1	Short Term Borrowings	2031.68	1832.57	1521.37	1697.89	647.70	347.84
2	Trade Payables	8714.29	1013.15	161.85	0.00	427.25	605.26
3	Other Current Liabilities	130.84	25.35	605.69	58.40	5.48	140.05
4	Short Term Provisions	152.87	47.31	13.59	0.00	5.95	4.78
	Total (E)	11029.68	2918.38	2302.50	1756.29	1086.38	1097.93
F	Total Liabilities & Provisions (D+E)	11069.58	2963.65	2318.85	1804.16	1152.99	1157.32
G	Net Worth (C-F)	1885.10	1642.57	225.02	200.10	199.85	15.66
REPRESENTED BY SHAREHOLDERS' FUND							
	Share Capital	690.24	138.05	98.71	98.71	98.71	1.00
	Equity Share Capital	690.24	138.05	98.71	98.71	98.71	1.00
	Reserves & Surplus	1194.86	1504.52	126.32	101.39	101.14	14.66
	Share Premium Account (A)	767.53	1319.73	60.75	60.75	60.75	0.00
	Profit & Loss Account (B)	427.33	184.80	65.57	40.64	40.39	14.66
	Net Worth	1885.10	1642.57	225.02	200.10	199.85	15.66

ANNEXURE II: RESTATED STATEMENT OF PROFIT AND LOSSES
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
REVENUE						
Revenue from Operations	69608.68	16506.35	7802.50	3128.90	6337.48	2,961.98
Other Income	82.28	109.70	17.85	33.10	11.63	0.20
Total Income	69690.97	16616.05	7820.36	3162.01	6349.10	2962.18
EXPENSES						
Cost of Goods Sold	75907.27	17463.68	7826.42	3045.61	6285.21	2856.01
Changes in Inventories of Finished Goods	(6969.96)	(1361.36)	(359.92)	(86.59)	(125.50)	27.24
Employee Benefit Expenses	27.85	10.65	7.17	11.78	11.65	6.28
Operating & Administrative	263.67	76.48	60.03	53.89	87.28	28.08
Total Expenditure	69228.83	16189.45	7533.70	3024.69	6258.64	2917.61
Net Profit before Interest, Depreciation, Tax and Extraordinary Items	462.13	426.59	286.66	137.32	90.46	44.56
Financial Cost	90.04	244.43	238.88	114.99	54.16	24.03
Net Profit before Depreciation, Tax and	372.09	182.17	47.78	22.33	36.30	20.53
Depreciation and Amortization Expenses	12.99	17.23	9.67	7.14	4.76	2.88
Net Profit before Tax and Extraordinary Items	359.10	164.94	38.11	15.18	31.55	17.66
<u>Provision for Taxation</u>						
Current Years Income Tax	117.75	47.31	13.59	5.24	5.47	4.45
Fringe Benefit Tax	-	-	-	-	0.47	0.33
Deferred Tax (Asset)\Liability	(1.18)	(1.60)	(0.40)	(0.38)	(0.14)	(1.78)
Prior Period	-	-	-	10.07	-	-
Net Profit After Tax and before Extraordinary	242.53	119.23	24.92	0.25	25.74	14.66
Extraordinary items	-	-	-	-	-	-
Net Profit Carried to Balance Sheet	242.53	119.23	24.92	0.25	25.74	14.66

ANNEXURE III: RESTATED STATEMENT OF CASH FLOWS
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit (adjusted) Before Tax and Extra-ordinary Items	359.10	164.94	38.11	15.18	31.55	17.66
Adjustments for						
Depreciation	12.99	17.23	9.67	7.14	4.76	2.88
Loss /(Profit) on Sale of Assets	-	-	1.96	-	-	-
Prior period Expenses	-	-	-	(10.07)	-	-
Interest & Finance Charges	90.04	244.43	238.88	114.99	54.16	24.03
Interest Income	(25.83)	(103.62)	(7.57)	(1.75)	(0.38)	-
Preliminary Expenses W\off	-	0.13	0.13	0.13	0.13	0.12
Operating Cash Generated Before	436.30	323.10	281.17	125.62	90.21	44.68
(Increase)/Decrease in Inventories	(6969.96)	(1361.36)	(359.92)	(86.59)	(125.50)	(75.89)
(Increase)/Decrease in Loans	709.37	(607.17)	138.55	(328.01)	(63.58)	(128.90)
(Increase)/Decrease in Receivables	(303.36)	(139.28)	(375.55)	(38.84)	54.13	(938.03)
Increase/(Decrease) in Payables	7806.64	270.95	709.14	(374.33)	(312.57)	745.30
Operating Cash Generated	1678.99	(1513.75)	393.39	(702.15)	(357.32)	(352.85)
Less : Income Tax paid (MAT/FBT)	(12.19)	(13.59)	-	(11.19)	(4.78)	-
Net Cash Generated from Operating Activities (A)	1666.80	(1527.34)	393.39	(713.34)	(362.10)	(352.85)
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Fixed Assets (Net)	(9.03)	(81.75)	(5.17)	(60.36)	(9.79)	(21.33)
Interest received	25.83	103.62	7.57	1.75	0.38	-
Net Cash Flow from Investing Activities (B)	16.80	21.87	2.40	(58.61)	(9.41)	(21.33)
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from issue of share capital & Share Premium	-	1298.32	-	-	158.46	1.00
Proceeds from Short Term Borrowings	199.10	311.20	(176.52)	1050.19	299.86	347.84

Proceeds from Long Term Borrowings	(5.37)	28.93	(31.52)	(18.74)	7.22	59.39
Interest Paid	(90.04)	(244.43)	(238.88)	(114.99)	(54.16)	(24.03)
Net Cash Flow from Financing Activities (C)	103.69	1394.01	(446.92)	916.46	411.37	384.21
Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	1787.29	(111.46)	(51.13)	144.52	39.86	10.04
Opening Balance of Cash and Cash Equivalents	31.83	143.29	194.42	49.90	10.04	-
Closing Balance of Cash and Cash Equivalents	1819.12	31.83	143.29	194.42	49.90	10.04

ANNEXURE IV: RESTATED STATEMENT OF FIXED ASSETS
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
TANGIBLE ASSETS						
Opening Gross Block	166.44	94.69	91.47	31.11	21.33	-
Add: Addition	9.03	71.75	6.93	60.36	9.79	21.33
Less: Deduction	-	-	3.72	-	-	-
Closing Gross Block	175.47	166.44	94.69	91.47	31.11	21.33
Opening Depreciation	38.34	24.44	14.77	7.63	2.88	-
Additions	11.32	13.89	9.67	7.14	4.76	2.88
Deductions	-	-	-	-	-	-
Closing Depreciation	49.66	38.34	24.44	14.77	7.63	2.88
Net Block	125.81	128.10	70.24	76.70	23.48	18.45
Book Value of Sale	-	-	3.72	-	-	-
Cash Value of Sale	-	-	1.76	-	-	-
P&L from Sale of Fixed Assets	-	-	(1.96)	-	-	-
INTANGIBLE ASSETS						
Opening Gross Block	10.00	-	-	-	-	-
Add: Addition		10.00	-	-	-	-
Less: Deduction		-	-	-	-	-
Closing Gross Block	10.00	10.00	-	-	-	-
Opening Depreciation	3.33	-	-	-	-	-
Additions	1.67	3.33	-	-	-	-
Deductions	-	-	-	-	-	-
Closing Depreciation	5.00	3.33	-	-	-	-
Net Block	5.00	6.67	-	-	-	-
Book Value of Sale	-	-	-	-	-	-
Cash Value of Sale	-	-	-	-	-	-
P&L from Sale of Fixed Assets	-	-	-	-	-	-

ANNEXURE V: RESTATED STATEMENT OF DETAILS OF TRADE RECEIVABLES
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
(A) Unsecured, Considered good outstanding for a period less than six months						
Amount due from Promoter / Group	-	-	-	-	-	-
Others	1717.44	1331.61	1229.29	664.24	426.17	807.77
TOTAL	1717.44	1331.61	1229.29	664.24	426.17	807.77
(B) Unsecured, Considered good outstanding for a period more than six months						
Amount due from Promoter / Group	-	-	-	-	-	-
Others	23.49	105.96	69.00	258.50	457.73	130.26
TOTAL (B)	23.49	105.96	69.00	258.50	457.73	130.26
Total (A+B)	1740.93	1437.57	1298.29	922.74	883.90	938.03

ANNEXURE VI: RESTATED STATEMENT OF LOANS AND ADVANCES
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
LONG TERM LOANS AND ADVANCES						
Loans & Advances to Related Parties	6.10	50.64	50.81	44.39	43.55	3.76
Loans & Advances to Others	-	-	-	-	-	3.78
Security Deposit (Rent)	18.19	7.89	3.64	4.10	3.00	8.32
Total	24.29	58.53	54.45	48.49	46.55	15.86
SHORT TERM LOANS AND ADVANCES						
Balance with Statutory Authorities	1.36	11.32	(1.10)	0.15	3.91	-
Prepaid Insurance	0.15	0.43	0.35	1.35	0.75	0.80
Advance to Suppliers & others	39.88	689.36	6.66	185.92	99.36	92.89
Advance for Properties	177.49	177.49	177.49	177.49	-	-
Advances given to Directors	-	-	113.14	106.44	-	18.72
Total	218.87	878.61	296.54	471.35	104.03	112.41
OTHER NON-CURRENT ASSETS						
Balance with Revenue Authorities	35.94	51.33	30.30	-	41.26	-
Preliminary Expenses	-	-	0.13	0.25	0.38	0.50
Total	35.94	51.33	30.43	0.25	41.64	0.50

ANNEXURE VII: RESTATED STATEMENT OF LONG TERM BORROWINGS
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
From Banks(Secured)						
HDFC Bank (Vehicle Loans)	1.05	3.10	6.86	11.96	4.47	7.65
Centurion Bank of Punjab		-	-	-	1.23	3.53
From Others(Secured)						
BMW Financial Services India (Vehicle Loans)	38.85	42.18	-	-	-	-
From Banks and others						
Reliance Capital Limited		-	0.38	3.21	7.59	11.34
Barclays Bank		-	-	12.69	24.40	34.53
ICICI Bank		-	-	0.55	1.50	2.35
Standard Chartered Business		-	9.11	19.47	27.42	-
Total	39.90	45.28	16.35	47.87	66.61	59.39

ANNEXURE VIII: RESTATED STATEMENT OF SHORT TERM BORROWINGS
(Rs. in Lacs)

Name of the Bank	Type of Facility	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
			2012	2011	2010	2009	2008
Working Capital from Bank Facilities (FB & NFB)							
Cash Credit from IDBI Bank Ltd.	Working Capital	583.67	1384.57	1521.37	1697.89	379.22	-
Cash Credit from Syndicate Bank	Working Capital	-	-	-	-	-	98.38
(Unsecured)							
From Related Parties		1448.01*	-	-	-	-	-
From Others		-	448.00	-	-	268.48	249.46
Total		2031.68	1832.57	1521.37	1697.89	647.70	347.85

* Terms and Conditions for Unsecured Loans: Repayable on Demand.

Terms and Conditions for Secured Short Term Borrowings

Working Capital Facilities

Working Capital Loan from & Terms of Repayments	As above stated Working Capital Facilities are obtained from Banks as stated above and repayable on demand.
Nature of Security	<p><i>Primary Security</i></p> <ol style="list-style-type: none"> Hypothecation of current assets including stocks and book debts of the company, both present and future. First charge on all Fixed Assets of the company both present and future. <p><i>Collateral Security</i></p> <ol style="list-style-type: none"> Site No. 50 & 51, CMC Khata No. 160 and 161, Sy No. 64,65 Mahadevapura, K R Puram Hobli, Bangalore-46, comprising of land admeasuring 2400 sft. And building (GF) with built up area of 900 sft., owned by Shri Ishwar Das Agarwal and Shri Mohit Aggarwal, valued at Rs. 126.44 lacs. Plot No. 63, NH5, Pahala, Baliana / Bhubaneswar, Khurda Dist., admeasuring 17860 sft with a built up area of 12100 sft., owned by Shri Mohit Aggarwal Site No. 22, admeasuring 2400 sft. Bearing Sy. No. 32, situated at Spring Layout, Boyalahalli village, Jala Hobli, North, Bangalore Taluk, owned by M\s Aastha Minmet (India) Pvt Ltd., valued at Rs. 22.80 lacs. Site No. 23, admeasuring 2400 sft. Situated at Spring Layout, Boyalahalli village, Jala Hobli, North, Bangalore, Taluk, owned by M\s AasthaMinmet (India) Pvt Ltd., valued at Rs. 22.80 lacs. Site No. 24, admeasuring 2400 sft. Situated at Spring Layout, Boyalahalli village, Jala Hobli, North, Bangalore Taluk, owned by M\s Aastha Minmet (India) Pvt Ltd., valued at Rs. 22.80 lacs.
Guarantee	<p>Personal Guarantee:</p> <ol style="list-style-type: none"> Shri Mohit Aggarwal Smt. Shilpa Aggarwal <p>Third Party Guarantee of:</p> <p>Shri Ishwar Das Agarwal</p>
Terms of Payment	Repayable on demand

ANNEXURE IX: RESTATED STATEMENT OF CURRENT LIABILITIES & PROVISIONS
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
Current Liabilities						
Trade Payables	8714.29	1013.15	161.85	-	427.25	605.26
Other Current Liabilities	130.84	25.35	605.69	58.40	5.48	140.05
Total (A)	8845.13	1038.49	767.54	58.40	432.73	745.30
Short Term Provisions						
For Taxation	152.87	47.31	13.59	-	5.95	4.78
Total (B)	152.87	47.31	13.59	-	5.95	4.78

ANNEXURE X: RESTATED STATEMENT OF CAPITALIZATION
(Rs. in Lacs)

Particulars	Pre Issue as at Sept 30, 2012	Post Issue
Debt		
Long Term Debt	39.90	-
Short Term Debt	2031.68	[•]
Total Debts (A)		[•]
Equity (Shareholder's funds)		
Equity share capital	690.24	[•]
Reserve and Surplus	1194.86	[•]
Total Equity(B)		[•]
Long Term Debt / Equity Shareholder's funds		[•]
Total Debts / Equity Shareholder's funds	1.10:1	[•]

ANNEXURE XI: RESTATED STATEMENT OF CONTINGENT LIABILITIES
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
Contingent Liabilities at the end of year/period						
Commissioner of Commercial	-	49.97	49.97	49.97	49.97	49.97
Total	49.97	49.97	49.97	49.97	49.97	49.97

ANNEXURE XII: RESTATED STATEMENT OF RELATED PARTIES AND TRANSACTIONS
(Rs. in Lacs)

Nature of Transaction / Name of Related party	Nature of Relationship	For 6 months ended Sept 30, 2012	For the year ended March 31				
			2012	2011	2010	2009	2008
Remuneration and Allowance							
Mr. Mohit Aggarwal	Director	6.00	12.00	12.00	12.00	12.00	6.50
Mrs. Shilpa Aggarwal	Director	6.00	12.00	12.00	12.00	9.00	3.25
	Total	12.00	24.00	24.00	24.00	21.00	9.75
Loan Taken (ICD)							
M/s. Aastha Alloy Steel Pvt. Ltd.	Group Company	1448.01	0.00	0.00	0.00	0.00	0.00
	Total	1448.01	448.01	0.00	0.00	0.00	0.00
Amount received as investment (Share Allotted)							
M\s. Aastha Alloycorp Pvt Ltd	Group Company	0.00	1282.99	0.00	0.00	0.00	0.00
	Total	0.00	1282.99	0.00	0.00	0.00	0.00
Advance given							
M/s. Karma Strategies Pvt. Ltd	Group Company	0.00	40.54	40.54	40.54	40.54	0.00
Late Iswar Das Agarwal	Promoter Group	6.10	10.10	10.27	3.85	3.01	3.76
	Total	6.10	50.64	50.81	44.39	44.55	3.76
Purchase of Goods*							
M\s. Aastha Alloycorp Pvt Ltd	Group Company	3757.41	4404.63	2766.71	0.00	0.00	0.00
	Total	3757.41	4404.63	2766.71	0.00	0.00	0.00
Sales of Goods							
M\s. Aastha Alloycorp Pvt Ltd	Group Company	19485.51	4784.12	542.11	103.13	0.00	0.00
	Total	19485.51	4784.12	542.11	103.13	0.00	0.00
Commission received							
M\s. Aastha Alloycorp Pvt Ltd	Group Company	0.00	0.00	5.79	4.24	0.00	0.00

ANNEXURE XIII: RESTATED STATEMENT OF TAX SHELTER
(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
Profit before tax as per Restated Profit & Loss	359.10	164.94	38.11	15.18	31.55	17.66
Applicable Corporate tax rate	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Notional tax as per rate on Profit (A)	107.73	49.48	11.43	4.56	9.46	5.30
Adjustments :						
Difference between tax depreciation and book depreciation	(3.82)	(5.18)	(2.84)	(1.22)	(0.41)	(0.75)
Exempt Income						
Dividend		-	-	-	-	-
Expenses disallowed under the Income Tax Act, 1961	-	(0.05)	(1.38)	(0.56)	(2.26)	(4.75)
Items Chargeable at special rates		-	(1.96)	-	-	-
Set off of Business Losses / Unabsorbed Depreciation		-	-	-	-	-
Net Adjustments	(3.82)	(5.23)	(6.18)	(1.78)	(2.67)	(5.49)
Tax Saving thereon	(1.14)	(1.57)	(1.85)	(0.53)	(0.80)	(1.65)
Tax Saving to the extent of Tax at Notional Rate	(1.14)	(1.57)	(1.85)	(0.53)	(0.80)	(1.65)
Tax payable(A)	108.88	51.05	13.28	5.09	10.27	6.95
Tax Payable on items chargeable at special rates (B)	-	-	-	-	-	-
Total Tax Payable (C=A+B)	108.88	51.05	13.28	5.09	10.27	6.95
Tax Rebates (D)	-	-	-	-	-	-
Net Tax Payable (E=C-D)	108.88	51.05	13.28	5.09	10.27	6.95
MAT tax rate	18.50%	18.50%	18.00%	15.00%	10.00%	10.00%
Tax Payable under MAT 115JB of income Tax Act,1961 (F)	66.43	30.51	6.86	2.28	3.15	1.77
Net Tax Payable (Higher of E & F)	108.88	51.05	13.28	5.09	10.27	6.95

Note:

1. The information pertaining to the years 31/03/2008 to 31/03/2012 are as per the return of Income Tax filed under section 139(1) and 139(4) of the Income Tax Act, 1961. The effect of assessment

- /appellate orders has not been considered in the above calculation.
2. The aforesaid Statement of Tax Shelters has been prepared as per the ' Restated Profit and Loss Account'
 3. The above tax payable does not include Surcharge, Education Cess and Higher Education Cess, if any

ANNEXURE XIV: RESTATED STATEMENT OF OTHER INCOME

(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
Interest received	25.83	103.62	7.57	1.75	0.38	-
Commission received	-	3.00	5.79	31.09	-	-
Foreign Exchange Profit	53.46	-	-	-	-	-
Miscellaneous Income	2.99	3.08	4.49	0.26	11.25	0.20
Total	82.28	109.70	17.85	33.10	11.63	0.20

ANNEXURE XV: RESTATED STATEMENT OF DIVIDEND DECLARED

(Rs. in Lacs)

Particulars	For the 6 months period ended Sept 30, 2012	For the year ended March 31				
		2012	2011	2010	2009	2008
Dividend on Preference Shares	0	0	0	0	0	0
Dividend on Equity Shares	0	0	0	0	0	0

ANNEXURE XVI: RESTATED STATEMENT OF ACCOUNTING RATIOS

(Rs. in Lacs)

Particulars		As on 30 th September	As on 31st March				
		2012	2012	2011	2010	2009	2008
Basic and Diluted Earnings Per Share	A/B	10.00	12.07	2.53	0.03	4.40	156.41
Basic and Diluted Earnings Per Share after considering the effect of Bonus shares in the previous years	A/C	3.51	2.41	0.51	0.01	0.88	31.28
Net Profit After Tax as restated attributable to equity shareholders.	A	242.53	119.23	24.92	0.25	25.74	14.66

Weighted average No. of Equity shares outstanding during the year (Refer Note No. 2,3 and 4 below)	B	2424357	988133	987054	987054	584833	9370
Weighted Average Number of Equity Shares at the end of the year (Adjusted with retrospectives effect of bonus) (Refer Note No.2, 3 and 4 below)	C	6902420	4940664	4935270	4935270	2924167	46849
Net Worth at the end the year (excluding Preference Shares)	D	1885.10	1642.57	225.02	200.10	199.85	15.66
Actual Number of Equity Shares outstanding at the end of the year	E	6902420	1380484	987054	987054	987054	10000
Return on Net worth (%)	A/D	12.87	7.26	11.08	0.13	12.88	93.61
Net Asset Value per Equity Shares -Based on No. of Equity Share at the end of the year(as adjusted for bonus issues)	D/C	27.31	33.25	4.56	4.05	6.83	33.42
Nominal Value per Equity share (Rs.)		10.00	10.00	10.00	10.00	10.00	10.00

Notes to Accounting Ratios:

- 1) The Ratios have been computed as follows:

a) Basic Earnings Per Share (Rs)	Net Profit After Tax (after preference dividend and related tax) as restated ----- Weighted Average Number of Diluted Equity Shares outstanding during the year/period
b) Diluted Earnings Per Share (Rs)	Net Profit After Tax (after preference dividend and related tax) as restated ----- Weighted Average Number of Diluted Equity Shares outstanding during the year/period
c) Return on Net Worth (%)	Net Profit After Tax (as restated) attributable to Equity Shareholders ----- Net Worth at the end of the year excluding preference share capital
d) Net Asset Value Per Share (Rs)	Net Worth at the end of the year excluding preference share capital ----- Total number of proportionate Equity Shares outstanding at the end of the year/period

- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- 3) Earnings per share is calculations are in accordance with Accounting Standard (AS) 20 - Earning per share, notified under the Companies (Accounting Standard) Rules 2006, as amended. The company on July 24, 2012 issued bonus shares of 552.19 Lacs in the proportion of existing shares held, to the existing shareholders by way of capitalization of Profit which has been approved at the extra ordinary general meeting held by the company on July 24, 2012.
- 4) Net worth for ratios mentioned in note 1(c) and 1(d) = Equity Share Capital + Reserves and Surplus (including Securities Premium and Surplus in statement of Profit & Loss) - Share Issue Expenses (to the extent not written off or adjusted).
- 5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year/period. The above statements should be read with the Notes to Restated Financial Statements of Assets and Liability, Profit & Loss Statement and Cash Flow Statements.
- 6) Earnings per Share (EPS) and Return on Net Worth (RoNW) for the period ended September 30 2012 is not annualized.

ANNEXURE XVII: RESTATED STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information:-

Aastha Minmet (India) Limited is limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company's primary business operation is trading in various Iron and Steel & Coal

2. Basis of Preparation of Financial Statements:-

The financial Statements of the company have been prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respects with Indian Accounting Standards and relevant provisions of Companies Act, 1956. The Financial Statements have been prepared on an accrual basis.

2.1 Summary of Significant Accounting Policies

a. Presentation and Disclosure of Financial Statements:-

The company has adopted and prepared and presentation it's Financial Statement, as per the revised Schedule VI. The company has also re-classified the previous year figures in accordance with requirements applicable in the current year.

b. Use of Estimates:-

The preparation of financial statements in conformity of Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the

reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions' and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future period.

c. Tangible Fixed assets:-

Fixed Assets are stated at cost (includes all other expenses specifically incurred in their procurement and installation at company premises), net of accumulated depreciation and accumulated impairments losses if any.

d. Intangible Fixed assets:-

Intangible Fixed asset stated at cost, net of accumulated amortization.

e. Depreciation on Tangible Fixed assets:-

Depreciation on Fixed Assets is calculated on a WDV basis using the rated prescribed under Schedule XIV of the Companies Act, 1956. The Company has used the following rates to provide depreciation on its fixed assets.

Particulars	Rate
Land	0.00%
Gold Coins	0.00%
Office Equipment	13.91%
Furniture & Fixture	18.10%
Computers	40.00%
Vehicles	25.89%

f. Amortization of Intangible Fixed assets:-

Intangible fixed asset i,e License is amortized on a straight line basis over the period of three years.

g. Inventories:-

Inventories are valued lower of cost (FIFO) or net realizable value whichever is lower.

h. Revenue recognition:-

Revenue is recognized to the extent that it is probable that the economic benefits will flow company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized;

Sale of Goods: - Revenue from sales goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyers, usually on delivery of the goods. The company collects Vat and other taxes, if any on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Interest: - Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income included under the head "other income" in the statement of profit and loss.

Other Income: - Other income is recognized on due basis. It's included under the head "other income" in the statement of profit and loss.

i. Foreign currency translation:-

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. Any income or expenses on account of exchange difference either on settlement or a transaction is recognized in the profit & loss account.

j. Retirement and other employee benefits:-

Retirement benefits for Employees are accounted for on Cash Basis. The company has not made actuarial valuation of its liability as on the balance sheet date towards retirement benefit for its employees. No provision has been made for Employees State Corporation, Provident Fund of Employees, as the ESI, Employee's Provident Funds and Miscellaneous Provisions Act, 1952 is not applicable to the Company.

k. Income Tax:-

The Company has made provision for current Income Tax as per provisions of Income Tax Act and further provision for deferred tax has been made in accordance with the Accounting Standard-22 considering the timing difference which have arisen but not reversed at the Balance Sheet date and are expected to be reversed in the foreseeable future. Deferred tax has been calculated at the normal rate applicable as per provisions of the Income Tax Act, 1961.

l. Preliminary Expenses:-

The preliminary expenditure has been amortized as per the provisions of sec 35D of the I.T.Act, 1961.

m. Earnings per Share:-

Earnings per share are calculated by dividing the net profit/loss for the period attributable to Equity Shares Holders by the weighted average number of equity shares outstanding during the period.

n. Provisions:-

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

o. Contingent Liabilities:-

The Company does not recognize a contingent liability but discloses its existence in the financial statements.

NOTES TO ACCOUNTS:

1. The balance of certain sundry debtors, Creditors, Loans & advances are subject to their confirmation and reconciliation if any.
2. The Company does not have reportable Segment as per requirement of accounting standards -17"Segment reporting".

