



GREAT EASTERN ENERGY CORPORATION LIMITED

DRAFT RED HERRING PROSPECTUS

Dated September 15, 2013

Please read Section 60B of the Companies Act, 1956 and Section 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

Book Built Offer

Our Company was incorporated as "Modi Mckenzie Methane Limited" on May 29, 1992, under Companies Act, 1956, as amended ("Companies Act"). We received our certificate of commencement of business on January 8, 1993. We changed our name to "Great Eastern Energy Corporation Limited" on February 2, 1996, and we changed our name to "Great Eastern Energy Corporation Private Limited" on June 16, 1998, pursuant to becoming a private company. Since more than 25% of our paid up capital was held by a public company, the status of our Company was considered as a deemed public company by way of an amendment in the certificate of incorporation granted to our Company on June 16, 1998 and the name of our Company was changed back to "Great Eastern Energy Corporation Limited". For details of changes in the registered office of our Company, see chapter titled "History and Corporate Structure" on page 138.

Registered Office: M10, ADDA Industrial Estate, Bardhaman, Asansol 713 305, West Bengal, India. **Telephone:** +91 341 302 9900; **Facsimile:** +91 341 302 9911
Corporate Office: Signature Towers -A, 14th Floor, South City, NH-8, Gurgaon 122 001, Haryana, India; **Telephone:** +91 124 455 9900; **Facsimile:** +91 124 258 0467
Contact Person: Mr. Diviyai Chadha, Company Secretary and Compliance Officer;
Telephone: +91 124 455 9900; **Facsimile:** +91 124 258 0467; **Email:** investors@geecl.com; **Website:** www.geecl.com

PROMOTERS OF OUR COMPANY: MR. YOGENDRA KUMAR MODI AND YKM HOLDINGS PRIVATE LIMITED

PUBLIC ISSUE OF UP TO 8,200,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF GREAT EASTERN ENERGY CORPORATION LIMITED ("OUR COMPANY") OR "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE, AGGREGATING UP TO ₹ [•] MILLION ("ISSUE"). THE ISSUE COMPRISES A FRESH ISSUE TO THE PUBLIC OF 7,800,000 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 400,000 EQUITY SHARES ("OFFER FOR SALE") BY YKM HOLDINGS INTERNATIONAL LIMITED ("SELLING SHAREHOLDER") AGGREGATING UP TO ₹ [•] MILLION. THE ISSUE CONSTITUTES 26.94 % AND 12.17% OF THE FULLY DILUTED POST-ISSUE PAID UP INDIAN EQUITY SHARE CAPITAL AND FULLY DILUTED POST-ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY RESPECTIVELY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH

THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY THE COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN AN ENGLISH NATIONAL DAILY NEWSPAPER, A HINDI NATIONAL DAILY NEWSPAPER AND A BENGALI DAILY NEWSPAPER, EACH WITH WIDE CIRCULATION AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE

In case of any revision in the Price Band, the Bidding Period shall be extended by at least three additional Working Days after such revision of the Price Band, subject to the 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 Self Certified Syndicate Banks ("SCSBs"), the National Stock Exchange of India Limited (the "NSE") and the BSE Limited (the "BSE"), by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate.

In terms of Rule 19(2) (b) (ii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") and the letter dated January 7, 2013 from Securities and Exchange Board of India ("SEBI"), this is an Issue for at least 25% of the post-Issue Indian Equity Share Capital to the public. The Issue is being made through the Book Building Process in compliance with