3. There are no changes in the Significant Accounting Policies of the company in the last five years.
4. ADJUSTMENTS MADE OF RESTATED FINANCIAL STATEMENTS DUE TO REPRESENTATION UNDER NEW FORMAT OF SCHEDULE VI OF THE COMPANIES ACT, 1956:

(Rs. in Lacs)

	31/3/2011	31/3/2010	31/3/2009	31/3/2008
Reconciliation on Loans				
As per Audited Balance Sheet				
Secured Loan	1,521.37	1,697.89	384.93	109.56
Unsecured Loan	16.35	47.87	329.38	297.68
	1,537.73	1,745.76	714.31	407.24
Restated as follows:				
Short Term Borrowings	1,521.37	1,697.89	647.70	347.84
Long Term Borrowings	16.35	47.87	66.61	59.39
	1,537.73	1,745.76	714.31	407.24
Reconciliation of Current Assets & Loans Advances				
As per Audited Balance Sheet				
	31/3/2011	31/3/2010	31/3/2009	31/3/2008
Stock in Trade	647.90	287.98	201.40	75.89
Sundry Debtors	1,298.29	922.74	883.90	938.03
Cash & Bank Balances	143.30	194.42	49.90	10.04
Loans & Advances	381.29	519.85	139.96	124.51
Other Current Assets	-	-	51.88	3.76
Miscellaneous Expenditure	0.13	0.25	0.38	0.50
	2,470.91	1,925.25	1,327.42	1,152.74

Restated as follows:				
Stock in Trade	647.90	287.98	201.40	75.89
Trade Receivables	1,298.29	922.74	883.90	938.03
Cash and Cash Equivalents	143.30	194.42	49.90	10.04
Short Term Loans and Advances	296.54	471.35	104.03	112.41
Loan Term Loans and Advances	54.45	48.49	46.55	15.86
Other Non-Current Assets	30.43	0.25	41.64	0.50
	2,470.91	1,925.25	1,327.42	1,152.74
Reconciliation of Current Liabilities & Provisions				

Sundry Creditors		167.54	58.40	429.55	610.50
Provision		13.59	-	9.13	31.09
Total		181.13	58.40	438.68	641.59
Restated as follows:					
Trade Payables		161.85	-	427.25	605.26
Other Current Liabilities		605.69	58.40	5.48	140.05
Short Term Provisions		13.59	-	5.95	4.78
Total		781.13	58.40	438.68	750.08

5. OTHER ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS THAT AFFECT THE PROFIT AND LOSS ACCOUNT – NIL
6. The Financial years for the year ended 31st March, 2008, 31st March, 2009, 31st March, 2010 and 31st March, 2011 had been prepared under Revised Schedule VI. Accordingly, the previous year figures have also been re-classified to confirm to this year's classification.

JATIN V. SHAH
CHARTERED ACCOUNTANT
 Membership No: 103858

Place: Mumbai
 Date: March 18, 2013.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements including the notes thereto and the examination reports thereon, which appear elsewhere in this Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section "Risk Factors", which discusses a number of factors and contingencies that could impact our financial condition and results of operations.

Unless otherwise indicated, references in this discussion and analysis to our results of operations or financial condition for a specified year are to our financial year ended March 31 of such year. In this section, any reference to "we", "us", "our", unless the context otherwise implies, refers to our Company and its Subsidiaries on a consolidated basis.

Business Overview

Our company represents the International Procurement and Commodities Trading Arm of the Aastha Group of Companies. We are also a FMC Registered Trading cum Clearing Member (TCM) of the National Spot Exchange Limited (NSE) and are engaged in domestic and international trading of Coal, Steel, Scrap Metal, Iron Ore, Chrome Ore, Manganese Ore and other metals and minerals.

We operate from our Head Office at Bangalore and our Corporate Office at Mumbai. We have existing relationships with business houses based out of various countries such as Dubai, Indonesia, South Africa, Mali, Belgium, Singapore and Turkey for our international procurement activities, wherein we are importing various metals and minerals to India at Andhra Pradesh, Karnataka and Gujarat Ports in order to cater to the growing demand in our country.

Our finite understanding of the Steel and Coal related metals and minerals markets coupled with the group infrastructure (i.e. the strategically located offices, and a established client base of over 300+ dealers/customers across India) available to us has helped us exercise good control over the supply chain of our business verticals, in turn, controlling costs and ensuring that we have adequate operating margins to continue our operational growth.

For further details regarding our business operations, kindly refer to the Chapter titled "Our Business" on page 94 of this Draft Red Herring Prospectus.

Significant Developments

Except as disclosed elsewhere in this Draft Red Herring Prospectus, there have been no significant developments after the date of the last audited financials i.e. the six months period ended September 30, 2012.

Basis of Presentation

We have included in this Draft Red Herring Prospectus audited financial statements, as restated, for the Fiscal Years ended March 31, 2012, 2011, 2010, 2009 and 2008 and the six months period ended September 30, 2012. All figures in relation to our income from operations, expenditures, employee remuneration, operation, selling and distribution expenses and finance costs are derived from our restated financial statements, which give effect to the restatement adjustments.

Our financial statements are prepared under the historical cost convention in accordance with fundamental accounting assumptions and Indian GAAP and the relevant provisions of the Companies Act, including accounting standards notified thereunder.

We are engaged in domestic and international trading of Coal, Steel, Scrap Metal, Iron Ore, Chrome Ore, Manganese Ore and other metals and minerals. Since we are present internationally as well, we have geographical segments which are subject to different risks and returns.

Our financial statements are presented in Indian rupees.

Significant Factors Affecting Results of Operations

Our financial condition and results of operations could be mainly affected by the following factors:

- ✓ General economic and business conditions;
- ✓ Company's ability to successfully implement their expansion, business and growth strategies;
- ✓ Prevailing trends in the Steel, Coal and other Minerals Industry, Prices of Steel, Coal and other minerals, Raw Material prices;
- ✓ Trends in the cement, sponge iron, sugar mills and other industries to which most of the products of our Company are supplied;
- ✓ Increasing competition in the industry;
- ✓ Cyclical fluctuations in the operating results;
- ✓ Changes in laws and regulations that apply to the industry;
- ✓ Changes in fiscal, economic or political conditions in India;
- ✓ Availability of raw materials.

For further details regarding key risks pertaining to our operations, kindly refer to the Section titled "*Risk Factors*" on page 14 of this Draft Red Herring Prospectus.

Significant Accounting Policies

p. Presentation and Disclosure of Financial Statements:-

The company has adopted and prepared and presentation it's Financial Statement, as per the revised Schedule VI. The company has also re-classified the previous year figures in accordance with requirements applicable in the current year.

q. Use of Estimates:-

The preparation of financial statements in conformity of Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions' and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future period.

r. Tangible Fixed assets:-

Fixed Assets are stated at cost (includes all other expenses specifically incurred in their procurement and installation at company premises), net of accumulated depreciation and accumulated impairments losses if any.

s. Intangible Fixed assets:-

Intangible Fixed asset stated at cost, net of accumulated amortization.

t. Depreciation on Tangible Fixed assets:-

Depreciation on Fixed Assets is calculated on a WDV basis using the rates prescribed under Schedule XIV of the Companies Act, 1956. The Company has used the following rates to provide depreciation on its fixed assets.

	Rate
Land	0.00
Gold Coins	0.00
Office Equipment	13.91
Furniture & Fixture	18.10
Computers	40.00
Vehicles	25.89

u. Amortization of Intangible Fixed assets:-

Intangible fixed asset i.e. License is amortized on a straight line basis over the period of three years.

v. Inventories:-

Inventories are valued lower of cost (FIFO) or net realizable value whichever is lower.

w. Revenue recognition:-

Revenue is recognized to the extent that it is probable that the economic benefits will flow company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized;

Sale of Goods: - Revenue from sales goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyers, usually on delivery of the goods. The company collects Vat and other taxes, if any on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Interest: - Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income included under the head "other income" in the statement of profit and loss.

Other Income: - Other income is recognized on due basis. It's included under the head "other income" in the statement of profit and loss.

x. Foreign currency translation:-

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. Any income or expenses on account of exchange difference either on settlement or a transaction is recognized in the profit & loss account.

y. Retirement and other employee benefits:-

Retirement benefits for Employees are accounted for on Cash Basis. The company has not made actuarial valuation of its liability as on the balance sheet date towards retirement benefit for its employees. No

provision has been made for Employees State Corporation, Provident Fund of Employees, as the ESI, Employee's Provident Funds and Miscellaneous Provisions Act, 1952 is not applicable to the Company.

z. Income Tax:-

The Company has made provision for current Income Tax as per provisions of Income Tax Act and further provision for deferred tax has been made in accordance with the Accounting Standard-22 considering the timing difference which have arisen but not reversed at the Balance Sheet date and are expected to be reversed in the foreseeable future. Deferred tax has been calculated at the normal rate applicable as per provisions of the Income Tax Act, 1961.

aa. Preliminary Expenses:-

The preliminary expenditure has been amortized as per the provisions of sec 35D of the I.T. Act, 1961.

bb. Earnings per Share:-

Earnings per share are calculated by dividing the net profit/loss for the period attributable to Equity Shares Holders by the weighted average number of equity shares outstanding during the period.

cc. Provisions:-

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

dd. Contingent Liabilities:-

The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Discussion on Results of Operations

The following table sets forth select financial data from the profit and loss account of our consolidated financial statements, for the fiscals 2012, 2011, 2010 and 2009 and six months period ended September 30, 2012, the components of which are also expressed as percentages of the total income for such periods –

(₹ in lacs)

Particulars	As at				As at				As at 31st March			
	30 th Sept2 012	%*	2012	%*	2011	%*	2010	%*	2009	%*	2008	%*
INCOME												
Revenue from Operations	69608.68	99.88	16506.35	99.34	7802.50	99.77	3128.90	98.95	6337.48	99.82	2961.98	46.65
Other Income	82.28	0.12	109.7	0.66	17.85	0.23	33.1	1.05	11.63	0.18	0.2	0.00
Total Income	69690.97		16616.05		7820.36		3162.01		6349.10		2962.18	
EXPENDITURE												
Cost of Goods Sold	75907.27	108.92	17463.68	105.10	7826.42	100.08	3045.61	96.32	6285.21	98.99	2856.01	44.98

Changes in Inventories of Finished Goods	-6969.96	-10.00	-1361.36	-8.19	-359.92	-4.60	-86.59	-2.74	-125.5	-1.98	27.24	0.43
Employee Benefit Expenses	27.85	0.04	10.65	0.06	7.17	0.09	11.78	0.37	11.65	0.18	6.28	0.10
Operating & Administrative Expenses	263.67	0.38	76.48	0.46	60.03	0.77	53.89	1.70	87.28	1.37	28.08	0.44
Total Expenditure	69228.83	99.34	16189.45	97.43	7533.70	96.33	3024.69	95.66	6258.64	98.58	2917.61	45.95
Net Profit before Interest, Depreciation, Tax and Extraordinary Items	462.13	0.66	426.59	2.57	286.66	3.67	137.32	4.34	90.46	1.42	44.56	0.70
Financial Cost	90.04	0.13	244.43	1.47	238.88	3.05	114.99	3.64	54.16	0.85	24.03	0.38
Net Profit before Depreciation, Tax and Extraordinary Items	372.09	0.53	182.17	1.10	47.78	0.61	22.33	0.71	36.3	0.57	20.53	0.32
Depreciation and Amortization Expenses	12.99	0.02	17.23	0.10	9.67	0.12	7.14	0.23	4.76	0.07	2.88	0.05
Net Profit before Tax and Extraordinary Items	359.1	0.52	164.94	0.99	38.11	0.49	15.18	0.48	31.55	0.50	17.66	0.28
Provision for Taxation	0	0.00		0.00		0.00		0.00		0.00		0.00
Current Years Income Tax	117.75	0.17	47.31	0.28	13.59	0.17	5.24	0.17	5.47	0.09	4.45	0.07
Fringe Benefit Tax	0	0.00	0	0.00	0	0.00	0	0.00	0.47	0.01	0.33	0.01
Deferred Tax (Asset)\Liability	-1.18	0.00	-1.6	-0.01	-0.4	-0.01	-0.38	-0.01	-0.14	0.00	-1.78	-0.03
Prior Period Expenses/(inco	0	0.00	0	0.00	0	0.00	10.07	0.32	0	0.00	0	0.00
Net Profit After Tax and before Extraordinary Items	242.53	0.35	119.23	0.72	24.92	0.32	0.25	0.01	25.74	0.41	14.66	0.23
Extraordinary items	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Net Profit Carried to Balance Sheet	242.53	0.35	119.23	0.72	24.92	0.32	0.25	0.01	25.74	0.41	14.66	0.23

* % indicates % of Total Income

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations (i.e. trading in Iron, Steel & Coal and various other minerals) as a percentage of total income was 99.34%, 99.77%, 98.95%, and 99.82% in fiscals 2012, 2011, 2010 and 2009 respectively and 99.88% for the six months period ending September 30, 2012.

Other Income

Our other income primarily includes interest on fixed deposits with banks, Commission received, Foreign Exchange Profit and miscellaneous income. Other income, as a percentage of total income was 0.66%, 0.23% and 1.05% in fiscals 2012, 2011 and 2010 respectively. It accounted to 0.12% of total income for the six months period ending September 30, 2012.

Expenditure

Our total expenditure primarily consists of Cost of Goods Sold, Changes in Inventories of Finished Goods, Employee Benefit Expenses, and Operating & Administrative Expenses.

Cost of Goods Sold

Cost of Goods Sold are primarily in relation to the cost of acquiring / importing goods and selling them. It represents our most significant item of expenditure.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary to staff and staff welfare expenses.

Operating & Administrative Expenses

Operating & Administrative Expenses primarily include power, computer expenses, travelling and conveyance, postage and communication, trading charges, advertisement and publicity, business expenses, discount allowed, insurance, printing and stationery, rent, professional tax, professional and legal fees, exchange loss, repair and maintenance, selling and distribution charges, auditor's remuneration, and other expenses.

Financial Cost

Financial Cost primarily consists of interest expenses (primarily on Bank CC Loan), interest on Vehicle & others and other finance processing charges. The interest expenditure is primarily for bank borrowings and finance charges in the nature of cost of performance and processing fees of banks for providing credit lines.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortisation on the fixed assets of our Company which primarily includes land and building, gold coins, computers, furniture and fixtures, vehicles and office equipments.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Review for the six months period ended September 30, 2012

Income

Our total income for the six months period ended September 30, 2012 was ₹ 69,690.97 lacs. In the current period, the revenue earned from operations is 99.88% of the total income. Other income for said period was recorded at ₹ 82.28 lacs or 0.12% of total income.

Cost of Goods Sold

Our Cost of Goods Sold was ₹ 75,907.27 lacs or 108.92% of the total income for the six months period ended September 30, 2012. Our cost of materials was significantly impacted by the materials procured in relation to our operations.

Employee Benefit Expenses

Our Employee Benefit Expenses accounted to ₹ 27.85 lacs for the six months period ended September 30, 2012. As a proportion of total income, it was 0.04%. Our staff costs were driven by a general increase in the salaries and allowances paid to our employees.

Operating & Administrative Expenses

Our Operating & Administrative Expenses accounted to ₹ 263.67 lacs for the six months period ended September 30, 2012. As a proportion of total income, it was 0.38%.

Financial Cost

Our Financial Expenses accounted to ₹ 90.04 lacs for the six months period ended September 30, 2012. As a proportion of total income, it was 0.13%. This was significantly driven by interest paid on working capital facilities from banks, bank advisory fees and processing fees, etc.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses accounted to ₹ 12.99 lacs for the six months period ended September 30, 2012. As a proportion of total income, it was 0.02%.

Profit before Tax

Primarily due to the reasons described above, our profit before tax was ₹ 359.1 lacs for the six months period ended September 30, 2012.

Profit after Tax

Our profit after tax was ₹ 242.53 lacs for the six months period ended September 30, 2012.

Debtors

Our debtors accounted to ₹ 1740.93 lacs for six months period ended September 30, 2012. However, only ₹ 23.49 lacs is outstanding for more than six months out of the total ₹ 1740.93 lacs shown in debtors and hence the increase can be attributed to the increased sales activity of the company.

Secured Loans

Our secured Loans accounted to ₹ 39.90 lacs for six months period ended September 30, 2012. This includes the loan taken for vehicles.

Fiscal 2012 compared with fiscal 2011

Income

In fiscal 2012, we recorded a total income of ₹ 16,616.05 lacs, which was 112.47% higher than income of ₹ 7820.36 lacs in fiscal 2011. An increase of 111.55% in revenue from operations, to ₹ 16,506.35 lacs in fiscal 2012 from ₹ 7802.50 lacs in fiscal 2011, was the primary driver of overall income growth. Other income also increased from ₹ 17.85 lacs in fiscal 2011 to ₹ 109.7 lacs in fiscal 2012 or by 514.57%

Cost of Goods Sold

We incurred a cost of ₹ 17,463.68 lacs for the acquisition of materials in fiscal 2012, compared to ₹ 7,826.42 lacs in fiscal 2011. The 123.14% increase in cost of materials consumed was attributable to our increased demand in fiscal 2012 compared to the prior financial year.

Employee Benefit Expenses

Our staff costs increased by ₹ 3.48 lacs, or 48.54%, from ₹ 7.17 lacs in fiscal 2011 to ₹ 10.65 lacs in fiscal 2012. This increase in our staff costs were driven by a general increase in the salaries, allowances and an increase in the number of our employees.

Operating & Administrative Expenses

Operating & Administrative Expenses increased to ₹ 76.48 lacs in fiscal 2012 from ₹ 60.03 lacs in fiscal 2011, showing an increase of 27.40%. During 2012, the Operating & Administrative Expenses were 0.46% of total income as against 0.77% during 2011. The increase in the said expenses is due to a proportionate increase in sales volumes.

Financial Cost

Financial expenses increased from ₹ 238.88 lacs in fiscal 2011 to ₹ 244.43 lacs in fiscal 2012, showing an increase of 2.32%. During 2012, our Company recorded Interest and Financial charges of 1.47% of the total income as against 3.05% during 2011. This rise in interest costs as compared to total income is stemming due the funds disbursed from various financial institutions for the proposed project.

Depreciation and Amortization Expenses

Depreciation and Amortization expenses increased by ₹ 7.56 lacs, or 78.18%, from ₹ 9.67 lacs in fiscal 2011 to ₹ 17.23 lacs in fiscal 2012. This increase was due to increase in gross fixed assets.

Profit before Tax

Primarily due to the reasons described above, our profit before tax increased by ₹ 126.83 lacs from ₹ 38.11 lacs in fiscal 2011 to ₹ 164.94 lacs in fiscal 2012.

Profit after Tax

Our profit after tax increased by ₹ 94.31 lacs from ₹ 24.92 lacs in fiscal 2011 to ₹ 119.23 lacs in fiscal 2012.

Debtors

Our debtors increased from ₹ 1,229.29 lacs in fiscal 2011 to ₹ 1,331.61 lacs in fiscal 2012, showing an increase of 8.32%. However, only ₹ 105.96 lacs is outstanding for more than six months out of the total ₹ 1,331.61 lacs shown in debtors and hence this can be attributed to the increased turnover of the company.

Secured Loans

Our secured Loans have increased from ₹ 16.35 lacs in fiscal 2011 to ₹ 45.28 lacs in fiscal 2012, showing an increase of 177%. This is due to the disbursements of Vehicle loans.

Fiscal 2011 compared with fiscal 2010

Income

In fiscal 2011, we recorded income of ₹ 7,820.36 lacs, which was 147.32% higher than income of ₹ 3162.01 lacs in fiscal 2010. An increase of 149.37% in revenue from operations, to ₹ 7,802.50 lacs in fiscal 2011 from ₹ 3,128.90 lacs in the fiscal 2010, was the primary driver of overall income growth. Other income decreased by ₹ 15.25 lacs or 46.07% from ₹ 33.1 lacs in fiscal 2010 to ₹ 17.85 lacs in fiscal 2011.

Cost of Goods sold

We incurred a cost of ₹ 7,826.42 lacs for the acquisition of materials in fiscal 2011, compared to ₹ 3,045.61 lacs in fiscal 2010. The 156.97% increase in cost of materials consumed was attributable to our increased demand in fiscal 2011 compared to the prior financial year.

Employee Benefit Expenses

Our staff costs decreased by ₹ 4.61 lacs, or 39.13%, from ₹ 11.78 lacs in fiscal 2010 to ₹ 7.17 lacs in fiscal 2011.

Operating & Administrative Expenses

Operating & Administrative Expenses increased to ₹ 60.03 lacs in fiscal 2011 from ₹ 53.89 lacs in fiscal 2010, showing an increase of 11.39%. During 2011, the Operating & Administrative Expenses were 0.77% of total income as against 1.70% during 2010. The increase in the said expenses is due to a proportionate increase in turnover.

Financial Cost

Financial expenses increased from ₹ 114.99 lacs in fiscal 2010 to ₹ 238.88 lacs in fiscal 2011, showing an increase of 107.74%. During 2011, our Company recorded Interest and Financial charges of 3.05% of the total income as against 3.64% during 2010.

Depreciation and Amortization Expenses

Depreciation and Amortization expenses increased by ₹ 2.53 lacs, or 35.43%, from ₹ 7.14 lacs in fiscal 2010 to ₹ 9.67 lacs in fiscal 2011. This increase was due to increase in gross fixed assets.

Profit before Tax

Primarily due to the reasons described above, our profit before tax increased by ₹ 22.93 lacs, from ₹ 15.18 lacs in fiscal 2010 to ₹ 38.11 lacs in fiscal 2011.

Profit after Tax

Our profit after tax increased by ₹ 24.67 lacs, from ₹ 0.25 lacs in fiscal 2010 to ₹ 24.92 lacs in fiscal 2011.

Debtors

Our debtors increased from ₹ 922.74 lacs in fiscal 2010 to ₹ 1,298.29 lacs in fiscal 2011, showing an increase of 40.70%. However, only ₹ 69 lacs is outstanding for more than six months out of the total ₹ 1,298.29 lacs shown in debtors and hence this can be attributed to the increased turnover of the company.

Secured Loans

Our secured Loans have decreased from ₹ 47.87 lacs in fiscal 2010 to ₹ 16.35 lacs in fiscal 2011, showing a decrease of 65.85%.

Fiscal 2010 compared with fiscal 2009

Income

In fiscal 2010, we recorded income of ₹ 3,162.01 lacs, which was 50.20% lower than income of ₹ 6,349.10 lacs in fiscal 2009. A decrease of 50.63% in revenue from operations, to ₹ 3,128.90 lacs in fiscal 2010 from ₹ 6,337.48 lacs in the fiscal 2009, was the primary cause of an overall decline in the income. Other income increased by ₹ 21.47 lacs or 184.61% from ₹ 11.63 lacs in fiscal 2009 to ₹ 33.10 lacs in fiscal 2010.

Cost of Goods Sold

We incurred a cost of ₹ 3,045.61 lacs for the acquisition of materials in fiscal 2010, compared to ₹ 6349.10 lacs in fiscal 2009. The cost incurred for acquisition fell by 51.54% or ₹ 3239.60 lacs since 2009.

Employee Benefit Expenses

Our staff costs increased marginally by ₹ 0.13 lacs, or 1.12%, from ₹ 11.65 lacs in fiscal 2009 to ₹ 11.78 lacs in fiscal 2010.

Operating & Administrative Expenses

Operating & Administrative Expenses decreased to ₹53.89 lacs in fiscal 2010 from ₹ 87.28 lacs in fiscal 2009, showing an decrease of 38.26%. During 2010, the Operating & Administrative Expenses were 1.70% of total income as against 1.37% during 2009.

Financial Cost

Financial expenses increased from ₹ 54.16 lacs in fiscal 2009 to ₹ 114.99 lacs in fiscal 2010, showing an increase of 112.32%. During 2010, our Company recorded Interest and Financial charges of 3.64% of the total income as against 0.85% during 2009.

Depreciation and Amortization Expenses

Depreciation and Amortization expenses increased by ₹ 2.38 lacs, or 50%, from ₹ 4.76 lacs in fiscal 2009 to ₹ 7.14 lacs in fiscal 2010. This increase was due to increase in gross fixed assets.

Profit before Tax

Primarily due to the reasons described above, our profit before tax decreased by ₹ 16.37 lacs, from ₹ 31.55 lacs in fiscal 2009 to ₹ 15.18 lacs fiscal 2010.

Profit after Tax

Our profit after tax decreased by ₹ 25.49 lacs, from ₹ 25.74 lacs in fiscal 2009 to ₹ 0.25 lacs in fiscal 2010.

Debtors

Our debtors increased from ₹ 883.90 lacs in fiscal 2009 to ₹ 922.74 lacs in fiscal 2010, showing an increase of 4.39%. However, only ₹ 258.50 lacs is outstanding for more than six months out of the total ₹ 922.74 lacs shown in debtors.

Secured Loans

Our secured Loans have decreased from ₹ 66.61 lacs in fiscal 2009 to ₹ 47.87 lacs in fiscal 2010, showing a decrease of 28.13%. This is due to repayment of loans.

Financial Condition, Liquidity and Capital Resources

Liquidity

We broadly define liquidity as our ability to generate sufficient funds from both internal and external sources to meet our obligations and commitments. Our primary liquidity requirements have been to finance our working capital requirements for our operations, capital expenditures and investments. We have financed our capital requirements primarily through funds generated from operations, an increase of share capital and borrowings.

Cash Flows

The table below summarizes our consolidated cash flow for the periods indicated:

(₹ in lacs)

Particulars	6 months period ended September 30, 2012	Year ended March 31		
		2012	2011	2010
Net cash from operating activities	1,666.80	(1,527.34)	393.39	(713.34)
Net cash from investing activities	16.80	21.87	2.40	(58.61)
Net cash used in financing activities	103.69	1,394.01	(446.92)	916.46
Net Increase / (decrease) in cash & cash equivalents	1,787.29	(111.46)	(51.13)	144.52

Cash Flows from Operating Activities

Net cash from operating activities for the six months period ended September 2012 was at ₹ 1666.80 lacs as compared to the PBT of ₹ 359.10 lacs for the same period. This difference is primarily on account of changes in level of Inventories, Loans taken and Payables.

Net cash from operating activities in fiscal 2012 was negative at ₹ 1527.94 lacs as compared to the PBT of ₹ 164.94 lacs for the same period. This difference is primarily on account of changes in level of Inventories, Loans taken and Payables.

Net cash from operating activities in fiscal 2011 was at ₹ 393.39 lacs as compared to the PBT of ₹ 38.11 lacs for the same period. This difference is primarily on account of changes in level of Inventories, Loans taken, Receivables and Payables.

Net cash from operating activities in fiscal 2010 was negative at ₹ 713.34 lacs as compared to the PBT of ₹ 15.18 lacs for the same period. This difference is primarily on account of changes in level of Loans taken and Receivables.

Cash Flows from Investment Activities

For the six months period ended September 30, 2012, the net cash invested in Investing Activities was ₹ 16.80 lacs. This expenditure was mainly on account of purchase of Fixed Assets and Interest received.

In fiscal 2012, the net cash invested in Investing Activities was ₹ 21.87 lacs. This expenditure was on account of purchase of Fixed Assets and Interest received.

In fiscal 2011, the net cash invested in Investing Activities was ₹ 2.40 lacs. This expenditure was on account of purchase of Fixed Assets and Interest received.

In fiscal 2010, the net cash invested in Investing Activities was negative ₹ 58.61 lacs. This expenditure was primarily on account of purchase of Fixed Assets and Interest received.

Cash Flows from Financing Activities

Net cash from financing activities for the six months period ended September 30, 2012 was ₹ 103.69 lacs primarily comprising of changes in our proceeds from Short term and Long term Borrowings and Interest paid.

Net cash from financing activities in fiscal 2012 was ₹ 1846.51 lacs comprising primarily comprising of changes in our proceeds from issue of share capital, Short term and Long term Borrowings and Interest paid.

Net cash from financing activities in fiscal 2011 was at ₹ 612.06 lacs on account of changes in our proceeds from Short term and Interest paid.

Net cash from financing activities in fiscal 2010 was at ₹ 1284.47 lacs on account of changes in our proceeds from Short term and Long term Borrowings and Interest paid.

Information as per Schedule VIII Part A Section IX (E) (5) Of The ICDR Regulations

1) Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

2) Significant Economic Changes that Materially Affected or are likely to affect Income From Continuing Operations

Other than as mentioned under the paragraph "*Significant Factors Affecting Results of Operations*" in this Chapter on page 160 of this Draft Red Herring Prospectus, to our knowledge, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

3) Known Trends or Uncertainties

Except as described in the Section and Chapter titled "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and elsewhere in this Draft Red Herring Prospectus, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

4) Future Changes in Relationship between Costs and Revenues, in case of Events such as Future Increase in Labour or Material Costs or Prices that will cause a Material Change are known

Other than as described elsewhere in this Draft Red Herring Prospectus, particularly in this Chapter beginning on page 158 of this Draft Red Herring Prospectus, to our knowledge, there are no known factors that might affect the future relationship between costs and revenues.

5) The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Changes in revenues during the last three Fiscals are as explained in this Chapter beginning on page 158 of this Draft Red Herring Prospectus.

6) Total turnover of each major industry segment in which the issuer company operated

Our entire Turnover comes from Trading Activities. However, we do not have any authentic industry data available with us which gives the total turnover of the industry.

7) Status of any publicly announced new products or business segment

Other than as described in this Draft Red Herring Prospectus, we do not have any new products or business segment.

8) The Extent to which Business is seasonal

Our results of operation are not ordinarily affected by seasonality, except to the extent demand for products, which are widely used in the construction industry, and are affected by periods of curtailed construction activity due to adverse weather conditions.

9) Any Significant Dependence on a Single or few Suppliers or Customers

Customer and supplier concentrations for our businesses have been disclosed under the Chapter titled "Our Business" beginning on page 94 of this Draft Red Herring Prospectus.

10) Competitive conditions

Competitive conditions are as described under the Chapters titled "Industry Overview" and "Our Business" beginning on pages 77 and 94 respectively of this Draft Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's sanctioned debt facilities as on date of this Draft Red Herring Prospectus:

Details of Fund based Working Capital Facilities:

Name of Lender (Type of Facility)	Amount Sanctioned (₹ in lacs)	Amount Drawn down as on Sept 30, 2012 (₹ in lacs)	Interest (in % p.a.)	Tenure
IDBI Bank Ltd. (Cash Credit Limit)	1385.00 ⁽¹⁾	583.67	BBR + 575 bps p.a. (presently BBR is 10.75% p.a.) payable monthly	Repayable on demand

Security:

Primary Security:

1. Hypothecation of current assets including stocks and book debts of the company, both present and future.
2. First charge on all Fixed Assets of the company both present and future.

Collateral Security:

1. Site No. 50 & 51, CMC Khata No. 160 and 161, Sy No. 64,65 Mahadevapura, K R Puram Hobli, Bangalore-46, comprising of land admeasuring 2400 sft. And building (GF) with built up area of 900 sft., owned by Shri Ishwar Das Agarwal and Shri Mohit
2. Plot No. 63, NH5, Pahala, Baliana / Bhubaneswar, Khurda Dist., admeasuring 17860 sft with a built up area of 12100 sft., owned by Shri Mohit Aggarwal
3. Site No. 22, admeasuring 2400 sft. Bearing Sy. No. 32, situated at Spring Layout, Boyalahalli village, Jala Hobli, North, Bangalore Taluk, owned by M\s Aastha Minmet (India) Pvt Ltd., valued at Rs. 22.80 lakh.
4. Site No. 23, admeasuring 2400 sft. Situated at Spring Layout, Boyalahalli village, Jala Hobli, North, Bangalore, Taluk, owned by M\s AasthaMinmet (India) Pvt Ltd., valued at Rs. 22.80 lakh.
5. Site No. 24, admeasuring 2400 sft. Situated at Spring Layout, Boyalahalli village, Jala Hobli, North, Bangalore Taluk, owned by M\s Aastha Minmet (India) Pvt Ltd., valued at Rs. 22.80 lakh.

Personal Guarantee:

1. Shri Mohit Aggarwal- Net Worth as on October 13, 2011 is Rs. 3936.12 lakh excluding the value of collateral security as per CA certified net worth statement.
2. Smt. Shilpa Aggarwal – Net worth as on October 13, 2011 is Rs. 942.61 lakh as per CA certified net worth statement.

Third Party Guarantee of:

Shri Ishwar Das Agarwal

Name of Lender (Type of Facility)	Amount Sanctioned (₹ in lacs)	Amount Drawn down as on Sept 30, 2012 (₹ in lacs)	Interest (in % p.a.)	Tenure
SBI Ltd. (Cash Credit (DCC))	2000.00 ⁽²⁾	NIL	2.50% Above State Bank Base Rate (SBBR is 9.75%) Effective rate of 12.25% raising or falling herewith with monthly rests.	Repayable on demand

Security:

Primary Security:

Hypothecation of raw material, Semi finished goods, finished goods, Letter of Credit, Book debts and receivables including goods in transit covered by document of title, letter of credit, security deposits and other current assets of the company on parripassu basis with IDBI Bank.

Collateral Security:

Equitable/Registered Mortgage over the property: Plot of land located at Mouza Sauna, Tahsil-Athagarh, P.S. Gurudijhatia, Dist Cuttack details are as under

Khata No.	Plot No.	Area
268/42	109/1182	2.00dc
268/452	109/1089/1614	1.00dc
268/44	109/1183	2.00dc
268/56	178/1197	2.00dc
268/55	178/1196	2.00dc
268/257	178/1424	2.00dc
268/62	376/1048/1205	2.00dc
268/96	178/1256	2.00dc
268/63	178/1206	2.00dc
		17.00 dc i.e. 17 acres

Non agri land located at Survey No 289-329 located at Nuthana Kallu village, Medchella Mandal, Dist Rangareddy (A.P.) in the name of M/s Vinuthna Properties Pvt. Ltd.

Doc No.	Survey No.	Area
1154/08	185196	33 guntha
1152/08	192,195,197,198,188,320,264,259,193	4.17 acres
1153/08	281,199,204,286,278,287,268.269,288,201,202,211,267,285,266	6.29 acres
		12.00 acres

Guarantee:

- 1) Personal Guarantee of
 - a) Shri. Mohit Aggarwal
 - b) Mrs. Shilpa Aggarwal
 - c) Corporate Guarantee of M/s. Vinuthna Properties Pvt.Ltd.

(1) The Cash Credit Limit has a sub limit of Rs. 500.00 Lacs for Non Fund Based facility through LC.

(2) The Cash Credit Limit has a sub limit of Rs. 1000.00 Lacs for Non Fund Based facility through LC.

Corporate Actions

During the currency of the facilities, without prior approval of the Lenders which shall not be unreasonably withheld, the Borrower (Aastha Minmet (India) Limited) shall not:

- Effect any adverse change in the capital structure of the Company.
- Create any security interest/charge over any assigned properties or assets during the currency of the facility unless otherwise expressly stated herein.
- Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Lenders.
- Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in fund flow statement submitted to the Lender from time to time and approved by the Lenders.
- Invest by way of share capital in or lend or advance or place deposits with any other concern including group companies except in the ordinary course of business.
- Undertake guarantee obligations on behalf of any other person except in the ordinary course of business.
- Formulate any scheme of amalgamation or reconstruction.
- Enter into borrowing arrangements, either secured or unsecured, with any other bank or financial institution, company or otherwise or accept deposits apart from the arrangement indicated in fund flow statement submitted to the Lender from time to time and approved by the Lender.
- Declare dividends for any year out of the profits relating to that year or of the previous years if any payment obligations stipulated in this facility agreement remain unmet or if any terms and conditions of the sanction remain un-complied with by the Borrower.
- Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.
- Permit any transfer of the controlling interest or make any drastic change in the management operations.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated herein, there are no outstanding or pending litigation, suits, civil prosecution, criminal proceedings or tax liabilities against our Company, our Directors, our Promoters and Promoter Group and there are no defaults, non-payment of statutory dues, over dues to banks and financial institutions, defaults against bank and financial institutions and there are no outstanding debentures, bonds, fixed deposits or preference shares issued by our Company; no default in creation of full security as per the terms of the issue, no proceedings initiated for economic or other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part I of Schedule XIII of the Companies Act, 1956), and no disciplinary action has been taken by SEBI or any stock exchanges against our Promoters, our Directors or Promoter Group Companies.

I. CASES FILED BY OUR COMPANY

Civil Cases

There are no civil proceedings filed by our Company.

Criminal Cases

Under Negotiable Instruments Act

Three cases bearing No. C.C.No.2803581/SS/2012, C.C.No.2803582/SS/2012 and C.C.No.2803583/SS/2012 have been instituted in the Court of Chief Metropolitan Magistrate 28th Court, Esplanade, Mumbai by the Company against Rayen Steels Pvt Ltd & Ors under Section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheques issued by Rayen Steels Pvt Ltd to our Company. The total amount involved is Rs. 1,09,01,250/- (Rupees One Crore Nine Lacs One Thousand Two Hundred and Fifty Only). The matters have been called up on 17.04.2013 for verification.

II. CASES FILED AGAINST OUR COMPANY

Civil proceedings

There are no civil proceedings filed against our Company.

Criminal Proceedings

There are no criminal proceedings filed against our Company.

III. TAX PROCEEDINGS INVOLVING OUR COMPANY

NIL

IV. LITIGATIONS INVOLVING OUR PROMOTER

i. Proceedings of Civil nature

a) By the promoters

NIL

- b) Against the promoters

NIL

ii. Proceedings of a Criminal nature-

- a) By the promoters

NIL

- b) Against the promoters

NIL

V. LITIGATIONS INVOLVING DIRECTORS OF OUR COMPANY

i. Proceedings of Civil nature

- a) By the Directors of our Company

NIL

- b) Against the Directors of our Company

NIL

ii. Proceedings of a Criminal nature-

- a) By the Directors of our Company

NIL

- b) Against the Directors of our Company

NIL

VI. LITIGATIONS INVOLVING OUR GROUP COMPANIES

i. Proceedings of Civil nature

- a) By our Group Companies

NIL

- b) Against our Group Companies

NIL

ii. Proceedings of a Criminal nature-

- a) By our Group Companies

NIL

b) Against our Group Companies

NIL

MATERIAL DEVELOPMENTS

In the opinion of the Board of Directors of our Company, except for as stated below there have not arisen, since the date of the last audited financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or value of assets or our ability to pay material liabilities within the next twelve (12) months.

- i. Acquired 100% stake in our subsidiary Akshaj Ventures Singapore Pte. Ltd.
- ii. Floated a LLP with 70% shareholding by the name of Aastha Hometex LLP

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/certification bodies required for its business and no other material approvals are required by us for carrying on its present business activities. It must, however, be distinctly understood that in granting the above approvals, the Government and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed.

In view of the approvals listed below, the Company can undertake its current business activities and no further material approvals from any statutory authority are required to continue those activities.

I. CORPORATE APPROVALS PERTAINING TO THIS ISSUE

1. The Board of Directors have, pursuant to a resolution passed at its meeting held on March 14, 2013 authorized the Issue, subject to the approval of the shareholders of our Company under Section 81 (1A) of the Companies Act and approvals by such other authorities as may be necessary .
2. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 81(1A) of the Companies Act, 1956 at the Extra Ordinary General Meeting of the shareholders held on March 20, 2013
3. Company has obtained In-principle listing approvals dated [●], [●] and [●] issued by BSE, NSE and MCX-SX respectively.
4. Tripartite agreement between the NSDL, our Company and the Registrar dated [●].
5. Tripartite agreement between the CDSL, our Company and the Registrar dated [●].

II. INCORPORATION


1. The company was originally incorporated with the Registrar of Companies, Bangalore on May 07, 2007 as Aastha Minmet (India) Private Limited and was allotted Company Identification Number (CIN) U27105KA2007PTC042717.
2. Pursuant to shareholders Resolution dated July 19, 2012 our company was converted into a Public Limited Company and the name was changed to Aastha Minmet (India) Limited. A fresh Certificate of Incorporation was issued consequent to this change of name by the Registrar of Companies, Bangalore vide certificate dated August 13, 2012.
3. Company Identification Number is (CIN) U27105KA2007PLC042717

I. APPROVALS FOR BUSINESS / GENERAL APPROVALS

Sr. No	Particulars	Granting Authorities	Registration / Approval / Code No. / Artistic Work No.	Date of Issue (IE) / Effective Date (ED)
1.	Permanent Account No.	Income Tax Department, Govt. of India	AAGCA5748Q	07.05.2007
2.	Tax Deduction Account No. (TAN)	Income Tax Department, Govt. of India	BLRA10513G	
3.	Service Tax Registration Number	Deputy Commissioner of Central Excise, Custom and Service tax,	AAGCA5748QST001	

Sr. No	Particulars	Granting Authorities	Registration / Approval / Code No. / Artistic Work No.	Date of Issue (IE) / Effective Date (ED)
		Bangalore/ Superintendent, Service Tax, Central Board of Excise and Customs		
4.	Central Excise Registration Certificate	Assistant Commissioner of Central Excise IV Division Bangalore	AAGCA5748QXD001	25.03.2008
5.	Tax Payer's Identification No. (TIN) -VAT	Assistant Commissioner of Commercial Taxes, Sales Tax Department, Karnataka	29810772996	ED - 14.08.2007 ID - 27.09.2007
6.	Tax Payer's Identification No. (TIN) – CST	Assistant Commissioner of Commercial Taxes, Sales Tax Department, Karnataka	29810772996	ED - 14.08.2007 ID - 27.09.2007
7.	Tax Payer's Identification No. (TIN) –VAT	Commercial Taxes Department, AP	28854006169	ED - 01.12.2011 ID - 02.12.2011
8.	Tax Payer's Identification No. (TIN) -CST	Commercial Taxes Department, AP	28854006169	ED - 01.12.2011 ID - 02.12.2011
9.	Tax Payer's Identification No. (TIN) -VAT	Commercial Taxes Department, Gujarat	24309900826	ED - 25.07.2012 ID - 20.08.2012
10.	Tax Payer's Identification No. (TIN) -CST	Commercial Taxes Department, Gujarat	24809900826	ED - 09.08.2012 ID - 20.08.2012
11.	Tax Payer's Identification No. (TIN) -VAT	Sales Tax Department, Maharashtra	27380719770V	ED - 24.07.2009 ID - 24.07.2009
12.	Tax Payer's Identification No. (TIN) -CST	Sales Tax Department, Maharashtra	27380719770C	ED - 24.07.2009 ID - 24.07.2009
13.	Importer Exporter Code(IEC)	Govt. Of India, Ministry of Commerce	0708016367	ED - 14.10.2008 ID - 25.09.2008
14.	Profession Tax Registration	Profession Tax Officer, Mumbai	27380719770P	ID - 13.02.2013

II. PENDING APPROVALS RELATION TO INTELLECTUAL PROPERTY

Sr. No	Particulars of Mark	Application No.	Date of Filing	Class
1.	Registration of Logo of Aastha Minmet (India) Ltd Under Class 16 	2490863	06.03.2013	6
2.	Registration of Trademark of Aastha Minmet (India) Ltd "AASTHA 500+TMX"	2490864	06.03.2013	6

III. PENDING APPROVALS RELATING TO OUR BUSINESS

Sr. No.	Particulars	Status
1.	Registration under Bombay Shops & Establishment, Bombay	The same has been applied for on March 22, 2013. The application No. is 760318055
2.	Registration under Shops & Establishment, Karnataka	The company is in the process of applying for the same.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

Corporate Approvals

- Our Board has, pursuant to its resolution dated March 14, 2013, authorized this Issue, subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act.
- The shareholders of our Company have authorised this Issue by their resolution passed pursuant to Section 81(1A) of the Companies Act, at its EGM held on March 20, 2013 and authorised the Board to take decisions in relation to this Issue.

Approval for Lock-in

The Promoters through their letters dated March 19, 2013 have granted approval for the lock-in of their pre-Issue shareholding for a period of three years and one year as required under the SEBI Regulations. The Promoters have agreed to lock-in [●] Equity Shares representing at least 20% of the post-Issue Equity Capital of our Company for three years and the balance shares for one year or such other time as required under the SEBI Regulations.

Prohibition by RBI

Except as stated in the section titled "Our Promoters and Promoter Group" on page 128, our Company, our Directors, our Promoters, relatives of our Promoters or our Group Companies have not been declared as willful defaulters by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Prohibition by SEBI or governmental authorities

We confirm that neither our Company, Promoters, Promoter Group, Directors, Group Companies have been prohibited from accessing or operating in the capital markets under any order or direction passed by the SEBI or any other authorities. SEBI has not initiated any action against our Company, Promoters, Promoter Group, Directors, Group Companies.

Association with Securities Market

We confirm that none our Promoters, Promoters Group or Directors are associated with the securities market in any manner as on date of this Draft Red Herring Prospectus.

Eligibility for this Issue

Our Company is an unlisted company, not complying with the conditions specified in Regulation 26(1) of the SEBI Regulations as reproduced below:

An issuer may make an initial public offer, if:

- a. it has net tangible assets of at least three crore rupees in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets: Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the issuer has made firm commitments to utilise such excess monetary assets in its business or project; [Provided further that the limit of fifty per cent. on monetary assets shall not be applicable in case the public offer is made entirely through an offer for sale.*

- b. *it has a minimum average pre-tax operating profit of rupees fifteen crore, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years.*
- c. *it has a net worth of at least one crore rupees in each of the preceding three full years (of twelve months each);*
- d. *the aggregate of the proposed issue and all previous issues made in the same financial year in terms of issue size does not exceed five times its pre-issue net worth as per the audited balance sheet of the preceding financial year;*
- e. *if it has changed its name within the last one year, at least fifty per cent. of the revenue for the preceding one full year has been earned by it from the activity indicated by the new name.*

The Company qualifies all the above mentioned conditions, except one, that is, our Company does not have a minimum average pre-tax operating profit of rupees fifteen crore, calculated on a restated basis, during the three most profitable years out of the immediately preceding five years. Hence, our Company is not in compliance with Regulation 26(1)(b) of the SEBI Regulations.

Since we are not in compliance with Regulation 26(1)(b) of the SEBI Regulations, we are required to meet both the conditions detailed in Regulation 26(2) of the SEBI Regulations.

Regulation 26(2) of the SEBI Regulations states as follows:

"An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers."

Accordingly, in compliance with Regulation 26(2) of the SEBI Regulations, this Issue is being made through the Book Building Process, with at least 75% of the Net Issue being proposed to be allotted to QIB Bidders. In case we do not receive subscriptions of at least 75% of the Net Issue from QIBs, we shall refund the subscription monies forthwith.

Our Company will comply with the second proviso to Regulation 43(2A) of the SEBI Regulations and not more than 15% and 10% of the Net Issue shall be available for allocation to Non-Institutional Bidders and Retail Individual Bidders, respectively.

In accordance with Regulation 26(4) of the SEBI Regulations, the Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted shall not be less than 1,000; otherwise the entire application money will be refunded. In case of delay, if any, in refund beyond 15 days from the date of closure of the Issue, the Company shall pay interest on the application money at the rate of 15% p.a. for the period of delay.

This Issue is being made for at least 25% of the post-Issue capital pursuant to Rule 19(2)(b)(i) of the SCRR read with Regulation 41(1) of the SEBI Regulations. The Company is eligible for the Issue in accordance with Regulation 26(2) of the SEBI Regulations. Further, this Issue is being made through the Book Building Process wherein at least 75% of the Net Issue shall be Allotted to QIBs on a proportionate basis out of which 5% of the QIB Portion (excluding the Anchor Investor Portion, which shall be allocated on a discretionary basis) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Issue will be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Our Company may allocate up to 30% of the QIB Portion to the Anchor Investors on a discretionary basis. One third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds, subject to valid bids being received from

domestic Mutual Funds at or above the Anchor Investor Allocation Price. For further details, see section titled "Issue Procedure" on page 203.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI Regulations:

(a) Our Company, our Directors, our Promoters, the members of our Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoters or persons in control are or were associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;

(b) Our Company has applied to the BSE, NSE and MCX-SX for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue through its applications dated [●], [●] and [●], respectively and has received the in-principle approvals from the BSE, NSE and MCX-SX pursuant to their letters dated [●], [●] and [●], respectively. For the purposes of this Issue, the BSE shall be the Designated Stock Exchange;

(c) Our Company has entered into agreements dated [●] and [●] with NSDL and CDSL respectively, for dematerialisation of the Equity Shares; and

(d) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this DRHP.

We are not required to make firm arrangements of finance through verifiable means towards 75% of the means of finance, excluding the amount to be raised through the Issue. For further details in this regard, see section titled "Objects of the Issue" on page 60.

Disclaimer Clause of SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, ARYAMAN FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, ARYAMAN FINANCIAL SERVICES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 25, 2013 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MERCHANT BANKER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **"WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS ("DRHP") PERTAINING TO THE SAID ISSUE;**
2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER;**

WE CONFIRM THAT:

- a) **THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- b) **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SEBI, BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- c) **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
3. **WE CONFIRM THAT ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI, AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
4. **WHEN UNDERWRITTEN, WE WILL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE.
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS WILL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS:

 - (a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND
 - (b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**
15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THIS DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER (WHO IS RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR.**
17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."**

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 AND SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 60B of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 56, 60 and 60B of the Companies Act.

Disclaimer from our Company, the Directors, the Book Running Lead Manager

Our Company, the Directors, the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or in any advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website, www.aail.co.in, or the website of any of our Promoters, Promoter Group, Group Companies or of any affiliate or associate of our Company, would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement/MOU and the Underwriting Agreement to be entered into between the Underwriter, our Company and Registrar to the Issue.

All information shall be made available by our Company, the Book Running Lead Manager to the public and investors at large and no selective or additional information would be made available for a section of investors in any manner whatsoever including at road show presentations, in research or sales reports, at Bidding Centers or elsewhere.

Neither our Company nor any member of the Syndicate is liable to Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and that they shall not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Notwithstanding anything stated in this Draft Red Herring Prospectus, does not express any opinion with respect to nor do they assume any responsibility for the statements and disclosures made by the Company or any other person, whether or not relating to the Company, their respective businesses, the Promoters, the financial information or any other disclosures and statements and the directors shall not be liable in any situation whatsoever.

The Book Running Lead Manager and their respective affiliates may engage in transactions with, and perform services for, our Company and its Group Companies or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and its Group Companies or affiliates, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India, including Indian national residents in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI's permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 4A of the Companies Act, state industrial development corporations, insurance companies registered with the IRDA, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million, VCFs and permitted Non-Residents including FIIs, their Sub- Accounts, FVCIs, multilateral and bilateral financial institutions and Eligible NRIs, QFIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Bangalore only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (“Securities Act”) and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

Disclaimer Clause of MCX-SX

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the MCX-SX. The disclaimer clause as intimated by the MCX-SX to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

Filing

A copy of this Draft Red Herring Prospectus will be filed with the Southern Regional Office of SEBI:

Securities and Exchange Board of India,

The Regional Manager,
Overseas Towers, 7th Floor,
756-L, Anna Salai,
Chennai - 600002

A copy of the Red Herring Prospectus, along with the other documents required to be filed under Section 60B of the Companies Act, will be delivered for registration with the RoC located at the address mentioned below. Further, a copy of the Prospectus required to be filed under Section 60 of the Companies Act will be delivered for registration with the RoC located at the address mentioned below:

Registrar of Companies, Bangalore

'E' Wing, 2nd Floor,
Kendriya Sadana,
Kormangala, Bangalore -560034
Tel: 080-25633105,
Fax: 080-25538531
roc.bangalore@mca.gov.in

Listing

Applications have been made to the Stock Exchanges for permission to deal in, and for an official quotation of the Equity Shares. BSE Ltd. will be the Designated Stock Exchange with which the 'Basis of Allotment' will be finalised.

If permissions to list, deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within eight days after our Company becomes liable to repay it, i.e., from the date of refusal of an application for such a permission from a Stock Exchange, or expiry of 10 weeks from the Bid Closing Date in case no permission is granted, whichever is earlier, then our Company, and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest at the rate of 15% p.a. on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Issue closure.

Price information of past issues handled by the Book Running Lead Manager

S. No.	Issue Name	Issue size (₹ in lacs)	Issue Price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1	SRG Housing Finance Ltd.	700.80	20.00	11/09/2012	20.30	20.30	1.50%	17,852.95	21.00	18,349.25	20.15	18,823.91	20.00	18631.10
2	Jupiter Infomedia Ltd.	408.00	20.00	16/08/2012	22.00	22.05	10.25%	17657.00	21.95	17,783.21	22.40	17,313.34	23.55	18542.31
3	Sangam Advisors Ltd.	506.88	22.00	09/08/2012	22.10	22.00	0.00%	17,560.87	22.10	17,728.20	22.20	17,783.21	22.00	17313.34
4	VKS Projects Ltd.	5500.00	55.00	18/07/2012	55.80	55.05	0.09%	17185.01	55.50	16,839.19	53.10	17,601.78	52.00	17691.08
5	BCB Finance Ltd.	885.00	25.00	13/03/2012	27.00	25.70	2.80	17813.62	25.27	17361.74	25.35	17478.15	25.00	17332.62
6	Midvalley Entertainment Ltd.	6000.00	70.00	27/01/2011	73.00	58.05	(17.07)	18684.43	58.00	18008.15	60.55	18273.80	86.05	17700.91

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in lacs)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30 th calendar day from listing day			Nos. of IPOs trading at premium as on 30 th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2012-13	4*	7115.68	-	-	-	-	-	3	-	-	1	-	-	1
2011-12	1^	885.00	-	-	-	-	-	1	-	-	-	-	-	-
2010-11	1	6000.00	-	-	1	-	-	-	-	-	-	-	-	1

*As on the listing day, the price of Sangam Advisors Ltd. is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount; As on the 30th Calendar day from the listing day, the price of SRG Housing Finance Ltd. and Sangam Advisors Ltd. is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

^As on the 30th Calendar day from the listing day, the price of BCB Finance Limited is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

Notes:

(a) In case the 10th, 20th and 30th calendar day from the date of listing is a holiday, or if the stock was not traded on the said calendar days from the date of listing, the share price and benchmark index is taken of the immediately preceding working day.

(b) BSE SENSEX has been considered as the benchmark index.

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the Book Running Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer to the website of the Book Running Lead Manager – www.afsl.co.in

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"Any person who:

- Makes in a fictitious name, an application to a company for acquiring or subscription, for, any shares therein, or
- otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,
- shall be punishable with imprisonment for a term which may extend to five years."

Consents

Consents in writing of (a) our Directors, our Company Secretary and Compliance Officer, the Book Running Lead Manager, the Auditors, the lenders to our Company, the legal counsel to our Company and the Book Running Lead Manager as to Indian law, the Bankers to our Company, the Registrar to the Issue have been obtained; and consents in writing of (b) the IPO Grading Agency, the Syndicate Members, the Escrow Collection Banks and the Bankers to the Issue to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 60 and 60B of the Companies Act. Further, such consents will not be withdrawn upto the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI Regulations, Jatin V Shah and M/s. Vikas Khaitan & Co., Chartered Accountants, our Peer Review Certified Auditor and Statutory Auditors respectively, have provided their written consent for inclusion of their name and examination report on financial information in this Draft Red Herring Prospectus in the form and context in which they appear in this Draft Red Herring Prospectus. Further, such consent and report will not be withdrawn upto the time of delivery of the Red Herring Prospectus and the Prospectus for registration with the RoC.

[●], the IPO Grading Agency, will give its written consent for inclusion of their report in the form and context in which it will appear in the Red Herring Prospectus and such consent and report will not be withdrawn upto the time of delivery of the Red Herring Prospectus and the Prospectus for registration with the RoC.

Expert Opinion

Except as stated below, the Company has not obtained any expert opinions:

- The Company has received consent from the Auditors namely, Jatin V Shah and M/s. Vikas Khaitan & Co., Chartered Accountants, our Peer Review Certified Auditor and Statutory Auditors respectively, to include their name as an expert under Section 58 of the Companies Act in this Draft Red Herring Prospectus in relation to the report of the Auditors dated March 18, 2013 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.
- The Company has received consent from Jatin V Shah and M/s. Vikas Khaitan & Co., Chartered Accountants, our Peer Review Certified Auditor and Statutory Auditors respectively, to include their name as an expert under Section 58 of the Companies Act in this Draft Red Herring Prospectus in relation to the "Statement of Tax Benefits" dated March 18, 2013 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.
- The report of [●], in respect to the IPO grading for the Issue, which will be annexed to the Red Herring Prospectus.

Issue Related Expenses

The total estimated Issue Expenses are approximately ₹ [●] lacs. The expenses of this Issue include, among others, underwriting and management fees, selling commissions, SCSBs' commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees:

The estimated Issue expenses are as under:

Sr. No.	Particulars	Amount (₹ in lacs)	% of the Issue Expenses	% of Total Issue Size
1	Issue Management fees including fees and reimbursements of selling commissions, new issue brokerages, and payment to other intermediaries such as Legal Advisors, Registrars, Advisors, IPO Grading Agencies and other out of pocket expenses.	[•]	[•]	[•]
2	Printing & Stationery, Distribution, Postage, etc.	[•]	[•]	[•]
3	Advertisement and Marketing Expenses	[•]	[•]	[•]
4	Regulatory and other Expenses	[•]	[•]	[•]
	Total	[•]	[•]	[•]

**Will be incorporated at the time of filing of the Prospectus*

Fees, Brokerage and Selling Commission Payable to the Book Running Lead Manager and the Syndicate Members

The total fees payable to the Book Running Lead Manager and the Syndicate Member (including underwriting commission and selling commission) will be as stated in the MOU dated February 19, 2013 among our Company and Aryaman Financial Services Limited as well as Underwriting and Syndicate Agreements to be entered into at a later date. Copies of all such MOUs/Agreements will be made available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable by our Company to the Registrar to the Issue for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated February 28, 2013 entered into, between our Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

IPO grading

This Issue has been graded by [•] and has been assigned the grade of [•] indicating [•], through its letter dated [•], which is valid for a period of [•]. The IPO grading is assigned on a five point scale from 1 to 5 wherein an "IPO Grade 5" indicates strong fundamentals and an "IPO Grade 1" indicates poor fundamentals. A copy of the report provided by [•] will be made available for inspection at our Registered Office.

Previous Issues of securities otherwise than for cash

Except as mentioned in the section "Capital Structure" beginning on page 50 of this Draft Red Herring Prospectus, our Company has not issued any securities for consideration other than cash.

Public or Rights Issues in the Last Three Years

Our Company has not made any previous public issues (including any rights issues to the public) since incorporation.

Performance vis-à-vis Objects – Last One Issue of Group Companies or Associate Companies

There has been no public issue (including any rights issue to the public) by our Company, Group Companies, associate companies and entities.

Underwriting Commission, Brokerage and Selling Commission on Previous Issues

There has been no public issue of the Equity Shares in the past. Thus, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Outstanding Debentures or Bond Issues or Preference Shares

Our Company has no outstanding debentures or bonds or redeemable preference shares or other instruments as of the date of this Draft Red Herring Prospectus.

Stock Market Data of the Equity Shares

This being an initial public issue of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of Allotment, or refund orders, demat credit or, where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or collection centre of SCSB where the physical Bid cum Application Form was submitted by an ASBA Bidder.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Khyati Shah, as the Compliance Officer and she may be contacted in case of any pre-Issue or post-Issue-related problems. She can be contacted at the following address:

Aastha Minmet (India) Limited
No. –W-204, 2nd Floor,
Sunrise Chambers, Ulsoor road,
Bangalore (Karnataka) 560042
Tel: +91 – 080 – 4171 8154
Fax: +91 – 080 – 4171 8155
Website: www.aail.co.in
E-Mail: khtyati.s@aail.co.in

Disposal of investor grievances by listed Group Companies

None of our group companies are listed on any stock exchange in India or Abroad. There are no investor complaints pending against any of our Group Companies.

Change in Auditors

Except as mentioned below, there have no other changes in our Auditors in the last three years:

- M/s. Akasam & Associates, Chartered Accountants, tendered their resignation as Statutory Auditors on August 04, 2010. An EOGM was held on August 30, 2010 wherein M/s. A. Kedia & Associates, Chartered Accountants were appointed as Statutory Auditors of our company to fill in the casual vacancy.
- M/s. A. Kedia & Associates, Chartered Accountants, tendered their resignation as Statutory Auditors on July 02, 2011. An EOGM was held on July 02, 2011 wherein M/s. Vikas Khaitan & Co., Chartered Accountants, Chartered Accountants were appointed as Statutory Auditors of our company to fill in the casual vacancy.

Further, the company has appointed Jatin V Shah, Chartered Accountants, as Independent Auditors (having a valid peer review certificate) for the purpose of certifying reports pertaining to the IPO of the company. However, M/s. Vikas Khaitan & Co., Chartered Accountants, continue to be Statutory Auditors of the company.

Capitalisation of Reserves or Profits

Except for, the Bonus Issue of Equity Shares which has been given from the Share Premium Account of the company, our Company has not capitalised its reserves or profits at any time since its incorporation.

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

SECTION VII - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue are subject to the provisions of the Companies Act, the SCRA, SCRR, our Memorandum and Articles, the terms of the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, the Allotment Advice, CAN, the listing agreements to be entered with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by the SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of this Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued and transferred in this Issue shall be subject to the provisions of the Companies Act, our Memorandum and Articles and shall rank pari passu in all respects with the existing Equity Shares including rights in respect of dividend. The Allottees will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment, in accordance with the provisions of the Companies Act and the Articles. Please see section titled "*Main Provisions of the Articles of Association*" beginning on page 251 of this DRHP for a description of significant provisions of our Articles.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, Articles of Association and the provisions of the listing agreements.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10 each. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share. The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with Regulations issued by SEBI

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- ✓ The right to receive dividends, if declared;
- ✓ The right to attend general meetings and exercise voting powers, unless prohibited by law;
- ✓ The right to vote on a poll either in person or by proxy;
- ✓ The right to receive offers for rights shares and be allotted bonus shares, if announced;
- ✓ The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- ✓ The right to freely transfer their Equity Shares, subject to applicable laws; and

- ✓ Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreements executed with the Stock Exchanges, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, please see section titled "*Main Provisions of the Articles of Association*" beginning on page 251 of this DRHP.

Market Lot, Trading Lot and Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 68B of the Companies Act, for all issues for a sum of ₹ 100 million or more, the Equity Shares shall be allotted only in dematerialised form. Hence, the Equity Shares being offered through the Red Herring Prospectus can be applied for in the dematerialised form only.

Further, as per the provisions of the SEBI Regulations, the trading of our Equity Shares shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

The Price Band and the minimum bid lot will be decided by our Company in consultation with the Book Running Lead Manager, including the relevant financial ratios computed for both the Cap Price and the Floor Price, which shall be published in an English national daily newspaper, a Hindi national daily newspaper and a regional daily newspaper at the place where the Registered Office is located, each with wide circulation, being the newspapers in which the pre-Issue advertisements were published, at least five Working Days prior to the Bid Opening Date.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Nomination facility to investors

In accordance with Section 109A of the Companies Act, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a

sale, transfer of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar to the Issue and transfer agents of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of Section 109A of the Companies Act as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Issue Opens on: [●]

Issue Closes on: [●]

Minimum Subscription

In the event our Company does not receive a minimum subscription of 90% of the Issue, including devolvement to the Underwriters within 60 days from the Bid Closing Date, we shall forthwith refund the entire subscription amount received not later than 70 days from the Bid Closing Date. If there is a delay beyond eight days after our Company becomes liable to pay the amount, we shall pay such interest prescribed under Section 73 of the Companies Act.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Application by Eligible NRIs, FIIs and Sub-Accounts

It is to be distinctly understood that there is no reservation for NRIs and FIIs, Sub-Accounts or FVCIs and other Non-Residents. Such Eligible NRIs, FIIs, Sub-Accounts or FVCIs and other Non-Residents shall be treated on the same basis as other categories for the purposes of Allocation.

As per existing regulations, OCBs cannot participate in this Issue.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Issue Equity Shares, Promoters' minimum contribution and Allotment made to Anchor Investor pursuant to the Issue, as detailed in the chapter titled "*Capital Structure*"

beginning on page 50 of this DRHP and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting. For further details, please see section titled "*Main Provisions of the Articles of Association*" beginning on page 251 of this DRHP.

Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue anytime after the Bid Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Issue advertisements were published, within two days of the Bid Closing Date, providing reasons for not proceeding with the Issue.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Issue and subsequently, plans of an IPO by our Company, a fresh Draft Red Herring Prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus.

ISSUE STRUCTURE

Public issue of [●] Equity Shares of face value of ₹ 10 each, for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] per Equity Share, aggregating upto ₹ 4200 lacs. The Issue shall constitute [●]% of the fully diluted post-Issue paid up Equity Share Capital of the Company.

Our Company is exploring the possibility of a Pre-IPO Placement. We intend to complete the issuance / transfer of Equity Shares pursuant to the Pre-IPO Placement, if any, prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be accordingly reduced from the Issue subject to a minimum Issue size of 25% of the post Issue paid-up Equity Share capital being offered to the public.

The Issue is being made through the Book Building Process.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	At least [●] Equity Shares	Not more than [●] Equity Shares or Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not more than [●] Equity Shares or Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Percentage of Issue available for Allotment / Allocation	At least 75% of the Issue shall be Allotted to QIB Bidders. However, 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	Not more than 15% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not more than 10% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows: a) [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and b) Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. The Company in consultation with the Book Running Lead	Proportionate	On a proportionate basis subject to Minimum Lot as explained under "Basis of Allotment – For Retail Individual Investors".

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
	Manager may allocate upto 30% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only.		
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000.	[●] Equity Shares
Maximum Bid	Such number of Equity Shares not exceeding the size of the Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the size of the Issue, subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid lot	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply**	Mutual Fund, Venture Capital Fund, FVCI, FIIs and sub-account (other than a sub-account which is a foreign corporate or foreign individual), public financial institution as defined in section 4A of the Companies Act, a scheduled commercial bank, multilateral and bilateral development financial institution, state industrial development corporation, insurance company registered with the Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies and trusts, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals and eligible QFIs.	Resident Indian individuals (including HUFs in the name of the Karta) and Eligible NRIs.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
	set up and managed by the Department of Posts, India.		
Terms of Payment	<p>The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form to the members of the Syndicate, except for Anchor Investors.</p> <p>In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form.</p>		

**Subject to valid Bids being received at or above the Issue Price, the Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be Allotted to QIB Bidders on a proportionate basis. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs (including Mutual Funds), subject to valid Bids being received from them at or above the Issue Price. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs. Further, not more than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Issue shall be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.*

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

The QIB Portion includes Anchor Investor Portion, as per the SEBI Regulations. Anchor Investor shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid. Provided that, any difference between the Anchor Investor Allocation Price and Anchor Investor Issue Price, shall be payable by Anchor Investor on Pay-in Date.

*** In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form.*

Bid / Issue Programme*

FOR ALL BIDDERS	ISSUE OPENS ON [●]
FOR QIBs**	ISSUE CLOSES ON [●]
FOR RETAIL AND NON-INSTITUTIONAL BIDDERS	ISSUE CLOSES ON [●]

**Our Company in consultation with the Book Running Lead Manager, may allocate up to 30% of the QIB Portion, i.e. [●] Equity Shares, to Anchor Investors on a discretionary basis, in accordance with the SEBI Regulations. Anchor Investors shall bid on the Anchor Investor Bidding Date.*

***Bidding for QIBs may close on the QIB Bid Closing Date.*

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time) during the Bidding Period at the Bidding Centres mentioned on the Bid cum Application Form **except that:**

- i. in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the QIB Bid Closing Date;

- ii. in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the Bid Closing Date; and
- iii. in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. on the Bid Closing Date, which may be extended upto such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by Book Running Lead Manager to the Stock Exchanges.

Due to limitation of the time available for uploading the Bids on the Bid Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids will only be accepted on Working Days. Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. The Company or any member of the Syndicate is not liable for any failure in uploading the Bids due to faults in any software / hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid Opening Date.

In case of revision in the Price Band, the Bidding Period shall be extended for at least three additional Working Days after such revision, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the SCSBs and the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the Book Running Lead Manager and the terminals of the other members of the Syndicate.

ISSUE PROCEDURE

This section applies to all Bidders. Please note that pursuant to the SEBI circular dated April 29, 2011 bearing no. CIR/CFD/DIL/1/2011, all Non-Retail Individual Bidders i.e. QIBs (other than Anchor Investors) and Non-Institutional Bidders are mandatorily required to submit their Bids through the ASBA process. Retail Individual Bidders can participate in the Issue through the ASBA process as well as the non ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to non-ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form or ensure that the ASBA Account has sufficient credit balance such that the entire Payment Amount can be blocked by the SCSBs.

Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, and as will be specified in the Red Herring Prospectus and the Prospectus.

Pursuant to Securities and Exchange Board of India circular no. CIR/CFD/14/2012 dated October 4, 2012, the investors can submit application forms in public issues using the stock broker network of Stock Exchanges, who may not be syndicate members in an issue. This mechanism can be used to submit ASBA as well as Non-ASBA applications. The details of the locations are available on the website of BSE NSE and MCX-SX i.e. www.bseindia.com, www.nseindia.com and www.mcx-sx.com respectively.

Book Building Procedure

This Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be available for allocation to QIBs on a proportionate basis, provided that the Company in consultation with the Book Running Lead Manager may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. Out of the QIB Portion (excluding the Anchor Investor Portion), 5% will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not more than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue will be available for allocation to Retail Individual Bidders in accordance with SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

In the event of under-subscription in the Retail Portion or the Non-Institutional Portion in the Issue, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories at the sole discretion of the Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

Our Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue.

In case of QIBs (other than Anchor Investors) Bidding through the Syndicate ASBA, the Book Running Lead Manager and their affiliate members of the Syndicate, may reject Bids at the time of acceptance of the Bid cum Application Form provided that the reasons for such rejection shall be disclosed to such Bidder in writing. Further, Bids from QIBs can also be rejected on technical grounds. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds only.

Bidders can Bid at any price within the Price Band. The Price Band and the Bid Lot for the Issue will be decided by our Company in consultation with the Book Running Lead Manager, and advertised in an English and a Hindi national daily newspaper and a regional daily newspaper at the place where the Registered Office is located, each with wide circulation at least five Working Days prior to the Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price. Such information shall also be disclosed to the Stock Exchanges for dissemination through, and shall be pre-filled in the Bid cum Application Forms available on, the Stock Exchanges' websites.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. On Allotment, the Equity Shares will be traded only on the dematerialized segment of the Stock Exchanges.

Bidders are required to ensure that the PAN (of the sole/ first Bidder) provided in the Bid cum Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

Bid cum Application Form

Pursuant to SEBI circular CIR/CFD/DIL/4/2011 dated September 27, 2011, Bid cum Application Forms have been standardized and it has been decided that henceforth there would only be a single form for ASBA and non-ASBA Bidders. It has also been decided that the Bid cum Application Form (accompanied with abridged prospectus) would be printed in a booklet form of A4 size paper.

Bid cum Application Forms for ASBA Bidders will be available on the website of the BSE (www.bseindia.com), NSE (www.nseindia.com) and MCX-SX (www.mcx-sx.com) at least one day prior to Bid Opening Date. The Bid cum Application Form applies to all ASBA Bids irrespective of whether they are submitted to the SCSBs, to the Non Syndicate Registered Brokers or to the members of the Syndicate at the Syndicate ASBA Bidding Locations.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form⁽¹⁾
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and Non-ASBA) ⁽²⁾	White
Non-Residents and Eligible NRIs, FVCIs and FIIs their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis (ASBA and non ASBA) ⁽²⁾	Blue
Anchor Investors ⁽³⁾	Pink

⁽¹⁾Excluding electronic Bid cum Application Forms.

⁽²⁾Bid cum Application forms will also be available on the website of the BSE (www.bseindia.com), NSE (www.nseindia.com) and MCX-SX (www.mcx-sx.com). Same Bid cum Application Form applies to all ASBA Bids irrespective of whether they are submitted to the SCSBs, to the Non Syndicate Registered Brokers, or to the Syndicate (in Specified Cities).

⁽³⁾Bid cum Application Forms for Anchor Investors shall be available at the offices of the Managers.

Copies of the Bid cum Application Form will be available for all categories of Bidders, other than Anchor Investors, with the members of the Syndicate, at our Registered Office and our Corporate Office. Bid cum

Application Forms for Anchor Investors shall be available at the offices of the Book Running Lead Manager. In addition, Bid cum Application Forms in physical form will be available with the Designated Branches, and electronic Bid cum Application Forms will be available on the websites of the SCSBs and of the Stock Exchanges at least one day prior to the Issue Opening Date. Copies of the Red Herring Prospectus shall, on a request being made by any Bidder, be furnished to such Bidder at our Registered Office, our Corporate Office and the Designated Branches.

Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate, unless they are using the ASBA Process. Before being issued to the Bidders, the Bid cum Application Form shall be serially numbered. The Bid Cum Application Form shall contain information about the Bidders, the price and the number of Equity Shares Bid for. Bidders shall have the option to make a maximum of three Bids (in terms of number of Equity Shares and respective Bid Amount) in the Bid cum Application Form and such options shall not be considered as multiple Bids. The collection centre of the Syndicate and the Non Syndicate Registered Brokers, as the case maybe, will acknowledge the receipt of the Bid Cum Application Form or Revision Form by stamping the acknowledgment slip and returning it to the Bidder. This acknowledgment slip shall serve as the duplicate of the Bid Cum Application Form for the records of the Bidder and the Bidder shall preserve this and should provide the same for any queries relating to non-Allotment of Equity Shares in the Issue. Further, Stock Exchanges shall ensure that the information relating to Price Band is pre-filled in such downloadable Bid cum Application Forms.

Upon completing and submitting the Bid cum Application Form to a member of the Syndicate or a Non Syndicate Registered Broker, the Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form as would be required for filing the Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the Bidder. Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the application form.

Bidders can also submit their Bids through the ASBA by submitting Bid cum Application Forms, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained, through the members of the Syndicate/ sub-Syndicate (ASBA Bids through the members of the Syndicate/ sub-Syndicate shall hereinafter be referred to as the "**Syndicate ASBA**"), or the through the Non Syndicate Registered Brokers. **However, ASBA Bids through Syndicate ASBA or through Non Syndicate Registered Brokers is permitted only at the Syndicate ASBA Centres and Non Syndicate Broker Centres, respectively.** Kindly note that Bid cum Application Forms submitted by ASBA Bidders to members of the Syndicate at the Syndicate ASBA Centres or to the Non Syndicate Registered Brokers at the Non Syndicate Broker Centres, will not be accepted if the SCSB with which the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate or the Non Syndicate Registered Brokers to deposit the Bid cum Application Form (A list of such branches is available at <http://www.sebi.gov.in/pmd/scsb-asba.html>).

ASBA Bidders can submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the Bid cum Application Form, which shall be stamped, at the relevant Designated Branch. Bid cum Application Form in physical mode, which shall be stamped, can also be submitted to be members of the Syndicate at Syndicate ASBA Centres or the Non Syndicate Registered Brokers at the Non Syndicate Broker Centres. In case of application in electronic form, the ASBA Bidder shall submit the Bid cum Application Form either through the internet banking facility available with the SCSBs or such other electronically enabled mechanism for Bidding and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Bids. The SCSB shall block an amount in the ASBA Account equal to the Payment Amount specified in the Bid cum Application Form. Upon completing and submitting the Bid cum Application Form to the SCSB, the members of the Syndicate or the Non Syndicate Registered Brokers, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application

Form, as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

To supplement the foregoing, the mode and manner of Bidding is illustrated in the following chart:

Category of bidder	Mode of Bidding	Application form to be used for Bidding	To whom the application form has to be submitted
Retail Individual Bidders	Either (i) ASBA or (ii) non-ASBA	Bid cum Application Form	<p><i>In case of ASBA Bidder:</i></p> <p>(i) If using physical Bid cum Application Form, to the members of the Syndicate only at Syndicate ASBA Centres, to the Designated Branches of the SCSBs where the SCSB account is maintained, or to the Non Syndicate Registered Brokers at the Non Syndicate Broker Centres ; or</p> <p>(ii) If using electronic Bid cum Application Form, to the SCSBs, electronically through internet banking facility, where the SCSB account is maintained.</p> <p><i>In case of non-ASBA Bidder:</i></p> <p>(i) If using physical Bid cum Application Form, to the members of the Syndicate at the Bidding Centres or the Non Syndicate Registered Brokers at the Non Syndicate Broker Centres.</p> <p>(ii) If using electronic Bid cum Application Form, electronically through internet banking facility.</p>
Non-Institutional Bidders and QIBs (excluding Anchor Investors)	ASBA (Kindly note that ASBA is mandatory and no other mode of Bidding is permitted)	Bid cum Application Form	<p>(i) If using physical Bid cum Application Form, to the members of the Syndicate only at Syndicate ASBA Centres, to the Designated Branches of the SCSBs where the SCSB account is maintained, or to the Non Syndicate Registered Brokers at the Non Syndicate Broker Centres ; or</p> <p>(ii) If using electronic Bid cum Application Form, to the SCSBs, electronically through internet banking facility, where the SCSB account is maintained</p>
Anchor Investors	Non-ASBA	Bid cum Application Form	To the Managers.

Who can Bid?

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint Bid and minors having valid depository accounts as per the demographic details provided by depositories. Furthermore, based on the information provided by the Depositories, the Company shall have the right to accept Bids belonging to an account for the benefit of a minor (under guardianship);

- HUFs, in the individual name of the Karta. Such Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares under their respective constitutional or charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than eligible NRIs cannot participate in this Issue;
- Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, cooperative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding in the Non-Institutional Bidders category.
- Venture Capital Funds and Alternative Investment Funds registered with SEBI, in accordance with applicable law;
- Foreign Venture Capital Investors registered with SEBI;
- Alternative Investment Funds;
- Multilateral and bilateral development financial institutions;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutional or charter documents to hold and invest in equity shares;
- Scientific and/or industrial research organisations, authorised in India to invest in equity shares;
- Insurance companies registered with the IRDA;
- Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitutional documents to hold and invest in equity shares;
- Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitutional documents to hold and invest in equity shares;
- National Investment Fund;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Insurance funds set up and managed by the army, navy or air force of the Union of India;

- Insurance funds set up and managed by the Department of Posts, India; and
- Any other person eligible to Bid in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs cannot participate in the Issue. Further, QFIs are not allowed to Bid in the Issue.

Participation by associates and affiliates of the Book Running Lead Manager and the Syndicate Members

The Book Running Lead Manager and the Syndicate Member(s) shall not be allowed to subscribe to the Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and Syndicate Member(s) may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

SCSBs making applications on their own account using the ASBA facility are required to have a separate account in their own name with any other SEBI registered SCSB. Such account should be used solely for the purpose of making applications in public issues and clear demarcated funds should be available in such account for ASBA applications.

The Book Running Lead Manager, the Syndicate Member(s), the Promoters, the Promoter Group and any persons related to them cannot apply in the Issue under the Anchor Investor Portion.³

Anchor Investor Portion

Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in the Issue for up to 30% of the QIB Portion in accordance with the SEBI Regulations. Anchor Investor shall Bid on the Anchor Investor Bidding Date. The QIB Portion shall be reduced to the extent of allocation under the Anchor Investor Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are as follows:

- a) Anchor Investors shall be QIBs as defined in the SEBI Regulations.
- b) The Anchor Investor Bid must be for a minimum of such number of Equity Shares so that the Anchor Investor Payment Amount exceeds ₹ 100 million and in multiples of [•] Equity Shares thereafter. An Anchor Investor Bid cannot be submitted for more than the Anchor Investor Portion.
- c) Allocation to the Anchor Investors shall be on a discretionary basis and subject to a minimum number of two such investors for allocation up to ₹ 2,500 million and five investors for allocation of more than ₹ 2,500 million.
- d) [•] Equity Shares out of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds. Bids by various schemes of a Mutual Fund shall be clubbed to calculate the Payment Amount.
- e) The Bidding for Anchor Investors shall open one day before the Issue Opening Date and shall be completed on the same day.
- f) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

- g) Our Company, in consultation with the Book Running Lead Manager, shall finalise allocation to the Anchor Investors on a discretionary basis, subject to compliance with requirements regarding minimum number of allottees.
- h) The number of Equity Shares allocated to the Anchor Investors and the price at which the allocation is made, shall be made available in the public domain by the Managers before the Issue Opening Date.
- i) Anchor Investors shall pay the entire Payment Amount at the time of submission of the Anchor Investor Bid. In case the Issue Price is greater than the price at which allocation is being done to Anchor Investors, the additional amount being the difference shall be paid by the Anchor Investors by the Pay-in Date. In the event the Issue Price is lower than the price at which allocation is being done to the Anchor Investors, the Allotment to Anchor Investors shall be at the price at which allocation is being done to the Anchor Investors.
- j) Anchor Investors cannot withdraw their Bid after the Anchor Investor Bidding Date.
- k) The Equity Shares allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.
- l) Bids made by QIBs under both the Anchor Investor Portion and the Net QIB Portion shall not be considered as multiple Bids.
- m) The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - In case of Resident Anchor Investors: "Escrow Account – [•] – Anchor Investor – R"
 - In case of Non-Resident Anchor Investor: "Escrow Account – [•] –Anchor Investor - NR"

Bids by Mutual Funds

As per the SEBI Regulations, one third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds and 5% of the Net QIB Portion is reserved for allocation to Mutual Funds on a proportionate basis, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand in the Mutual Fund portion is greater than [•] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion. With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Bid cum Application Form shall be made available for Eligible NRIs at our Registered Office and Corporate Office and with the members of the Syndicate. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their NRE or FCNR accounts, maintained with banks authorized by the RBI to deal in foreign exchange. Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Bids by non-resident Bidder bidding on a repatriation basis will not be accepted out of NRO accounts.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of total post-Issue paid-up equity share capital of our Company. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total paid-up share capital of the Company or 5% of the total paid-up share capital of the Company in case such sub-account is a foreign corporate or a foreign individual. As of now, the aggregate FII holding in the Company cannot exceed 49% of the total paid-up share capital of the Company. The said 49% limit can be increased up to the applicable sectoral cap by passing a resolution by the Board followed by passing a special resolution to that effect by the shareholders of our Company. Our Company has not obtained board or shareholders approval to increase the FII limit to more than 49%.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended (the "SEBI FII Regulations"), an FII or its sub-account, as defined in the SEBI FII Regulations, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by a FII against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FII is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the Book Running Lead Manager and the Syndicate Member(s) that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation or claim or claim on or an interest in, the Company.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

All Non-Resident Bidders including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the Draft Red Herring Prospectus with SEBI.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPs); and
- c) the industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPs).

Further, with effect from August 1, 2008, no investment may be made in an initial public offer if the issue size, is less than ₹ 2,000.00 million.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. The Company and the Book Running Lead Manager, the Directors, the officers of the Company and the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FVCIs, VCFs, AIFs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the IRDA, in addition to the above, a certified copy of the certificate of registration issued by the IRDA must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.

Maximum and Minimum Bid Size

- i. *For Retail Individual Bidders:* The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 200,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹ 200,000. Where the Bid Amount is above ₹ 200,000, non-QIB Bidders, must ensure that they apply only through the ASBA process and such Bidders applying through the ASBA process will be considered for allocation under the Non-Institutional Portion. Furthermore, in case of non-ASBA Bids, if the Bid Amount is above ₹ 200,000, the Bid is liable to be rejected. The Cut-off Price option is an option given only to the Retail Individual Bidders. Retail Individual Bidders can revise their Bid during the Bid/Issue period and withdraw their Bids until finalisation of Basis of Allotment.

- ii. *For Other Bidders (Non-Institutional Bidders and QIBs, excluding Bids in the Anchor Investors Portion):* The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **QIB Bidders and Non-Institutional Bidders cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or Bid Amount) at any stage. QIBs (other than Anchor Investors) and Non Institutional Bidders are mandatorily required to submit their Bids through the ASBA process and pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs Bidding in the Issue under the QIB Portion shall not be made public during the Issue Period.
- iii. In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to (i) Bid at 'Cut-off Price' (ii) withdraw the Bids at any stage, and (iii) revise the Bids to lower the size of the Bids (both in terms of number of Equity Shares Bid for and Payment Amount) at any stage.
- iv. *For Bidders in the Anchor Investor Portion:* The Bid by an Anchor Investor must be for a minimum of such number of Equity Shares such that the Bid Amount is at least ₹ 100 million. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids. A Bid cannot be submitted for more than 30% of the QIB Portion under the Anchor Investor Portion. Anchor Investors are not allowed to submit their Bid through the ASBA process. **Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or Bid Amount) at any stage and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.**

The maximum and minimum Bid size applicable to a QIB, Retail Individual Bidder or a Non-Institutional Bidder shall be applicable to an ASBA Bidder in accordance with the category that such ASBA Bidder falls under.

Information for the Bidders:

- a) The Company and the Book Running Lead Manager shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two daily national newspapers, one each in English and Hindi and a regional daily newspaper at the place where the Registered Office is located, each with wide circulation. This advertisement shall be in the prescribed format.
- b) The Company will file the Red Herring Prospectus with the RoC at least three Working Days before the Bid/Issue Opening Date.
- c) The Company in consultation with the Book Running Lead Manager will determine the Price Band and minimum Bid Lot and the same shall be advertised in all editions of English national daily [●] and all editions of Hindi national daily [●] and [●], a regional daily newspaper at the place where the Registered Office is located each with wide circulation at least five Working Days prior to the Bid/Issue Opening Date. The Syndicate and the SCSBs shall accept Bids from the Bidders during the Bid/Issue Period.

- d) The Bid/Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Bid/Issue Period may be extended, if required, by an additional three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be published in two national newspapers, one each in English and Hindi and a regional daily newspaper at the place where the Registered Office is located, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.
- e) Copies of the Bid cum Application Form and the Red Herring Prospectus will be available for all categories of Bidders, with the members of the Syndicate, Non Syndicate Registered Brokers, SCSBs and at our Registered Office and our Corporate Office. Copies of the Bid cum Application Form and copies of the Red Herring Prospectus for Anchor Investors can be obtained from the Book Running Lead Manager. For ASBA Bidders, physical Bid cum Application Forms will be available with the Designated Branches, with members of the Syndicate (in the Specified Cities) and with the Non Syndicate Registered Brokers. Electronic Bid cum Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.
- f) QIBs (other than Anchor Investors) and Non Institutional Bidders can participate in the Issue only through the ASBA process. Retail Individual Bidders have the option to Bid through the ASBA process or the non-ASBA process.
- g) Eligible Bidders who are interested in subscribing for the Equity Shares should approach any of the Book Running Lead Manager or Syndicate Member(s), their authorised agent(s) or the Non Syndicate Registered Brokers to register their Bids. Bidders (other than Anchor Investors) who wish to use the ASBA process should approach the Designated Branches of the SCSBs, the Syndicate (only in the Specified Cities) or the Non Syndicate Registered Brokers to register their Bids.
- h) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms (other than in respect of ASBA Bids) should bear the stamp of the member of the Syndicate or the Non Syndicate Registered Brokers; or otherwise they are liable to be rejected. Bid cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch and/or a member of the Syndicate in the Specified Cities or the Non Syndicate Registered Brokers, if not, the same are liable to be rejected. Bid cum Application Forms submitted by Bidders whose beneficiary account is inactive shall be rejected.
- i) Except for Bids by or on behalf of the Central or State Government and the officials appointed by the courts and by Bidders resident in the State of Sikkim, the Bidders, or in the case of a Bid in joint names, the first Bidder, should mention his/ her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Bid cum Application Form without the PAN is liable to be rejected. In case of Bids submitted on behalf of the Central Government or the State Government or officials appointed by a court, such Bidders shall provide sufficient documentary evidence in support of the fact that such Bids have been submitted on behalf of the Central Government or the State Government or officials appointed by a court. Residents of Sikkim shall provide sufficient documentary evidence in support of their address as provided in the SEBI MRD circular MRD/DOP/Dep/cir-29/2004 dated August 24, 2004. With effect from August 16, 2010, the beneficiary accounts of Bidders for whom PAN details have not been verified will be "suspended for credit" by the Depositories, and no credit of Equity Shares pursuant to the Issue will be made in the accounts of such Bidders.
- j) In case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Bids are liable to be rejected.

- k) Only Bids that are uploaded on the online system of the Stock Exchanges shall be considered for allocation / Allotment. The members of the Syndicate and the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Bid data in the electronic Bidding systems of the Stock Exchanges. In order that the data so captured is accurate, the members of the Syndicate and the SCSBs will be given up to one Working Day after the Bid Closing Date to modify / verify certain selected fields uploaded in the online system during the Bidding Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.
- l) No separate receipts will be issued for the money payable on the submission of Bid cum Application Form or Revision Form by ASBA Bidders. However, the collection centre of the members of the Syndicate or the SCSB, as the case may be, will, after the Bid has been uploaded, acknowledge the uploading of the Bid cum Application Forms or Revision Forms by stamping the date and time and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.
- m) Pursuant to SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 all investors can submit their application form through nationwide broker network of Stock Exchanges (i.e. around 400 broker centres to be covered by January 01, 2013). The details of locations including name of the broker, contact details such as name of the contact person, postal address, telephone number, e-mail address of the broker, etc. where the application forms shall be collected will be disclosed by the Stock Exchanges on their websites.
- n) Application forms can be downloaded from the Stock Exchanges websites/broker terminals, so that any eligible investor or stock broker can download/print the forms directly.
- o) Eligible investors may submit the Bid cum Application Form, indicating the mode of payment to the Non Syndicate Registered Brokers.
- p) All accepted applications shall be stamped and thereby acknowledged by the Non Syndicate Registered Brokers at the time of receipt and will be uploaded on the Stock Exchange platform.
- q) The Non Syndicate Registered Brokers shall be responsible for uploading the bid on the Stock Exchange platform, banking the cheque / submitting the Bid cum Application Form to SCSB, etc. and liable for any failure in this regard.
- r) In case of non-ASBA application, the Non Syndicate Registered Brokers will deposit the cheque, prepare electronic schedule and send it to Bankers to the Issue. All Bankers to the Issue, which have branches in a broker centre, shall ensure that at least one of its branches in the broker centre accepts cheques. The Non Syndicate Registered Brokers shall deposit the cheque(s) in any of the bank branch of the collecting bank in the broker centre. The Non Syndicate Registered Brokers shall also update the electronic schedule (containing application details including the application amount) as downloaded from Stock Exchange platform and send it to local branch of the collecting bank. The Non Syndicate Registered Brokers shall retain all physical applications initially and send it to the Registrar after 6 months.
- s) In case of ASBA application, Non Syndicate Registered Brokers will forward a schedule along with the Bid cum Application Form to the respective ASBA Branch. The Non Syndicate Registered Brokers shall also forward a schedule (containing application number and amount) along with the Bid cum Application Forms to the branch named for ASBA of the respective SCSBs for blocking of fund.

The Bidders should note that in case the DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate do not match with the DP ID, Client ID and PAN available in the database of

Depositories, the Bid cum Application Form is liable to be rejected and the Company and members of the Syndicate shall not be liable for losses, if any.

Bidders are advised not to submit the Bid cum Application Form to Escrow Collection Banks and the same will be rejected in such cases and the Bidders will not be entitled to any compensation on account of such rejection.

Additional information specific to ASBA Bidders

- a) Bid cum Application Forms in physical form will be available with the Designated Branches and the members of the Syndicate; and electronic Bid cum Application Forms will be available on the websites of the SCSBs, the Non Syndicate Registered Brokers and the Stock Exchanges at least one day prior to the Issue Opening Date. Further, the SCSBs will ensure that the abridged Red Herring Prospectus is made available on their websites.
- b) SCSBs may provide the electronic mode of Bidding, either through an internet enabled Bidding and banking facility or such other secured, electronically enabled mechanism for Bidding and blocking funds in the ASBA Account. Eligible ASBA Bidders may also approach the Designated Branches to register their Bids through the ASBA process.
- c) The SCSBs shall accept Bids only during the Bid Period and only from the ASBA Bidders. The SCSB shall not accept any Bid cum Application Form after the closing time of acceptance of Bids on the Issue Closing Date.
- d) The Bid cum Application Form shall bear the stamp of the Designated Branch, the members of the Syndicate (in case of Bids through Syndicate ASBA) or the Non Syndicate Registered Broker, if not, the same shall be rejected.

Public announcement upon filing of this Draft Red Herring Prospectus

The Company has either on the date of filing the Draft Red Herring Prospectus with SEBI or on the next day made a public announcement in one English national daily newspaper, one Hindi national daily newspaper and a regional daily newspaper at the place where the Registered Office is located, each with wide circulation, disclosing that the Draft Red Herring Prospectus has been filed with SEBI and inviting the public to give their comments to SEBI in respect of disclosures made in the Draft Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and a regional daily newspaper at the place where the Registered Office is located, each with wide circulation. The pre-Issue advertisement shall state the Issue Opening Date, the Issue Closing Date and the Issue Closing Date applicable to QIBs.

Method and Process of Bidding

- a) The Company in consultation with the Book Running Lead Manager, will determine the Price Band and minimum Bid Lot and the same shall be advertised in all editions of one English national daily, all editions of one Hindi national daily and a regional daily newspaper at the place where the Registered Office is located, each with wide circulation at least five Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price. Such information shall also be disclosed to the Stock Exchanges for dissemination through, and shall be

pre-filled in the Bid cum Application Forms available on, the Stock Exchanges' websites. The members of the Syndicate, SCSBs and the Non Syndicate Registered Brokers shall accept Bids from the Bidders during the Bid/Issue Period.

- b) The Bid/Issue Period shall be for a minimum of three Working Days. The Bid/Issue Period may be extended, if required, by an additional three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be published in two national newspapers, one each in English and Hindi and a regional daily newspaper at the place where the Registered Office is located, each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Syndicate.
- c) During the Bid/Issue Period, Bidders who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or the Non Syndicate Registered Brokers or their authorised agents to register their Bid. The members of the Syndicate and the Non Syndicate Registered Brokers accepting Bids have the right to vet the Bids during the Bid/Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders Bidding through Syndicate ASBA should submit their Bids to the members of the Syndicate. ASBA Bidders Bidding through the SCSBs are required to submit their Bids to the Designated Branches of such SCSBs. ASBA Bidders Bidding through the Non Syndicate Registered Brokers are required to submit their Bids at the Non Syndicate Broker Centres.
- d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details please see the paragraph titled "*Bids at Different Price Levels and Revision of Bids*" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- e) The Bidder cannot Bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate, the SCSBs or the Non Syndicate Registered Brokers, as the case may be. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate or SCSB or Non Syndicate Registered Broker will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the approval of the Basis of Allotment. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "*Build up of the Book and Revision of Bids*". Kindly note that, upon submission of the Bid, Non Institutional Bidders and QIBs are not permitted to withdraw or lower the size of their Bids (both in terms of number of Equity Shares Bid for and Payment Amount) at any stage. Provided that Bids submitted by a QIB in the Anchor Investor Portion and in the Net QIB Portion will not be considered as multiple Bids.
- f) Except in relation to the Bids received from the Anchor Investors, the Syndicate, the SCSBs or the Non Syndicate Registered Brokers, as the case may be, will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- g) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/Issue Period i.e., one working day prior to the Bid/Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

- h) Along with the Bid cum Application Form, all non-ASBA Bidders will make payment in the manner described in "*Escrow Mechanism - Terms of payment and payment into the Escrow Accounts*" in the chapter titled "*Issue Procedure*" beginning on page 232 of this DRHP.
- i) With regard to Syndicate ASBA or an ASBA Bid submitted to a Non Syndicate Registered Broker, upon receipt of the Bid cum Application Form by a member of the Syndicate or a Non Syndicate Registered Broker, as the case may be, the concerned member of the Syndicate or Non Syndicate Registered Broker shall issue an acknowledgement by giving the counter foil of the Bid cum Application Form to the ASBA Bidder as proof of having accepted the Bid. Thereafter, the member of the Syndicate or Non Syndicate Registered Broker, as the case may be, shall upload the details of the Bid in the electronic Bidding system of the Stock Exchanges and forward the Bid cum Application Form to the concerned SCSB. The SCSB shall carry out further action for such Bid cum Application Forms such as signature verification and blocking of funds.
- j) With regard to non-Syndicate ASBA i.e., ASBA Bidders Bidding through the SCSBs, upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the respective Designated Branch shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.
- l) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- m) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal (by Retail Individual Bidders) or failure of the Issue or until rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal (by Retail Individual Bidders) or failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Bids at Different Price Levels

- a) In accordance with the SEBI Regulations, the Company in consultation with the Book Running Lead Manager, will decide on any revision in the Price Band, without the prior approval of, or intimation, to the Bidders, during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the Face Value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e., the floor price can move up or down to the extent of 20% of the floor price and the Cap Price will be revised accordingly. The revised Price Band and the Issue Period will be widely disseminated by notification to the Stock Exchanges and the SCSBs and also by indicating the change on the website of the Manager.
- b) The Company in consultation with the Book Running Lead Manager will finalise the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

- c) The Company in consultation with the Book Running Lead Manager can finalise the Anchor Investor Issue Price within the Price Band, without the prior approval of, or intimation, to the Anchor Investors.
- d) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIBs and Non-Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.
- e) Retail Individual Bidders who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque / demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- f) In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at the Cut-off Price, such Retail Individual Bidders will receive refunds of the excess amounts in the manner provided in the Red Herring Prospectus.
- g) In accordance with SEBI Regulations, QIB Bidders and Non-Institutional Bidders are not permitted to lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. QIB Bidders and Non-Institutional Bidders may revise their Bids upwards (in terms of quantity of Equity Shares or the Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until finalisation of Basis of Allotment.

Escrow mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, please see "*Payment Instructions*" on page 232 of this DRHP.

Electronic Registration of Bids

- a) The Syndicate and the SCSBs will register the Bids using the on-line facilities of the Stock Exchanges.
- b) The Syndicate and the SCSBs will undertake modification of selected fields in the Bid details already uploaded within one Working Day from the Bid/Issue Closing Date.
- c) There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Bids are being accepted.
- d) None of the Book Running Lead Manager, the Company, or the Registrar to the Issue shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the Syndicate Members or the SCSBs, (ii) the Bids uploaded by the SCSBs or the Non Syndicate Registered Brokers; (iii) the Bids accepted but not uploaded by the SCSBs or the Non Syndicate Registered Brokers; or (iv) with respect to Bids by ASBA Bidders, Bids accepted and uploaded by the SCSBs and Non Syndicate Registered Brokers without blocking funds in the ASBA Accounts.
- e) A SCSB shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the SCSBs, (ii) the Bids uploaded by such SCSBs, (iii) the Bids accepted but not uploaded by such SCSB and (iv) with respect to Bids by ASBA Bidders, Bids accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Bids uploaded by the SCSB, the full Bid Amount has been blocked in the relevant ASBA Account. A Syndicate

member shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to (i) the Bids accepted by such Syndicate member, (ii) the Bids uploaded by such Syndicate member, (iii) Bids accepted but not uploaded by such Syndicate member. With respect to Bids by ASBA Bidders, which are accepted and uploaded by a Syndicate member, the designated branches of the relevant SCSB, which receives the relevant schedule (along with Bid cum Application forms) will be responsible for blocking the necessary amounts in the ASBA Accounts.

- f) In case of apparent data entry error by either the members of the Syndicate, Non Syndicate Registered Brokers or the collecting bank in entering the Bid cum Application Form number in their respective schedules other things remaining unchanged, the Bid cum Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).
- g) The Stock Exchanges will offer an electronic facility for registering Bids for the Issue. This facility will be available with the Syndicate and their authorised agents, the SCSBs and the Non Syndicate Registered Brokers during the Bid/Issue Period. The members of the Syndicate and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis. On the Bid/Issue Closing Date, the Syndicate, the Designated Branches of the SCSBs and the Non Syndicate Registered Brokers shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the members of the Syndicate on a regular basis. Bidders are cautioned that a high inflow of high volumes on the last day of the Bid/Issue Period may lead to some Bids received on the last day not being uploaded and such Bids will not be considered for allocation.
- h) Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges would be made available at the Bidding centres during the Bid/Issue Period.
- i) At the time of registering each non-ASBA Bids, the members of the Syndicate and the Non Syndicate Registered Brokers shall enter the following details of the Bidders in the on-line system:
- Name of the Bidder;
 - Bid cum Application Form number;
 - PAN (of the sole/first bidder);
 - Investor Category and sub-category;
 - DP ID and Client ID;
 - Bid Amount;
 - Cheque number or demand draft number;
 - Number of Equity Shares Bid for; and
 - Price per Equity Share.

With respect to ASBA Bids, at the time of registering such Bids, the member of the Syndicate, the Designated Branch or Non Syndicate Registered Brokers, as the case may be, shall enter the following information pertaining to the ASBA Bidders into the online system:

- Bid cum Application Form Number;
- PAN (of the sole/first bidder);
- Investor Category and sub-category;
- DP ID and Client ID;
- Numbers of Equity Shares Bid for;
- Price per Equity Share;
- Bid Amount;
- Bank account number of the ASBA Bidder;

- Location of Syndicate ASBA Bidding Location; and
 - Bank code for the SCSB, where the ASBA Account is maintained.
- j) TRS will be generated for each of the bidding options when the Bid is registered. It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate or the Designated Branches of the SCSBs or the Non Syndicate Registered Brokers. The registration of the Bid by the member of the Syndicate or the Designated Branches of the SCSBs or the Non Syndicate Registered Brokers does not guarantee that the Equity Shares shall be allocated / Allotted by the Company.
- k) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- l) In case of QIBs, other than Anchor Investors, Bidding through the Syndicate ASBA, the Manager and their affiliate members of the Syndicate, may reject Bids at the time of acceptance of the Bid cum Application Form provided that the reasons for such rejection shall be disclosed to such Bidder in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids will be rejected on technical grounds listed herein. The members of the Syndicate may also reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect. The SCSBs shall have no right to reject Bids, except on technical grounds.
- m) The permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company, and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of the Company, the management or any scheme or project of the Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- n) Only Bids that are uploaded on the electronic bidding system of the Stock Exchanges shall be considered for allocation / Allotment. The members of the Syndicate and the Non Syndicate Registered Brokers shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Bid data in the electronic Bidding systems of the Stock Exchanges. In order that the data so captured is accurate the members of the Syndicate and the Non Syndicate Registered Brokers will be given up to one Working Day after the Bid/Issue Closing Date to verify DP ID and Client ID uploaded in the electronic bidding system during the Bid/Issue Period after which the Registrar to the Issue will receive this data from the Stock Exchanges and will validate the electronic bid details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such bids are liable to be rejected.
- o) Details of Bids in the Anchor Investor Portion will not be registered on the on-line facilities of the electronic bidding system of the Stock Exchanges.
- p) The details uploaded in the electronic bidding system shall be considered as final and Allotment will be based on such details.

Build up of the book and revision of Bids

- a) Bids received from various Bidders through the members of the Syndicate, the SCSBs and the Non Syndicate Registered Brokers shall be electronically uploaded to the Stock Exchanges' mainframe on a regular basis.

- b) The book gets built up at various price levels. This information will be available with the members of the Syndicate at the end of each day of the Bid/Issue Period.
- c) During the Bid/Issue Period, any Bidder who has registered his or her Bid at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, except in case of Non Institutional Bidders and QIB Bidders who are not permitted to lower the size of their Bids (both in terms of number of Equity Shares Bid for and Bid Amount) at any stage. QIB Bidders and Non Institutional Bidders may revise their Bids upwards (in terms of quantity of Equity Shares or Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form. A Retail Individual Bidder may withdraw or revise his or her Bid at any time prior to the finalisation of Allotment.
- d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form, except in case of Non Institutional Bidders and QIB Bidders who are not permitted to lower the size of their Bids (both in terms of number of Equity Shares Bid for and Bid Amount) at any stage. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Non Syndicate Registered Brokers and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms.
- e) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate, the Non Syndicate Registered Broker or the same SCSB through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof. QIB Bidders and Non-Institutional Bidders are not permitted to lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. QIB Bidders and Non-Institutional Bidders may revise their Bids upwards (in terms of quantity of Equity Shares or Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form.
- f) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted by the ASBA Bidders to SCSB or to the members of the Syndicate or the Non Syndicate Registered Brokers to whom the original Bid was submitted. The non ASBA Bidders need to submit the revised Bids with the Syndicate to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.
- g) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account or unblocked, as the case may be.

- h) The Company in consultation with the Book Running Lead Manager, shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000.
- i) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. With respect to the Bids by ASBA Bidders, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid Amount. In case of non-ASBA Bids, the members of the Syndicate or the Non Syndicate Registered Brokers, as the case may be, shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions. In such cases, the members of the Syndicate or the Non Syndicate Registered Brokers, as the case may be, will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar to the Issue will reconcile the Bid data and consider the revised Bid data for preparing the Basis of Allotment. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus.
- j) When a Bidder revises his or her Bid, he or she should surrender the earlier TRS and request for a revised TRS from the members of the Syndicate, the SCSB or the Non Syndicate Registered Brokers, as applicable. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

Price Discovery and Allocation

- a) Based on the demand generated at various price levels, the Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) In the event of under-subscription in the Retail Portion or the Non Institutional Portion in the Issue, the unsubscribed portion would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.
- c) Allocation to Non-Residents, including Eligible NRIs and FIIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- d) Allocation to Anchor Investors shall be at the discretion of the Company in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.
- e) In accordance with SEBI Regulations, QIB Bidders and Non-Institutional Bidders shall not be allowed to withdraw their Bid or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until finalisation of Basis of Allotment.
- f) The Basis of Allotment shall be published on the website of the Registrar to the Issue.

Signing of the Underwriting Agreement and the RoC Filing

- a) The Company, the Book Running Lead Manager and the Syndicate Member(s) intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.
- b) After signing the Underwriting Agreement, the updated Red Herring Prospectus will be filed with the RoC in accordance with the applicable law, which then would be termed as the 'Prospectus'. The

Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, the Issue size, and underwriting arrangements and will be complete in all material respects.

Advertisement regarding Issue Price and Prospectus

The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price and the Anchor Investor Issue Price, in the event Anchor Investors participate in this Issue. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Notice to Anchor Investors: Allotment Reconciliation and CANs

A physical book will be prepared by the Registrar to the Issue on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Company in consultation with the Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN. All Anchor Investors will be sent a CAN post Anchor Investor Bid/Issue Period and in the event that the Issue Price is higher than the Anchor Investor Issue Price, the Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors should note that they shall be required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. The revised CAN will constitute a valid, binding and irrevocable contract (subject to the issue of Allotment Advice) for the Anchor Investor to pay the difference between the Issue Price and the Anchor Investor Issue Price and accordingly the Allotment Advice will be issued to such Anchor Investors. In the event the Issue Price is lower than the Anchor Investor Issue Price, the Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice. The Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment of Equity Shares to such Anchor Investors.

The final allocation is subject to the physical application being valid in all respect along with receipt of stipulated documents, the Issue Price being finalised at a price not higher than the Anchor Investor Issue Price and Allotment by the Board of Directors or a committee thereof.

Designated Date and Allotment of Equity Shares:

- a) The Company will ensure that: (i) the Allotment of Equity Shares; and (ii) credit to the successful Bidder's depository account will be completed within 12 Working Days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company will ensure that the credit to the successful Bidder's depository account is completed.
- b) In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Issuance of Allotment Advice

- a) The Registrar to the Issue shall upload the Basis of Allotment approved by the Designated Stock Exchange on its website. On the basis of the approved Basis of Allotment, the Company shall pass necessary corporate action for Allotment of Equity Shares.
- b) Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.
- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Bidder.
- d) The Issuance of Allotment Advice is subject to "*Notice to Anchor Investors - Allotment Reconciliation and CANS*" as set forth above.

Unblocking of ASBA Account

Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall provide the following details to the Controlling Branches of each SCSB, along with instructions to unblock the relevant bank accounts and transfer the requisite money to the Public Issue Account designated for this purpose, within the timelines specified in the ASBA facility: (i) the number of Equity Shares to be Allotted against each valid ASBA Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each valid ASBA Bid, (iii) the date by which funds referred to above shall be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn and/or unsuccessful ASBA Bids, if any, to enable SCSBs to unblock the respective bank accounts.

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and shall unblock the excess amount, if any, in the ASBA Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

GENERAL INSTRUCTIONS

Do's:

- a) Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
- b) Ensure that you have Bid within the Price Band;
- c) Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- d) Ensure that the Bidder's depository account is valid and active;
- e) Ensure that the details about the DP ID, Client ID and PAN are correct as Allotment will be in the dematerialised form only;
- f) Ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Non Syndicate Registered Brokers, as the case may be;

- g) Ensure that you have funds equal to the Payment Amount in your bank account before submitting the Bid cum Application Form to the Syndicate.
- h) Ensure that you have Bid by way of ASBA (for QIBs and Non-Institutional Bidders);
- i) Ensure that you request for and receive a TRS for all your Bid options;
- j) Submit revised Bids to the same member of the Syndicate or the Non Syndicate Registered Brokers, as the case may be, through whom the original Bid was placed and obtain a revised TRS or acknowledgment;
- k) Except for Bids (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) from the residents of the state of Sikkim, each of the Bidders should provide their PAN. Bid cum Application Forms in which the PAN is not provided will be rejected. In case of Bids submitted on behalf of the Central Government or the State Government or officials appointed by a court, such Bidders shall provide sufficient documentary evidence in support of the fact that such Bids have been submitted on behalf of the Central Government or the State Government or officials appointed by a court. Residents of Sikkim shall provide sufficient documentary evidence in support of their address as provided in the SEBI MRD circular MRD/DOP/Dep/cir-29/2004 dated August 24, 2004. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in active status and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
- l) Ensure that the Demographic Details are updated, true and correct in all respects;
- m) Ensure that the names given in the Bid cum Application Form is exactly the same as the names available in the depository database; and
- n) Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the electronic Bidding system of the stock exchanges by the members of the Syndicate or the Non Syndicate Registered Brokers, match with the DP ID, Client ID and PAN available in the Depository database.

Don'ts

- a) Do not Bid for lower than the minimum Bid size;
- b) Do not Bid/ revise Payment Amount to less than the Floor Price or higher than the Cap Price;
- c) Do not withdraw or lower the size of your Bids at any stage (both in terms of number of Equity Shares Bid for and Payment Amount), in case you are a Non Institutional Bidder or a QIB Bidder;
- d) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate or the Non Syndicate Registered Brokers;
- e) Do not pay the Payment Amount in cash, by money order or by postal order or by stockinvest;
- f) Do not send Bid cum Application Forms by post; instead submit the same to the members of the Syndicate or the Non Syndicate Registered Brokers only;
- g) Do not submit the Bid cum Application Form to the Escrow Collection Bank(s);

- h) Do not Bid via any mode other than ASBA (for QIBs and Non-Institutional Bidders);
- i) Do not Bid at Cut-off Price (for QIBs and Non-Institutional Bidders);
- j) Do not Bid for a Payment Amount exceeding ₹ 200,000 for Bids by Retail Individual Bidders;
- k) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- l) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground;
- m) Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- n) Do not submit Bids without payment of the full Payment Amount;
- o) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms, or on Bid cum application Forms in a colour prescribed for another category of Bidder;
- p) Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (except minors having valid depository accounts as per the Demographic Details provided by Depositories);
- q) Do not Bid through the ASBA process if you are an Anchor Investor;
- r) Do not Bid if you are an OCB or a QFI.

ADDITIONAL INSTRUCTIONS SPECIFIC TO ASBA BIDDERS

Do's:

- a) Check if you are eligible to Bid under ASBA;
- b) Before submitting the physical Bid cum Application Form with the member of the Syndicate for
- c) Bidding through Syndicate ASBA or a Non Syndicate Registered Broker at a Non Syndicate Broker Centre, ensure that the SCSB, whose name has been filled in the Bid cum Application Form, has named a branch in that centre;
- d) Read all the instructions carefully and complete the Bid cum Application Form;
- e) For ASBA Bidders Bidding through Syndicate ASBA, ensure that your Bid cum Application Form is submitted to the members of the Syndicate at the Syndicate ASBA Centre or to the Non Syndicate Registered Brokers at the Non Syndicate Broker Centre and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- f) For ASBA Bidders Bidding through the SCSBs, ensure that your Bid cum Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue or the members of the Syndicate;
- g) For ASBA Bids by SCSBs on own account, ensure that a separate ASBA Account in its own name is opened with any other SCSB;

- h) Ensure that the Bid cum Application Form is signed by the ASBA Account holder in case the ASBA Bidder is not the account holder;
- i) Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
- j) Ensure that you have funds equal to the Bid Amount in the ASBA Account before submitting the Bid cum Application Form to the respective Designated Branch;
- k) Ensure that you have correctly ticked, provided or checked the authorisation box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form;
- l) Ensure that you receive an acknowledgement from the Designated Branch or the concerned member of the Syndicate, as the case may be, for the submission of the Bid cum Application Form;
- m) Submit the Revision Form with the same Designated Branch, the concerned member of the Syndicate, or the relevant Non Syndicate Registered Brokers as the case may be, through whom the Bid cum Application Form was placed and obtain a revised acknowledgment;
- n) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts:

- a) Do not Bid on another Bid cum Application Form after you have submitted a Bid to a member of the Syndicate, a Designated Branch or a Non Syndicate Registered Broker, as the case may be;
- b) Payment of Bid Amount in any mode other than through blocking of Bid Amount in the ASBA Accounts shall not be accepted under the ASBA;
- c) Do not submit the Bid cum Application Form with a member of the Syndicate or a Non Syndicate Registered Broker, at a location other than the Syndicate ASBA Centres or Non Syndicate Broker Centre, as the case may be.
- d) Do not send your physical Bid cum Application Form by post. Instead submit the same with a Designated Branch, members of the Syndicate the Non Syndicate Registered Brokers, as the case may be; and
- e) Do not submit more than five Bid cum Application Forms per ASBA Account.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bids must be:

- a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.
- b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Red Herring Prospectus, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected. Bidders should note that the members of the Syndicate, Non Syndicate Registered Brokers and / or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms or Revision Forms.

- c) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- d) Bidders must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of the Bidder's active DP ID, Client ID and PAN provided in the Bid cum Application Form, and as entered into the electronic Bidding system of the Stock Exchanges by the Syndicate and the SCSBs, as the case may be, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment.
- e) Information provided by the Bidders will be uploaded in the electronic bidding system by the members of the Syndicate, the SCSBs or the Non Syndicate Registered Brokers, as the case may be, and the electronic data will be used to make allocation/ Allotment. The Bidders should ensure that the details are correct and legible.
- f) For Retail Individual Bidders, the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum Bid Amount of ₹ 200,000. Retail Individual Bidders may Bid at the Cut-off Price.
- g) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the Issue size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations. Bids must be submitted through ASBA process only.
- h) For Anchor Investors, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to ₹ 100 million. Bids by various schemes of a Mutual Fund in the Anchor Investor Category shall be considered together for the purpose of calculation of the minimum Bid Amount of ₹ 100 million.
- i) In single name or in case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.
- j) Based on the category of the Bidder, the Bid must comply with the maximum and minimum Bid size, as described in "*Maximum and Minimum Bid Size*" on page 213 of this DRHP.
- k) Bids through ASBA must be:
- made in single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant).
 - completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Red Herring Prospectus and in the Bid cum Application Form.
- l) If the ASBA Account holder is different from the ASBA Bidder, the Bid cum Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Bid cum Application Form.
- m) For ASBA Bidders, SCSBs may provide the electronic mode of Bidding either through an internet enabled Bidding and banking facility or such other secured, electronically enabled mechanism for

Bidding and blocking funds in the ASBA Account. For details regarding mode of Bidding and manner of submission of the Bid cum Application Form, please see the sub-section on "Issue Procedure - Bid cum Application Form" on page 205 of this DRHP.

Bidder's PAN, Depository Account and Bank Account Details

Bidders should note that on the basis of PAN of the Bidders, DP ID and Client ID provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as "Demographic Details"). These Demographic Details would be used for giving Allotment Advice to the Bidders, refunds (including through physical refund warrants, direct credit, NECS, NEFT and RTGS) or unblocking of ASBA Account. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders or unblocking of ASBA Account at the Bidders sole risk and none of the Book Running Lead Manager, the Registrar to the Issue, the Escrow Collection Banks, the SCSBs, the Non Syndicate Registered Brokers or the Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DP ID, CLIENT ID AND PAN IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE DP ID, CLIENT ID AND PAN GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IN CASE OF JOINT BIDS, THE BID CUM APPLICATION FORM SHOULD CONTAIN ONLY THE NAME OF THE FIRST BIDDER WHOSE NAME SHOULD ALSO APPEAR AS THE FIRST HOLDER OF THE BENEFICIARY ACCOUNT HELD IN JOINT NAMES. THE SIGNATURE OF ONLY SUCH FIRST BIDDER WOULD BE REQUIRED IN THE BID CUM APPLICATION FORM AND SUCH FIRST BIDDER WOULD BE DEEMED TO HAVE SIGNED ON BEHALF OF THE JOINT HOLDERS.

Bidders may note that in case the DP ID, Client ID and PAN mentioned in the Bid cum Application Form, as the case may be and entered into the electronic bidding system of the stock exchanges by the members of the Syndicate, the SCSBs and the Non Syndicate Registered Brokers, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, the Bid cum Application Form is liable to be rejected, our Company and the members of the Syndicate shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/CANs/Allotment Advice and printing of bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders/ Allotment Advice would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In case of refunds through electronic modes as detailed in this Red Herring Prospectus, refunds may be delayed if bank particulars obtained from the Depository are incorrect. In such an event, the address and other details given by the non-ASBA Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Bidder's sole risk and neither the Company nor the Escrow Collection Banks, Registrar to the Issue, the Book Running Lead Manager shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the parameters, namely, PAN of the Bidder and the DP ID and Client ID, then such Bids are liable to be rejected.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission.

Bids by Non Residents including Eligible NRIs, FIIs registered with SEBI

Bids and revision to Bids must be made in the following manner:

On the Bid cum Application Form or the Revision Form, as applicable, and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.

In a single name or joint names (not more than three and in the same order as their Depository Participant details).

Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs and multilateral and bilateral development financial institutions but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Bids by Eligible NRIs for a Payment Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Payment Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

PAYMENT INSTRUCTIONS

Escrow Mechanism for non-ASBA Bidders

The Company and the Syndicate shall open Escrow Account(s) with one or more Escrow Collection Bank(s) in whose favour the Bidders (other than ASBA Bidders) shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Company, the Syndicate, the Escrow Collection Banks and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for ASBA Bidders

The ASBA Bidders shall specify the ASBA account number in the Bid cum Application Form and the relevant SCSB shall block an amount equivalent to the Bid Amount in the ASBA account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal (by Retail Individual Bidders) or rejection of the ASBA Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the SCSB to unblock the funds in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bids by ASBA Bidder, as the case may be.

In case of Bids by FIIs, a special Rupee Account should be mentioned in the Bid cum Application Form, for blocking of funds, along with documentary evidence in support of the remittance.

In case of Bids by Eligible NRIs applying on repatriation basis, a Non-Resident External (NRE) Account or a Foreign Currency Non-Resident (FCNR) Account, maintained with banks authorised to deal in foreign exchange in India, should be mentioned in the Bid cum Application Form for blocking of funds, along with documentary evidence in support of the remittance.

In case of Bids by Eligible NRIs applying on a non-repatriation basis, a Non-Resident External (NRE) Account or a Foreign Currency Non-Resident (FCNR) Account maintained with banks authorised to deal in foreign exchange in India or a NRO Account, should be mentioned in the Bid cum Application Form for blocking of funds, along with documentary evidence in support of the remittance.

Payment into Escrow Account for non-ASBA Bidders

Please note that payment into Escrow Account is applicable only to Retail Individual Bidders bidding through Bid cum Application Form.

Each Bidder shall draw a cheque or demand draft for the Bid Amount payable on the Bid as per the following terms:

1. All Bidders would be required to pay the full Bid Amount at the time of the submission of the Bid cum Application Form.
2. The Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate or the Non Syndicate Registered Brokers. If the payment is not made favouring the Escrow Account along with the Bid cum Application Form, the Bid of the Bidder shall be rejected. Bid cum Application Forms accompanied by cash/ stockinvest/money orders/postal orders will not be accepted.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - a) In case of Resident Retail Individual Bidders: "[●]"
 - b) In case of Non-Resident Retail Individual Bidders: "[●]"

4. Anchor Investors would be required to pay the Bid Amount at the time of submission of the Bid cum Application Form. In the event of the Issue Price being higher than the price at which allocation is made to Anchor Investors, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the price at which allocation is made to them and the Issue Price as per the pay-in date mentioned in the revised CAN. If the Issue Price is lower than the price at which allocation is made to Anchor Investors, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them.
5. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:
 - a) In case of resident Anchor Investors: "[●]"
 - b) In case of non-resident Anchor Investors: "[●]"
6. In case of Bids by Eligible NRIs applying on repatriation basis, only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs who intend to make payment through freely convertible foreign exchange and are Bidding on a repatriation basis may make the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of NRO Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
7. In case of Bids by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a NRO Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
8. The monies deposited in the Escrow Account will be held for the benefit of the non-ASBA Bidders till the Designated Date.
9. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue and the refund amount shall be transferred to the Refund Account.
10. No later than 12 Working Days from the Issue Closing Date, the Registrar to the Issue shall despatch all refund amounts payable to unsuccessful Bidders (other than ASBA Bidders) and also the excess amount paid on Bidding, if any, after adjusting for Allotment to such Bidders.
11. Payments should be made by cheque, or a demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
12. Payments made through cheques without the Magnetic Ink Character Recognition ("MICR") code will be rejected.

13. Bidders are advised to provide the number of the Bid cum Application Form on the reverse of the cheque or bank draft to avoid misuse of instruments submitted with the Bid cum Application Form.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate or the Non Syndicate Registered Brokers at the time of submission of the Bid. With regard to submission of Bid cum Application Forms, please see the sub-section on "*Issue Procedure - Bid cum Application Form*" on page 205 of this DRHP.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate and the Non Syndicate Broker Centre of the Non Syndicate Registered Brokers will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder. In case of ASBA Bids, an acknowledgement from the Designated Branch, concerned member of the Syndicate or the relevant Non Syndicate Registered Broker, as the case may be, for submission of the Bid cum Application Form may be provided.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals Bids may be made in single name or as joint Bids. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. The First Bidder shall be liable for all the obligations arising in relation to the Issue. All communications will be addressed to the first Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. In this regard, all Bids will be checked for common PAN as per Depository records and all such bids will be treated as multiple Bids and are liable to be rejected.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of the Mutual Fund and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made. Bids by QIBs under the Anchor Investor Portion and the QIB Portion (excluding the Anchor Investor Portion) will not be treated as multiple Bids.

For Bids from Mutual Funds and FII sub-accounts, which are submitted under the same PAN, as well as Bids on behalf of the Central or State government, an official liquidator or receiver appointed by a court and residents of Sikkim, for whom the submission of PAN is not mandatory, the Bids are scrutinized for DP ID and Client ID. In case such Bids bear the same DP ID and Client ID, these will be treated as multiple Bids and will be rejected.

After submitting an ASBA Bid either in physical or electronic mode, where such ASBA Bid has been uploaded with the Stock Exchanges, an ASBA Bidder cannot Bid (either in physical or electronic mode) on another Bid cum Application Form. Submission of a second Bid cum Application Form to either the same or another Designated Branch of the SCSB or to any member of the Syndicate in Specified Cities or to Non Syndicate Registered Brokers, will be treated as multiple Bids and would be rejected before entering the Bid into the electronic Bidding system or at any point of time prior to the allocation or Allotment of

Equity Shares in the Issue. Duplicate copies of the Bid cum Application Forms available on the website of the Stock Exchanges bearing the same application number will be treated as multiple Bids and are liable to be rejected. More than one ASBA Bidder may Bid for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Bid cum Application Forms from such ASBA Bidders with respect to any single ASBA Account. However, ASBA Bidders may revise their Bids through the Revision Form, the procedure for which is described in "*Issue Procedure - Build Up of the Book and Revision of Bids*" above on page 222 of this DRHP. Please note that QIB Bidders and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage.

The Company, in consultation with the Book Running Lead Manager, reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Bids is given below:

- a) All Bids will be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN will be treated as multiple Bids and will be rejected.
- b) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the Bidders for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Bid cum Application Forms will be checked for common DP ID and Client ID.

Permanent Account Number or PAN

Except for Bids by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in Sikkim, the Bidders, or in the case of a Bid in joint names, the first Bidders, should mention his/ her PAN allotted under the Income Tax Act.

In accordance with the circulars issued by SEBI, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Bid cum Application Form without the PAN is liable to be rejected, except for residents in the state of Sikkim, who are exempted from specifying their PAN for transactions in the securities market. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Bids, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e., either Sikkim category or exempt category.

With effect from August 16, 2010, the beneficiary accounts of Bidders for whom PAN details have not been verified have been labelled "suspended for credit" by the Depositories and no credit of Equity Shares pursuant to the Issue will be made in the accounts of such Bidders.

Withdrawal of Bids

QIBs and Non-Institutional Bidders cannot withdraw or lower the size of their Bids after the QIB Bid Closing Date (both in terms of number of Equity Shares Bid for and Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until finalisation of Basis of Allotment.

ASBA Bidders (other than QIBs and No-Institutional Bidders) can withdraw their Bids during the Issue Period by submitting a request for the same to the concerned SCSB, the concerned member of the Syndicate or the Non Syndicate Registered Broker, as applicable, who shall do the requisite, including deletion of details of the withdrawn Bid cum Application Form from the electronic Bidding system of the Stock Exchanges. Further the SCSBs shall unblock the funds in the ASBA Account either directly or at the instruction of the member of the Syndicate which had forwarded to it the Bid Cum Application Form.

In case an ASBA Bidder (other than a QIB and a Non-Institutional Bidder) wishes to withdraw the Bid after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid allotment file and give instruction to the SCSB for unblocking the ASBA Account after approval of the 'Basis of Allotment'.

REJECTION OF BIDS

The Company has a right to reject Bids based on technical grounds. In case of QIBs, other than Anchor Investors, Bidding through Syndicate ASBA or through the Non Syndicate Registered Brokers, the Manager and their affiliate members of the Syndicate, may reject Bids at the time of acceptance of the Bid cum Application Form provided that the reasons for such rejection shall be disclosed to such Bidder in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds only. Consequent refunds shall be made through any of the modes described in the Red Herring Prospectus and will be sent to the Bidder's address, where applicable, at the sole/first Bidder's risk. In relation to all ASBA Bidders, SCSBs or the Non Syndicate Registered Brokers shall have no right to reject Bids, except on technical grounds or in the event that if at the time of blocking the Payment Amount in the ASBA Account, the SCSB ascertains that sufficient funds are not available in the Bidder's ASBA Account. Further, in case any DP ID, Client ID or PAN mentioned in the Bid cum Application Form and as entered into the electronic Bidding system of the Stock Exchanges by the members of the Syndicate, the SCSBs or the Non Syndicate Registered Brokers, as the case may be, does not match with one available in the depository's database, such ASBA Bid shall be rejected by the Registrar to the Issue. Subsequent to the acceptance of a Bid by way of ASBA by the SCSB, our Company would have a right to reject such Bids by way of ASBA only on technical grounds.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- DP ID and Client ID not mentioned in the Bid cum Application;
- Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids by ASBA Bidders, the amounts mentioned in the Bid cum Application Form does not tally with the amount payable for the value of the Equity Shares Bid for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply. However, a limited liability partnership can apply in its own name;
- Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended (other than minors having valid depository accounts as per the Demographic Details provided by the Depositories);
- PAN not mentioned in the Bid cum Application Form except for Bids by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Bids at a price less than the Floor Price;
- Bids at a price more than the Cap Price;
- Signature of sole or first Bidder, as the case may be, missing;
- Submission of more than five Bid cum Application Forms per ASBA account;
- Bids by Bidders whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Bids at the Cut-off Price by Non-Institutional and QIB Bidders;
- Bids for a Bid Amount of more than ₹ 200,000 by Retail Individual Bidders applying through the non ASBA process;
- Bids for number of Equity Shares which are not in multiples of [•];
- Category not indicated;
- Multiple Bids as defined in the Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Bids accompanied by Stockinvest/money order/postal order/cash;
- Bid cum Application Forms do not have the stamp of the Book Running Lead Manager or Syndicate Members or the SCSB;
- Bid cum Application Forms do not have Bidder's depository account details or the details given are incomplete or incorrect;
- Bid cum Application Forms not being signed by the ASBA account holder, if the account holder is different from the ASBA Bidder;
- Bid cum Application Form submitted to the members of the Syndicate does not bear the stamp of the members of the Syndicate. ASBA Bids submitted directly to the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the members of the Syndicate, as the case may be;
- Bid cum Application Forms submitted under the ASBA process not having details of the ASBA Account to be blocked;
- Bid cum Application Forms submitted under the ASBA process not containing the authorization for blocking the Bid Amount in the bank account specified in the Bid cum Application Form;

- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, Client ID and PAN;
- With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- With respect to ASBA Bids, where no confirmation is received from SCSB for blocking of funds;
- Bids by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process;
- Bids by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied by cheque(s) or demand draft(s);
- ASBA Bids submitted to a member of the Syndicate at locations other than the Specified Cities and Bid cum Application Forms, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB), to the Company or the Registrar to the Issue;
- Bids by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Bids by QIB Bidders submitted after 3 pm on the QIB Bid/Issue Closing Date, Bids by Non Institutional Bidders submitted after 3 pm on the Bid/Issue Closing Date, and Bids by Retail Individual Bidders submitted after 4 pm on the Bid/Issue Closing Date unless extended by the Stock Exchanges, as applicable;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority; and
- Bids by OCBs or QFIs.
- With respect to ASBA Bids, the Bid cum Application Form not being signed by the account holders, if the account holder is different from the Bidder;
- Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
- ASBA Bids by SCSBs on their own account, through an ASBA Account maintained in its own name with itself.

IN CASE THE DP ID, CLIENT ID AND PAN MENTIONED IN THE BID CUM APPLICATION FORM ENTERED INTO THE ELECTRONIC BIDDING SYSTEM OF THE STOCK EXCHANGES BY THE SYNDICATE/THE SCSBs DO NOT MATCH WITH THE DP ID, CLIENT ID AND PAN AVAILABLE

IN THE RECORDS WITH THE DEPOSITARIES, THE APPLICATION IS LIABLE TO BE REJECTED AND OUR COMPANY AND THE MEMBERS OF THE SYNDICATE SHALL NOT BE LIABLE FOR LOSSES, IF ANY.

FURTHER, BIDS BY PERSONS PROHIBITED FROM BUYING, SELLING OR DEALING IN THE EQUITY SHARES DIRECTLY OR INDIRECTLY BY SEBI OR ANY OTHER REGULATORY AUTHORITY WILL BE REJECTED.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in the Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among the Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [•], among NSDL, the Company and the Registrar to the Issue;
- Agreement dated [•], among CDSL, the Company and the Registrar to the Issue.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

- A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.
- The Bidder must necessarily fill in the details (including the DP ID and Client ID) appearing in the Bid cum Application Form or Revision Form.
- Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.
- If incomplete or incorrect details are given under the heading '*Bidders Depository Account Details*' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
- The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- The trading of the Equity Shares of the Company would be in dematerialised form only for all Bidders in the demat segment of the respective Stock Exchanges.
- Non transferable advice or refund orders will be directly sent to the Bidders by the Registrar to the Issue.

Communications

All future communications in connection with Bids made in the Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate, the Designated Branch of the SCSBs or the Non Syndicate Registered Brokers where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, bank account number in which the amount equivalent to the Bid Amount was blocked.

Bidders can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, credit of Allotted Equity Shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted to the Designated Branches of the SCSBs or the Non Syndicate Registered Brokers, the Bidders can contact the relevant Designated Branches of the SCSBs or the Non Syndicate Registered Broker.

All grievances relating to the ASBA process may be addressed either to (i) the concerned member of the Syndicate and the relevant SCSB, in the event of a Bid submitted by an ASBA Bidder at any of the Syndicate ASBA Bidding Locations, or (ii) the Designated Branch of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application, in the event of a Bid submitted directly with a Designated Branch by an ASBA Bidder; in both cases with a copy to the Registrar to the Issue.

PAYMENT OF REFUND

Non-ASBA Bidders must note that on the basis of Bidder's DP ID and Client ID provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf to make refunds. Accordingly, Bidders are advised to immediately update their details as appearing on the records of their Depository Participants. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay will be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, the Escrow Collection Banks, or the members of the Syndicate, will be liable to compensate the Bidders for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

On the Designated Date and no later than 12 Working Days from the Bid/Issue Closing Date, the Escrow Collection Bank shall despatch refund orders for all amounts payable to unsuccessful non-ASBA Bidders and also the excess amount paid on bidding, if any, after adjusting for allocation/Allotment to such Bidders.

Mode of making refunds for non-ASBA Bidders

The payment of refund, if any, for non-ASBA Bidders would be done through various modes by any of the following:

1. NECS – Payment of refund would be done through NECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories.
2. Direct Credit – Applicants having bank accounts with the Refund Bank(s), as per the Demographic Details received from the Depositories, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.

3. RTGS – Bidders having a bank account with a bank branch which is RTGS-enabled as per the information available on the RBI’s website and whose refund amount exceeds ₹ 0.2 million, will be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Bidder’s bank which can be mapped with the RBI data to obtain the corresponding Indian Financial System Code (“IFSC”). Any bank charges levied by the Refund Bank will be borne by the Company. Any bank charges levied by the Bidders’ bank receiving the credit will be borne by the respective Bidders.
4. NEFT – Payment of refund shall be undertaken through NEFT wherever the applicants’ bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a MICR, if any, available to that particular bank branch. IFSC will be obtained from the website of the RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC of that particular bank branch and the payment of refund will be made to the applicants through this method.
5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be despatched through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar to the Issue shall instruct the SCSBs to unblock the funds in the relevant ASBA Accounts to the extent of the Bid Amount specified in the Bid cum Application Forms for withdrawn (by Retail Individual Bidders), rejected or unsuccessful or partially successful ASBA Bids within 12 Working Days of the Bid/Issue Closing Date.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

With respect to non-ASBA Bidders, the Company shall ensure dispatch of Allotment Advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants of the Bidders and submit the documents pertaining to the Allotment to the Stock Exchanges within 12 Working Days from the Bid/Issue Closing Date.

With respect to the ASBA Bidders, our Company shall ensure dispatch of CANs and/or unblocking of funds in the ASBA Account within 12 Working Days from the Bid Closing Date.

In case of applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 12 Working Days from the Bid/Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 12 Working Days of the Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 12 Working Days of the Bid/Issue Closing Date;
- With respect to non-ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 Working Days of the Bid/Issue Closing Date would be ensured. With respect to the ASBA Bidders, instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 12 Working Days from the Bid/Issue Closing Date. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post. With regard to refunds, bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders; and
- The Company in proportion to the number of Equity Shares issued/offered by each of them in the Issue, shall pay interest at 15% p.a. for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 12 Working Days prescribed above. If such money is not repaid within eight days from the day the Company become liable to repay, the Company, every Director of the Company who is an officer in default (in proportion to the number of Equity Shares offered by each of them in the Issue) shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under the applicable law.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

- a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*
- b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years."*

BASIS OF ALLOTMENT

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less Allotment to Non-Institutional and QIB Bidders will be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

- In the event, the Bids received from Retail Individual Bidders exceeds [●] Equity Shares, then the maximum number of Retail Individual Bidders who can be allocated/Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for allocation/Allotment to Retail Individual Investors by the minimum Bid Lot ("**Maximum RII Allottees**"). The allocation/Allotment to Retail Individual Investors will then be made in the following manner:
 - In the event the number of Retail Individual Bidders who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) Retail Individual Bidders shall be allocated / Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Portion shall be allocated/ Allotted to the Retail Individual Bidders who have received allocation/Allotment as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
 - In the event the number of Retail Individual Bidders who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the Retail Individual Bidders (in that category) who will then be allocated/ Allotted minimum Bid Lot shall be determined on draw of lots basis.

For details see, "*Illustration Explaining Procedure of Allotment to Retail Individual Bidders*" on page 246 of this DRHP.

- Each successful Retail Individual Bidder shall be Allotted a minimum of [●] Equity Shares.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non Institutional Bidders will be made at the Issue Price.
- The Issue size less Allotment to QIBs and Retail Individual Bidders will be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares, and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

C. For QIBs (other than Anchor Investors)

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the successful QIB Bidders will be made at the Issue Price.
- The QIB Portion will be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion (excluding Anchor Investor Portion) shall be determined as follows:
- i. In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion (excluding Anchor Investor Portion), allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion (excluding Anchor Investor Portion).
 - ii. In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion) then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - iii. Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds will be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
- i. In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
 - ii. Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
 - iii. Under-subscription below 5% of the QIB Portion (excluding Anchor Investor Portion), if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.
- The aggregate Allotment (other than spill over in case of under-subscription in other categories) to QIB Bidders shall be at least 75% of the Issue and up to [●] Equity Shares.

D. For Anchor Investors

- Allocation of Equity Shares to Anchor Investors, if any, at the Anchor Investor Issue Price will be at the discretion of the Company in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:
 - a) not more than 30% of the QIB Portion will be allocated to Anchor Investors;
 - b) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - c) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - i. a maximum number of two Anchor Investors for allocation up to ₹ 100 million;
 - ii. a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100 million and up to ₹ 2,500 million subject to minimum allotment of ₹ 50 million per such Anchor Investor; and
 - iii. a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 2,500 million subject to minimum allotment of ₹ 50 million per such Anchor Investor.

The number of Equity Shares allocated to Anchor Investors and the Anchor Investor Issue Price, shall be made available in the public domain by the Book Running Lead Manager before the Bid/Issue Opening Date by intimating the same to the Stock Exchanges.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, the Company, in consultation with the Book Running Lead Manager, shall finalise the Basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the Book Running Lead Manager and the Registrar to the Issue shall be responsible for ensuring that the Basis of Allotment is finalised in a fair and proper manner.

The Allotment to QIB Bidders (except Anchor Investors) and Non-Institutional Bidders shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorised according to the number of Equity Shares applied for.
- b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate Allotment is less than [•] Equity Shares per Bidder, the Allotment shall be made as follows:
 - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and
 - Each successful Bidder shall be Allotted a minimum of [•] Equity Shares.
- e) If the proportionate Allotment to a Bidder is a number that is more than [•] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.
- g) Subject to valid Bids being received, allocation of Equity Shares to Anchor Investors shall be at the sole discretion of the Company in consultation with the Book Running Lead Manager.

Illustration Explaining Procedure of Allotment to Retail Individual Bidders *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)*

Total number of equity shares offered in the issue: 10 million, at an issue price of ₹ 600 per equity share. The retail portion for the issue consists of 3.5 million equity shares. The issuer fixes the minimum bid lot as 20 equity shares.

- A. A total of 0.1 million retail individual bidders have applied in the issue, in varying number of bid lots i.e. between 1 to 16 bid lots, based on the maximum application size of up to ₹ 200,000. The retail individual bidders' category is oversubscribed 4 times. From the 0.1 million retail individual bidders, there are five retail individual bidders, namely A, B, C, D and E, who have applied in the issue as follows: A has applied for 320 equity shares, B has applied for 220 equity shares, C has applied for 120 equity shares, D has applied for 60 equity shares and E has applied for 20 equity shares. As per the SEBI Regulations, the allotment to retail individual investors shall not be less than the minimum bid lot, subject to availability of shares, and the remaining available shares, if any, shall be allotted on a proportionate basis. Accordingly, the actual entitlement of each of A, B, C, D and E shall be as follows:

Name of the retail individual bidder	Total No. of equity shares applied for	Total number of equity shares eligible to be allotted
A	320	20 equity shares (i.e. the minimum bid lot) + 38 equity shares $[\{3,500,000 - (100,000 * 20)\} / \{14,000,000 - (100,000 * 20)\}] * 300$ (i.e. 320-20)
B	220	20 equity shares (i.e. the minimum bid lot) + 25 equity shares $[\{35,00,000 - (1,00,000 * 20) / \{140,00,000 - (1,00,000 * 20)\}] * 200$ (i.e. 220-20)
C	120	20 equity shares (i.e. the minimum bid lot) + 13 equity shares $[\{35,00,000 - (1,00,000 * 20)\} / \{(140,00,000 - (1,00,000 * 20)\}] * 100$ (i.e. 120-20)
D	60	20 equity shares (i.e. the minimum bid lot) + 5 equity shares $[\{(35,00,000 - 1,00,000 * 20)\} / \{(140,00,000 - (1,00,000 * 20)\}] * 40$ (i.e. 60-20)
E	20	20 equity shares (i.e. the minimum bid lot)

- B. A total of 0.2 million retail individual bidders have applied in the issue, in varying number of bid lots i.e. between 1 to 16 bid lots, based on the maximum application size of upto ₹ 200,000. The retail individual bidders' category is oversubscribed 9.37 times. Since the total number of equity shares offered retail individual bidders is 3,500,000 and the minimum bid lot is 20 equity shares, the maximum number of retail individual bidders who can be allotted this minimum bid lot will be 175,000 (i.e. 3,500,000/20). The remaining 25,000 retail applicants will not get allotment and such bidders will be determined on basis of draw of lots, in the manner provided below:

No. of lots	No. of equity shares at each lot	No. of retail individual bidders applying at each lot	Total No. of equity shares applied for at each lot	No. of retail individual bidders who shall receive minimum bid-lot (to be selected on lottery)
A	B	C	D = (B*C)	E (175,000/200,000)*C
1	20	10,000	200,000	8,750
2	40	10,000	400,000	8,750
3	60	10,000	600,000	8,750
4	80	10,000	800,000	8,750
5	100	20,000	2,000,000	17,500
6	120	20,000	2,400,000	17,500
7	140	15,000	2,100,000	13,125
8	160	20,000	3,200,000	17,500
9	180	10,000	1,800,000	8,750

10	200	15,000	3,000,000	13,125
11	220	10,000	2,200,000	8,750
12	240	10,000	2,400,000	8,750
13	260	10,000	2,600,000	8,750
14	280	5,000	1,400,000	4,375
15	300	15,000	4,500,000	13,125
16	320	10,000	3,200,000	8,750
Total		200,000	32,800,000	175,000

Procedure for Allotment to Non-Institutional Bidders on lottery)

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less Allotment to QIBs and Retail Individual Bidders shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the method of proportionate Basis of Allotment refer below.

Procedure for Allotment to QIBs in the Net QIB Portion

- Bids received from the QIBs Bidding in the QIB Portion at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the QIBs will be made at the Issue Price.
- The QIB Portion shall be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:
 - a) In the first instance allocation to Mutual Funds for up to 5% of the Net QIB Portion shall be determined as follows:
 - i. In the event that Bids by Mutual Fund exceeds 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the Net QIB Portion.
 - ii. In the event that the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price;
 - iii. Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds shall be available for Allotment to all QIBs as set out in (b) below;
 - b) In the second instance Allotment to all QIBs shall be determined as follows:

- i. In the event of oversubscription in the Net QIB Portion, all QIBs who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the Net QIB Portion;
 - ii. Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs;
 - iii. Under-subscription below 5% of the Net QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIBs on a proportionate basis.
- The aggregate Allotment to QIBs Bidding in the Net QIB Portion may be up to [●] Equity Shares.

Procedure for Allotment to Anchor Investors

- Allocation of Equity Shares to Anchor Investors, if any, at the Anchor Investor Allocation Price will be at the discretion of our Company in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:
 - i. not more than 30% of the QIB Portion will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors;
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two Anchor Investors for allocation up to ₹ 2,500 million and minimum number of five Anchor Investors for allocation more than ₹ 2,500 million.
- The number of Equity Shares Allotted to Anchor Investors, if any, and the Anchor Investor Allocation Price shall be made available in the public domain by the Book Running Lead Manager before the Issue Opening Date by intimating the same to the Stock Exchanges.

Letters of Allotment or Refund Orders or instructions to the SCSBs

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 12 Working Days from the Bid/Issue Closing Date. Applicants residing at the centres where clearing houses are managed by the RBI, will get refunds through NECS only except where applicant is otherwise eligible to get refunds through direct credit, RTGS and NEFT. The Company shall ensure dispatch of refund orders, if any, by registered post or speed post at the sole or first Bidder's sole risk within 12 Working Days of the Bid/Issue Closing Date. Bidders to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 15 days from the Bid/Issue Closing Date. In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar to the Issue, unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the Bid cum Application Form or the relevant part thereof, for withdrawn (by Retail Individual Bidders), rejected or unsuccessful or partially successful ASBA Bids within 12 Working Days of the Bid/Issue Closing Date.

Interest in case of delay in despatch of Allotment Letters or Refund Orders/ instruction to the SCSBs by the Registrar to the Issue

The Company agrees that (i) Allotment of Equity Shares; and (ii) credit to the successful Bidders' depository accounts will be completed within 12 Working Days of the Bid/Issue Closing Date. The

Company further agrees that it shall (in proportion to the number of Equity Shares offered/issued by each of them in the Issue) pay interest at the rate of 15% p.a. if the Allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given in the disclosed manner within 15 days from the Bid/Issue Closing Date, whichever is later. If such money is not repaid within eight days from the day the Company becomes liable to repay, the Company and every Director of the Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under the applicable law.

The Company will provide adequate funds required for dispatch of refund orders or Allotment Advice to the Registrar to the Issue.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by the Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

UNDERTAKINGS BY THE COMPANY

The Company undertakes the following:

- That if the Company does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 12 Working Days of the Bid/Issue Closing Date;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That the certificates of the securities/ refund orders to Eligible NRIs shall be despatched within specified time;
- That no further Issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under subscription etc.;
- That adequate arrangement shall be made to collect all Bid cum Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment; and
- The Company shall not have recourse to the proceeds of the Issue until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received.

Utilisation of Issue proceeds

The Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 73 of the Companies Act;
- details of all monies utilised out of Issue shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in the balance sheet of the Company indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
- the utilisation of monies received under Promoter's contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of the Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under Promoter's contribution shall be disclosed under a separate head in the balance sheet of the Company indicating the form in which such unutilised monies have been invested.

Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue anytime after the Bid Opening Date but before the Allotment of Equity Shares. In such an event the Company shall issue a public notice in the newspapers (including the reasons for such withdrawal), in which the pre-Issue advertisements were published, within two days of the Issue Closing Date. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed and the Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the accounts of the ASBA Bidders.

If our Company withdraws the Issue after the Issue Closing Date and our Company, thereafter, determines that it will proceed with an initial public offering of its Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Notwithstanding the foregoing, the Issue is also subject to obtaining

- i. final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and
- ii. the final approval of the RoC, after the Prospectus is filed with the RoC.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	<p>3. The Authorised Share Capital of the Company is as laid down in Clause V of Memorandum of Association of the company.</p> <p>The Company may from time to time by Ordinary Resolution increase its authorised share capital by such sum and to be divided into Shares of such amount as may be specified in the resolution.</p>
Increase of capital by the Company how carried into effect	<p>4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97 of the Act</p>
Non Voting Shares	<p>5. The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.</p>
Redeemable Preference Shares	<p>6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.</p>
Provisions to apply on issue of Redeemable Preference Shares	<p>7. On the issue of redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect.</p> <p>(a) No such Shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.</p> <p>(b) No such Shares shall be redeemed unless they are fully paid.</p> <p>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's share premium account, before the Shares are redeemed.</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act apply as if the Capital</p>

Title of Article	Article Number and contents
	<p>Redemption Reserve Account were paid-up share capital of the Company.</p> <p>(e) Subject to the provisions of Section 80 of the Act. The redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.</p>
Reduction of capital	<p>8. The Company may (subject to the provisions of section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any share premium account</p> <p>in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
Buy back of Shares	<p>8A. The Company shall have power, subject to and in accordance the provision of section 77A and all other applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p>

MODIFICATION OF RIGHTS

Title of Article	Article Number and contents
Modification of rights	<p>10. Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall <i>mutatis mutandis</i> apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking <i>pari passu</i> therewith.</p>

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Restriction on allotment and return of allotment	<p>11. The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.</p>

Title of Article	Article Number and contents
Further issue of shares	<p>12. (1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares whether out of unissued share capital or out of increased share capital then:</p> <p>(a) Such further Shares shall be offered to the persons who at the date of the offer are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares at that date</p> <p>(b) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not being less than thirty days from the date of the offer and the offer, if not accepted, will be deemed to have been declined.</p> <p>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to them in favour of any other person, and the notice referred to in sub-clause (b) shall contain a statement of this right, PROVIDED THAT the Directors may decline, without assigning any reason, to allot any Shares to any person in whose favour any Member may renounce the Shares offered to him.</p> <p>(d) After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given declines to accept the Shares offered, the Board of Directors may dispose them off in such manner and to such person(s) as they may think in their sole discretion fit.</p> <p>(2) Notwithstanding anything contained in sub-clause (1) hereof, the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever.</p> <p>(a) If a Special Resolution to that effect is passed by the Company in the General Meeting; or</p> <p>(b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting, (including the casting vote, if any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.</p> <p>(3) Nothing in sub-clause (c) of clause(1) hereof shall be deemed;</p> <p>(a) To extend the time within which the offer should be accepted; or</p> <p>(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the persons in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.</p> <p>(4) Nothing in this Article shall apply to the increase of the subscribed capital of</p>

Title of Article	Article Number and contents
	<p>the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:</p> <p>(i) To convert such debentures or loans into Shares in the Company; or</p> <p>(ii) to subscribe for Shares in the Company (whether such option is conferred in these Articles or otherwise)</p> <p>PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:</p> <p>(a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans, or is in conformity with the rules, if any, made by that government in this behalf, and</p> <p>(b) in the case of debentures or loans other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the debentures or the raising of the loans.</p>
Shares under control of Directors	<p>13. Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p>
Power to offer Shares / options to acquire Shares	<p>13A</p> <p>(i) Without prejudice to the generality of the powers of the Board under Article 13 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to investors including but no limited to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>(ii) In addition to the powers of the Board under Article 13A(i), the Board may also allot the Shares referred to in Article 13A(i) to any trust, whose principal objects would <i>inter alia</i> include further transferring such Shares to the Company's</p>

Title of Article	Article Number and contents
	<p>employees [including by way of options, as referred to in Article 13A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p> <p>(iii) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 13A(i) and (ii) above.</p>
<p>Application of premium received on Shares</p>	<p>14.(1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.</p> <p>(2) The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:</p> <p>(a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus;</p> <p>(b) In writing off the preliminary expenses of the Company;</p> <p>(c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or</p> <p>(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.</p>
<p>Power also to Company in General Meeting to issue Shares</p>	<p>15. In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.</p>
<p>Power of General Meeting to authorize Board to offer Shares/Options to employees</p>	<p>15A (i) Without prejudice to the generality of the powers of the General Meeting under Article 15 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium,</p>

Title of Article	Article Number and contents
	<p>for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose</p> <p>(ii) In addition to the powers contained in Article 15A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.</p>
Shares at a discount	<p>16. The Company may issue at a discount Shares in the Company of a class already issued, if the following conditions are fulfilled, namely:</p> <p>(a) The issue of the Shares at discount is authorised by resolution passed by the Company in the General Meeting and sanctioned by the Company Law Board;</p> <p>(b) The resolution specifies the maximum rate of discount (not exceeding ten percent or such higher percentage as the Company Law Board may permit in any special case) at which the Shares are to be issued; and</p> <p>(c) The Shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.</p>
Installments of Shares to be duly paid	<p>17. If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.</p>
The Board may issue Shares as fully paid-up	<p>18. Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.</p>
Acceptance of Shares	<p>19. Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.</p>
Deposit and call etc., to be debt payable	<p>20. The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.</p>
Liability of Members	<p>21. Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.</p>

Title of Article	Article Number and contents
Dematerialisation of securities	<p>21.(A) Definitions</p> <p>Beneficial Owner "Beneficial Owner" means a person whose name is recorded as such with a Depository.</p> <p>SEBI "SEBI" means the Securities and Exchange Board of India.</p> <p>Bye-Laws "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p> <p>Depositories Act. "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;</p> <p>Depository "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p>Record "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p>Regulations "Regulations" mean the regulations made by SEBI;</p> <p>Security "Security" means such security as may be specified by SEBI.</p>
Dematerialisation of securities	<p>21.(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.</p>
Options to receive security certificates or hold securities with depository	<p>21.(C) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p>
Securities in depositories to be in fungible form	<p>21.(D) All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.</p>
Rights of depositories and beneficial owners	<p>21.(E) (1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</p> <p>(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;</p> <p>(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities</p>

Title of Article	Article Number and contents
	held by a Depository.
Depository To Furnish Information	21.(F) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Option to Opt out in respect of any security	21.(G) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 83 and 108 of the Act not to apply	21.(H) Notwithstanding anything to the contrary contained in the Articles, (1) Section 83 of the Act shall not apply to the Shares held with a Depository; (2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	22.(a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.
Limitation of time for issue of certificates	22A. Every Member shall be entitled, without payment, to one or more Certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors may from time to time to approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each or one or more of such Shares and the Company shall complete and have ready for delivery such certificates within two months from the date of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case maybe. Every Certificate of Shares shall be under the seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of a Share or Shares held jointly by several persons shall be sufficient delivery to all such holders.
Renewal of share certificates	23. No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilized unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
New certificate to be granted on delivery of the old certificates	24. New certificates shall not be granted under the provisions of the forgoing Article except upon delivery of the worn out or defaced or used up certificate for the purpose of cancellation and, in case of destruction or loss of certificate, upon proof of destruction or loss, and upon such terms, if any, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence as the Board of Directors may think fit in the case of any

Title of Article	Article Number and contents
	<p>certificate having been destroyed, lost or defaced beyond identification.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to Debentures of the Company.</p>
The first name joint holder deemed sole holder	25. If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.
Company not bound to recognize any interest in Shares other than of registered holder	26. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognized	<p>27.(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> <p>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</p>
Declaration by person not holding beneficial interest in any Shares	<p>28. (1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act</p> <p>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act</p>

Title of Article	Article Number and contents
	<p>(3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>(4) Notwithstanding anything contained in the Act and Articles 26 and 27 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p>
Funds of Company not to be applied in purchase of Shares of the Company	29. No funds of the Company shall except as provided by Section 77 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanctioned in pursuance of Sections 78, 80 and 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

UNDERWRITING AND BROKERAGE

Title of Article	Article Number and contents
Commission may be paid	30. Subject to the provisions of Section 76 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed in the case of the Shares five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.
Brokerage	31. The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	32. Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Part I of Schedule VI to the Act.

INTEREST OUT OF CAPITAL

Title of Article	Article Number and contents
Interest out of capital	33. Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up, for the period at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of the plant.

DEBENTURES

Title of Article	Article Number and contents
<p>Debentures with voting rights not to be issued</p>	<p>34. (a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>(b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act.</p> <p>(c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act.</p> <p>(d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act.</p> <p>(e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>(f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or debenture-stock and within two month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.</p> <p>(g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof.</p> <p>(h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges.</p>

CALLS

Title of Article	Article Number and contents
<p>Directors may make calls</p>	<p>35. (a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
<p>Notice of call when to be given</p>	<p>36. Not less than one month notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons by who such call shall be paid.</p>

Title of Article	Article Number and contents
Call deemed to have been made	37. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.
Directors may extend time	38. The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call and may extended such time to call or any of the Members, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favor.
Amount payable at fixed time or by installments to be treated as calls	39. If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
When interest on call or installment payable	40. If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part
Evidence in action by Company against share holder	41. On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest	42. (i) The Board of Directors may, if it thinks fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Member willing to advance the same, all or any part of the amount due upon the Shares held by him beyond the sums actually called for and upon the money so paid up in advance or so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and in respect of its Shares on account of which such advances are made, the Board of Directors may pay or allow interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, fifteen per cent per annum as the Member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such Member three months' notice in writing. Money so paid in advance of the amount of calls shall not confer a right to dividend or to participate in profits. (ii) No Member paying any such sum in advance shall be entitled to voting rights

Title of Article	Article Number and contents
	<p>in respect of the moneys so paid by him until the same would but for such payment presently payable.</p> <p>(iii) The provisions of this Article shall mutatis mutandis apply to the calls on Debentures of the Company.</p>

LIEN

Title of Article	Article Number and contents
Partial payment not to preclude forfeiture	43. Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
Company to have lien on Shares/ Debentures	44. The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member whether solely or jointly with others and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interests in any Share/ Debenture shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; PROVIDED THAT the Board of Directors may, at any time, declare any Share/ Debenture to be wholly or in part exempt from the provisions of this Article. Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares.
As to enforcing lien by sale	45. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:- (a) Unless a sum in respect of which the lien exists is presently payable; or (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members (c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.
Application of proceeds of sale	46. (a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and (b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on Shares not paid	47. If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same

Title of Article	Article Number and contents
notice to be given	or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	48. For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	49. The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	50. If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	51. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	52. Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owing at the time of forfeiture and interest	53. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	54. The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
Power to annul forfeiture	55. The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Title of Article	Article Number and contents
Declaration of forfeiture	<p>56</p> <p>a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.</p>
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum.	<p>57. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p>
Cancellation of shares certificates in respect of forfeited Shares	<p>58. Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.</p>
Evidence of forfeiture	<p>59. The declaration as mentioned in Article 56(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p>
Validity of sale	<p>60. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.</p>
Surrender of	<p>61. The Directors may subject to the provisions of the Act, accept a surrender or</p>

Title of Article	Article Number and contents
Shares	any share from any Member desirous of surrendering on such terms and conditions as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	62. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Form of transfer	63. The instrument of transfer of any Share shall be in the prescribed form under the Companies (Central Governments) General Rules and Forms, 1956 and in accordance with the requirements of Section 108 of the Act.
Application for transfer	64. (a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee. (b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice (c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	65. The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	66. A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	67. The Board of Directors shall have power on giving not less than seven days pervious notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	68. Subject to the provisions of Section 111 of the Act, Section 22A of the Securities Contract (Regulation) Act, 1956 and all other laws, rules, regulations and statutory agreements, if any, applicable to the Company or any statutory modification thereof for the time being in force, the Directors may at any time in their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of any Share and in particular may so decline in any case in which the Company has a lien upon the Shares desired to be transferred or any call or installment regarding any of them remain unpaid or if the transferee is not approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a Member; in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor

Title of Article	Article Number and contents
	notice of the refusal to register such transfer. The registration of transfer shall be conclusive an evidence of the approval of the Directors of the transferee. Registration of a transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except in lien on Shares. Transfer of Shares/Debentures in whatever lot shall not be refused.
Death of one or more joint holders of Shares	69. In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Titles of Shares of deceased Member	70. The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 109A and 109B of the Companies Act.
Notice of application when to be given	71. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	72. Subject to the provisions of the Act and Article 69 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	73. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	74. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fees on transfer	75. No fee shall be charged for registration of transfer, transmission Probate,

Title of Article	Article Number and contents
or transmissions	Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar documents.
Transfer to be presented with evidence of title	76. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	77. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

SHARE WARRANTS

Title of Article	Article Number and contents
Power to issue share warrants	78. The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
Deposit of share warrants	79. (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant (b) Not more than one person shall be recognized as depositor of the Share warrant (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor
Privileges and disabilities of the holders of share warrant	80. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the

Title of Article	Article Number and contents
	holder of the Share included in the warrant, and he shall be a Member of the Company.
Issue of new share warrant coupons	81. The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and contents
Share may be converted into stock	82. The Company may, by Ordinary Resolution Convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares.
Transfer of stock	83. The several holders of such stock may transfer there respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose.
Right of stock holders	84. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	85. Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively.

BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	86. Subject to the provisions of Sections 58A, 292 and 370 of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
The payment or repayment of moneys borrowed	87. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of

Title of Article	Article Number and contents
	the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Terms of issue of Debentures	88. Any debenture, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at General Meeting, appointment of Directors and otherwise; however, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution.
Mortgage of uncalled capital	89. If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.

MEETING OF MEMBERS

Title of Article	Article Number and contents
Statutory meeting	90. The statutory meeting shall be held in accordance with the provisions of Section 165 of the Act within a period of not less than one month and not more than six months from the date on which the Company shall be entitled to commence business.
Annual General Meeting	91. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Register under the provisions of Section 166 (1) of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify as the Annual General Meeting. Then company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company, shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report and audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.
Report statement and registers to be laid before the Annual General	92. The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's

Title of Article	Article Number and contents
Meeting	Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extra-Ordinary General Meeting	93. All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.
Requisitionists' meeting	<p>94. (1) Subject to the provisions of Section 188 of the Act, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:-</p> <p>(a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</p> <p>(b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</p> <p>(2) The number of Members necessary for a requisition under clause (1) hereof shall be</p> <p>(a) Such number of Members as represent not less than one-twentieth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or</p> <p>(b) not less than one hundred Members having the rights aforesaid and holding Shares in the Company on which there has been paid up an aggregate sum of not less than Rupees one lacs in all.</p> <p>(3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>(4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <p>(a) A copy of the requisition signed by, the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.</p> <p>(i) In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting.</p> <p>(ii) the case of any other requisition, not less than two weeks before the Meeting, and</p> <p>(b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company expenses in giving effect thereto.</p> <p>PROVIDED THAT if after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, and an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes also thereof.</p>

Title of Article	Article Number and contents
	<p>(5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>(6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p>
<p>Extra-Ordinary General Meeting by Board and by requisition</p> <p>When a Director or any two Members may call an Extra-Ordinary General Meeting</p>	<p>95.</p> <p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p> <p>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.</p>
<p>Contents of requisition, and number of requisitionists required and the conduct of Meeting</p>	<p>96.</p> <p>(1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (3) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>(i) By the requisitionists themselves ; or</p> <p>(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (1) which ever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.</p> <p>(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p>

Title of Article	Article Number and contents
	<p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> <p>(3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p> <p>(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p>
Length of notice of Meeting	<p>97.</p> <p>(1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.</p> <p>(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
Contents and manner of service of notice	<p>98.</p> <p>(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>(2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>(a) to every Member of the Company, in any manner authorised by sub-sections (1) to (4) Section 53 of the Act;</p> <p>(b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of Members of the Company</p> <p>PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.</p> <p>(3) Every notice convening a Meeting of the Company shall state with reasonable</p>

Title of Article	Article Number and contents
	prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.
Special and ordinary business and explanatory statement	<p>99.</p> <p>(1)(a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <p>(i) the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors;</p> <p>(ii) the declaration of dividend;</p> <p>(iii) the appointment of Directors in the place, of those retiring; and</p> <p>(iv) the appointment of, and the fixing of the remuneration of the Auditors, and</p> <p>(b) In the case of any other meeting, all business shall be deemed special</p> <p>(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.</p> <p>(3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give notice not to invalidate proceedings	<p>100.</p> <p>The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.</p>

MEETING OF MEMBERS

Title of Article	Article Number and contents
Notice of business to be given	<p>101.</p> <p>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.</p>
Quorum	<p>102.</p> <p>Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite be present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 187 of the Act.</p>
If quorum not present when Meeting to be dissolved and when to be adjourned	<p>103.</p> <p>If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjournment meeting also, a quorum is not present</p>

Title of Article	Article Number and contents
	within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution passed at adjourned Meeting	104. Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	105. At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required.	105(A) Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	106. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	107. (a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place. (b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. (c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting. (d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	108. Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	109. A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	110. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding

Title of Article	Article Number and contents
	Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	111. A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	112. In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutineers	113. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	114. The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	115. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Title of Article	Article Number and contents
Member paying money in advance not to be entitled to vote in respect thereof	116. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	117. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	118. Subject to the provisions of Article 116, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate

Title of Article	Article Number and contents
	<p>present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.</p>
<p>Votes of Members of unsound mind</p>	<p>119. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.</p>
<p>Votes of joint Members</p>	<p>120. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.</p>
<p>Representation of body corporate</p>	<p>121. A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
<p>Votes in respects of deceased or insolvent Members</p>	<p>122. Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours</p>

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	before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Voting in person or by proxy	123. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.
Rights of Members to use votes differently	124. On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses
Proxies	125. Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	126. An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	127. No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	128. The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	129. Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.
Validity of votes given by proxy notwithstanding revocation of authority	130. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an

Title of Article	Article Number and contents
Time for objection to vote	<p>instrument of proxy and of the same not having been revoked.</p> <p>131. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.</p>
Chairman of any Meeting to be the judge of Validity of any value	<p>132. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.</p>
Custody of Instrument	<p>133. If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.</p>

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	<p>134. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.</p>
Present Directors	<p>135. The persons hereinafter named shall be the present Directors of the Company:- 1. Mr. Mohit Aggarwal 2. Mrs. Shilpa Aggarwal 3. Mr. Ajay Singh Chauhan</p>
Debenture Directors	<p>136. Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.</p>
Nominee Director or Corporation Director	<p>137. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to Industrial Finance Corporation of India (IFCI), ICICI Ltd.(ICICI), The Industrial Development Bank of India (IDBI) or any other financing company or body out of any loans granted or to be granted by them to the Company or so long as IFCI, ICICI, IDBI or any other financing corporation or credit corporation or any other financing company or body (each of which IFCI, ICICI, IDBI or any other financing corporation or credit corporation or any other financing company or body is hereinafter in this Article referred to as</p>

Title of Article	Article Number and contents
	<p>"The Corporation") continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places.</p> <p>The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p> <p>The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall <i>ipso facto</i> vacate such office immediately on the moneys owing by the Company to the Corporation being paid off</p> <p>The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p> <p>The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..</p> <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p>
Limit on number of retaining Directors	<p>138.</p> <p>The provisions of Articles 136, 137 and 138 are subject to the provisions of Section 256 of the Act and number of such Directors appointed under Article 137 shall not exceed in the aggregate one third of the total number of Directors for the time being in office.</p>
Alternate Director	<p>139.</p> <p>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State</p>

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	<p>in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.</p>
Directors may fill in vacancies	<p>140. The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.</p>
Additional Directors	<p>141. The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.</p>
Qualification shares	<p>142. A Director need not required to hold any qualification shares.</p>
Directors' sitting fees	<p>143. The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.</p>
Extra remuneration to Directors for special work	<p>144. Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii) by way of commission if the Company by a Special Resolution authorised such payment.</p>

Title of Article	Article Number and contents
Traveling expenses incurred by Directors on Company's business	<p>145.</p> <p>The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.</p>
Director may act notwithstanding vacancy	<p>146.</p> <p>The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.</p>
Board resolution necessary for certain contracts	<p>147.</p> <p>(1) Subject to the provisions of Section 297 of the Act, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company.</p> <p>(a) For the sale, purchase or supply of goods, materials or services; or</p> <p>b) for underwriting the subscription of any Share in or debentures of the Company;</p> <p>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-</p> <p>(i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business, PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts;</p> <p>(2) Notwithstanding any contained in sub-clause(1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(3) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into.</p> <p>(4) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(5) The Directors, so contracting or being so interested shall not be liable to the</p>

Title of Article	Article Number and contents
	Company for any profit realised by any such contract or the fiduciary relation thereby established.
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholetime Director	<p>148.</p> <p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.</p>
Directors of interest General notice of disclosure	<p>149.</p> <p>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act.</p> <p>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 299(3)(a) shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.</p>
Directors and Managing Director may contract with Company	<p>150.</p> <p>Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 299 of the Act and in this respect all the provisions of Section 300 and 301 of the Act shall be duly observed and complied with.</p>
Disqualification of the Director	<p>151. (1)</p> <p>(a) person shall not be capable of being appointed Director of the Company if:-</p> <p>he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;</p> <p>(b) he is an undischarged insolvent;</p> <p>(c) he has applied to be adjudged an insolvent and his application is pending;</p> <p>(d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence;</p> <p>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or</p> <p>(f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of</p>

Title of Article	Article Number and contents
Vacation of office by Directors	<p>the Court has been obtained for his appointment in pursuance of that Section.</p> <p>151. (2) The office of Director shall become vacant if:-</p> <p>(a) he is found to be of unsound mind by a Court of competent jurisdiction; or</p> <p>(b) he applies to be adjudged an insolvent; or</p> <p>(c) he is adjudged an insolvent; or</p> <p>(d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or</p> <p>(e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or</p> <p>(f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or</p> <p>(g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or</p> <p>(h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 299 of the Act; or</p> <p>(i) he becomes disqualified by an order of the Court under Section 203 of the Act; or</p> <p>(j) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or</p> <p>(k) if by notice in writing to the Company, he resigns his office, or</p> <p>(l) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p>
Vacation of office by Directors (contd.)	<p>151.</p> <p>(3) Notwithstanding anything contained in sub-clauses (c), (d) and (i) of sub clause (2) hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or order;</p> <p>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
Removal of Directors	<p>152.</p> <p>(a) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 190 of the Act, shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the Meeting at which he is</p>

Title of Article	Article Number and contents
	<p>removed.</p> <p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <p>(i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</p> <p>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\ or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved by the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 143 or Section 262 of the Act be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under sub clause (3) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 143 or Section 162 of the Act, and all the provisions of that Article and Section shall apply accordingly</p> <p>(g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(h) Nothing contained in this Article shall be taken:-</p> <p>(i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director, or as derogating from any power to remove a Director which may exist apart from this Article.</p>
<p>Interested Directors not to participate or vote in Board's proceedings</p>	<p>153.</p> <p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:-</p> <p>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which</p>

Title of Article	Article Number and contents
	<p>the interest of the Director consists solely;</p> <p>(i) in his being:</p> <p>(a) a director of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>(ii) in his being a member holding not more than two percent of its paid-up share capital.</p>
<p>Director may be director of companies promoted by the Company</p>	<p>154.</p> <p>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.</p>

ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and contents
<p>Rotation of Directors</p>	<p>155.</p> <p>Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p>
<p>Retirement of Directors</p>	<p>156.</p> <p>Subject to the provisions of Articles 138 and 140, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.</p>
<p>Retiring Directors</p>	<p>157.</p> <p>Subject to the provisions of Section 256 of the Act and Articles 136 to 143, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 169, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.</p>
<p>Ascertainment of Directors retiring by rotation and filling of vacancies</p>	<p>158.</p> <p>Subject to Section 288 (5) of the Act, the Directors retiring by rotation under Article 160 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.</p>
<p>Eligibility for re-election</p>	<p>159.</p> <p>A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.</p>
<p>Company to fill vacancies</p>	<p>160.</p> <p>Subject to Sections 258, 259 and 294 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.</p>
<p>Provision in default of appointment</p>	<p>161.</p> <p>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public</p>

Title of Article	Article Number and contents
	<p>holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:</p> <p>(i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost.</p> <p>(ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed.</p> <p>(iii) he is not qualified or is disqualified for appointment</p> <p>(iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or</p> <p>(v) the provision of the sub-section (2) of section 263 of the Act is applicable to the case.</p>
Company may increase or reduce the number of Directors or remove any Director	<p>162.</p> <p>Subject to the provisions of Section 252,255 and 259 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.</p>
Appointment of Directors to be voted individually	<p>163.</p> <p>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.</p> <p>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.</p> <p>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.</p>
Notice of candidature for office of Directors except in certain cases	<p>164.</p> <p>(1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given atleast fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director.</p> <p>(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place.</p>

Title of Article	Article Number and contents
	<p>(3) Every person (other than Director retiring by rotation or otherwise or person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>(4) A person other than:-</p> <p>(a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 252 of the Act ,appointed as a Director re- appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p>
Disclosure by Directors of their holdings of their Shares and debentures of the Company	<p>165. Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.</p>

MANAGING DIRECTOR

Title of Article	Article Number and contents
Powers to appoint Managing Director	<p>166. Subject to the provisions of Section 267, 268, 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>(a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 1956.</p> <p>(b) Subject to the provisions of Sections 255 of the Act, the Managing Director shall not be while he continues to hold that office, subject to retirement by rotation.</p>
Remuneration of Managing Director	<p>167. Subject to the provisions of Sections 309, 310 and 311 of the Act, a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.</p>
Special position of Managing Director	<p>168. Subject to any contract between him and the Company, a Managing or Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire</p>

Title of Article	Article Number and contents
	but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, <i>ipso facto</i> and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
Powers of Managing Director	169. The Director may from time to time entrust to and confer upon a Managing Director or Wholetime Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.
	170. The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.
	171. Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company.
	172. The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
	173. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	173A The Board may, from time to time, appoint any Manager (under Section 2(24) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Title of Article	Article Number and contents
Meeting of Directors	174. The Directors may meet together as a Board for the dispatch of business from time

Title of Article	Article Number and contents
	to time, and unless the Central Government by virtue of the provisions of Section 285 of the Act allow otherwise, Directors shall so meet at least once in every three months and atleast four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	<p>175.</p> <p>Subject to Section 287 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time.</p> <p>(b)for the purpose of clause(a)</p> <p>"Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and</p> <p>(ii) "Interested Directors" means any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.</p>
Procedure when Meeting adjourned for want of quorum	<p>176.</p> <p>If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.</p>
Chairman of Meeting	<p>177.</p> <p>The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.</p>
Question at Board meeting how decided	<p>178.</p> <p>Subject to the provisions of Section 316, 372(5) and 386 of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.</p>
Powers of Board meeting	<p>179.</p> <p>A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.</p>
Directors may appoint Committee	<p>180.</p> <p>The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it</p>

Title of Article	Article Number and contents
	by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	181. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	182. (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 183 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	183. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

Title of Article	Article Number and contents
General powers of management vested in the Board of Directors	184. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting :-

Title of Article	Article Number and contents
	<p>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</p> <p>(b) remit, or give time for the repayment of, any debt due by a Director,</p> <p>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p> <p>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;</p> <p>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p style="padding-left: 40px;">(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)</p> <p style="padding-left: 40px;">(ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
<p>Certain powers to be exercised by the Board only at Meetings</p>	<p>185.</p> <p>(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>(b) the power to issue Debentures,</p> <p>(c) the power to borrow moneys otherwise than on Debentures,</p> <p>(d) the power to invest the funds of the Company, and</p> <p>(e) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal</p>

Title of Article	Article Number and contents
	<p>officer of the Company, the powers specified in sub-clause (c) (d) and (e) to the extent specified below:</p> <p>(2) Every resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>(3) Every resolution delegating the power referred to in sub-clause (1) (d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>(4) Every resolution delegating the power referred to in sub-clause (1) (e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
<p>Certain powers of the Board</p>	<p>186.</p> <p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <ol style="list-style-type: none"> 1. To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. 2. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act. 3. Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. 4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. 5. To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. 6. To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed. 7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees. 8. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon. 9. To act on behalf of the Company in all matters relating to bankruptcy and

Title of Article	Article Number and contents
	<p>insolvency, winding up and liquidation of companies.</p> <p>10. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>11. Subject to the provisions of Sections 291, 292, 295, 370,372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>12. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p> <p>13. To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>14. To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>15. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>16. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they</p>

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	<p>expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>17. To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general conferred by this sub-clause.</p> <p>18 To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>19. From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>20. Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> <p>21. At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the</p>

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	<p>protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>22. Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>24. To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>25. To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>26. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>27. To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>28. To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>29. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>30. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>31. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>32. To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects</p>

Title of Article	Article Number and contents
	<p>as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>33. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p>

MINUTES

Title of Article	Article Number and contents
Minutes to be made	<p>187.</p> <p>(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or, in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p>
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	<p>188.</p> <p>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.</p> <p>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.</p>
Presumptions	<p>189.</p> <p>Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.</p>

THE SECRETARY

Title of Article	Article Number and contents
Secretary	<p>190.</p> <p>The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the</p>

Title of Article	Article Number and contents
The Seal, its custody and use	<p>Companies (Appointment and Qualification of Company Secretaries) Rules 1988.</p> <p>191. Seal The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.</p> <p>Common Seal for use outside India</p> <p>The Board may for the purpose of use of the Common Seal outside India, cause a facimile of the Common Seal to be made and authorize the use of it in the manner provided under Section 50 of the Companies Act, 1956</p> <p>(c) Safe Custody of Seal The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company.</p> <p>(d) Affixing of Seal on deeds and instruments'</p> <p>On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed.</p> <p>(e) Affixing of Seal on Share Certificates</p> <p>Notwithstanding anything contained in Clause (d) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are Authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Issue of Share Certificates) Rules in force for the time being.</p> <p>(f) Removal of Common Seal outside the office premises</p> <p>The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office inside or outside for affixture and for return to safe custody to the Registered Office.</p>

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	<p>192.</p> <p>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;</p> <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p>
The Company at General Meeting may declare dividend	<p>193. The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than</p>

Title of Article	Article Number and contents
	that recommended by the Board in General Meeting.
Dividends out of profits only	194. No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.
Interim dividend	195. The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.
Debts may be deducted	196. (a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. (b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.
Capital paid-up in advance as interest not to earn dividend	197. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	198. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	199. No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	200. A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	201. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	202. The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	203. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	204. The Directors may, before recommending or declaring any dividend set aside out of

Title of Article	Article Number and contents
	<p>the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.</p>
<p>Dividend to be paid within time required by law.</p>	<p>205. The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-</p> <p>(a) where the dividend could not be paid by reason of the operation on any law; or</p> <p>(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or</p> <p>(c) where there is dispute regarding the right to receive the dividend; or</p> <p>(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or</p> <p>(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.</p>
<p>Unclaimed dividend</p>	<p>206. No unclaimed dividend shall be forfeited by the Board and the Directors shall comply with the provisions of the Act and the Rules thereunder as regards unclaimed dividends.</p>
<p>Set-off of calls against dividends</p>	<p>207. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.</p>
<p>Dividends in cash</p>	<p>208. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.</p>
<p>Capitalisation</p>	<p>209. (1)The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and</p> <p>(b)that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.</p> <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;</p>

Title of Article	Article Number and contents
	<p>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or</p> <p>(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or</p> <p>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)</p> <p>(3) A share premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.</p>
Board to give effect	<p>210. The Board shall give effect to the resolution passed by the Company in pursuance of above Article.</p>
Fractional certificates	<p>211. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall; make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and Generally do all acts and things required to give effect thereto. (2)The Board shall have full power: to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares. (3) Any agreement made under such authority shall be effective and binding on all such Members. (4)That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p>

ACCOUNTS

Title of Article	Article Number and Contents
Books to be kept	<p>212. (1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:</p> <p>all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place all sales and purchases of goods by the Company the assets and liabilities of the Company and if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors</p>

	<p>so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.</p>
Inspection by Members	<p>213.</p> <p>No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorised by the Board.</p>
Statements of accounts to be furnished to General Meeting	<p>214.</p> <p>The Board of Directors shall from time to time in accordance with Sections 210, 211, 212, 216 and 217 of the Act, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.</p>
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 219	<p>215.</p> <p>(1) The Company shall comply with the requirements of Section 219 of the Act.</p> <p>(2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</p> <p>A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</p>
Accounts to be audited	<p>216.</p> <p>Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.</p>
Appointment of Auditors	<p>217.</p> <p>(1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act.</p> <p>(2) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a retiring Auditor.</p> <p>(3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:</p> <ul style="list-style-type: none"> he is not qualified for re-appointment; he has given to the Company notice in writing of his unwillingness to be re-appointed; a resolution has been passed at that Meeting appointing some body instead of him or providing expressly that he shall not be re-appointed; or

	<p>where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons as the case may be, the resolution cannot be proceeded with.</p> <p>(4) Where at any Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.</p> <p>(5) The Company shall within seven days of the central government's power under sub-clause (4) becoming exercisable give notice of that fact to that Government.</p> <p>(6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of art Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>(7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.</p>
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	<p>218.</p> <p>Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.</p>

DOCUMENTS AND NOTICES

Title of Article	Article Number and Contents
To whom documents must be served or given	<p>219.</p> <p>Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the Company under Article 98, a statement of material facts referred to in Article 99 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.</p>
Members bound by documents or notices served on or given to previous holders	<p>220.</p> <p>Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.</p>
Service of documents on the Company	<p>221.</p> <p>A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.</p>

Title of Article	Article Number and Contents
Authentication of documents and proceedings	<p>222. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company.</p>

REGISTERS AND DOCUMENTS

Title of Article	Article Number and Contents
Registers and documents to be maintained by the Company	<p>223. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: Register of investments made by the Company but not held in its own name, as required by Section 49(7) of the Act Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act. Register and index of Members and debenture holders as required by Sections 150, 151 and 152 of the Act. Foreign register, if so thought fit, as required by Section 157 of the Act Register of contracts, with companies and firms in which Directors are interested as required by Section 301 of the Act. Register of Directors and Secretaries etc. as required by Section 303 of the Act. Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act. Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act. Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act. Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act.</p>
Inspection of Registers	<p>224. The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.</p>

WINDING UP

Title of Article	Article Number and Contents
Distribution of assets	<p>225. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them</p>

	<p>respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.</p>
Distribution in specie or kind	<p>226. If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly</p>
Right of shareholders in case of sale	<p>227. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.</p>
Directors and others right to indemnity	<p>228. Subject to the provisions of Section 201 of the Act, every Director of officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.</p>

<p>Director, officer not responsible for acts of others</p>	<p>229. Subject to the provisions of Section 201 of the Act no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.</p>
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SECURITY CLAUSE

Title of Article	Article Number and Contents
<p>Secrecy Clause</p>	<p>230. Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>
<p>No Member to enter the premises of the Company without permission</p>	<p>231. No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.</p>

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been attached to the copy of the Red Herring Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Bid/Issue Opening Date until the Bid/Issue Closing Date.

A. Material Contracts for the Issue

1. Memorandum of Understanding dated February 11, 2013 between our Company and the BRLM.
2. Memorandum of Understanding dated February 28, 2013 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated [●] between our Company, the BRLM, Escrow Collection Bank(s), Refund Bank and the Registrar to the Issue.
4. Syndicate Agreement dated [●] between our Company, the BRLM and the Syndicate Member(s).
5. Underwriting agreement dated [●] between our Company and the BRLM and the Syndicate Member(s).

B. Material Documents

1. Certified copies of the Memorandum and Articles of Association of our Company as amended from time to time.
2. Certificate of Incorporation of our Company.
3. Resolutions of the Board of Directors dated March 14, 2013, in relation to this Issue and other related matters.
4. EGM resolution dated March 20, 2013, in relation to this Issue and other related matters.
5. Consent from the Auditors for inclusion of their reports on the restated accounts in this Draft Red Herring Prospectus.
6. Auditor's report for Restated Financials dated March 18, 2013 included in this Draft Red Herring Prospectus.
7. The Statement of Tax Benefits dated March 18, 2013 from our Statutory Auditors.
8. Consent of our Directors, BRLM, Legal Advisor to the Issue, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer, as referred to in their specific capacities.
9. Due Diligence Certificate dated March 20, 2013 addressed to SEBI from the BRLM.
10. Tripartite Agreement dated [●] between our Company, CDSL and the Registrar to the Issue.

11. Tripartite Agreement dated [●] between our Company, NSDL and the Registrar to the Issue.
12. In-principle listing approvals dated [●], [●] and [●] issued by BSE, NSE and MCX-SX respectively.
13. IPO Grading Report dated [●], by [●].
14. Observation Letter (ref. no. [●]) dated [●] issued by SEBI.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the undersigned, certify that all relevant provisions of the Companies Act, 1956, and the guidelines issued by the GoI or the regulations issued by Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made or regulations issued there under, as the case may be. We hereby certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS, VP FINANCE, CEO AND COMPLIANCE OFFICER OF THE COMPANY:

Mohit Aggarwal
(Chairman & Managing Director)

Shilpa Aggarwal
(Whole-Time Director)

Deepak Agarwal
(Whole-Time Director)

Pradip Shah
(Independent Director)

**BVH Prasad, POA holder for
Ravipati Hanumantha Rao**
(Independent Director)

**BVH Prasad, POA holder for
Veeraswamy Vemuri**
(Independent Director)

BVH Prasad
(Chief Executive Officer)

K.G. Jhavar
(VP Finance)

Khyati Shah
(Company Secretary and Compliance Officer)

Date: March 25, 2013
Place: Bangalore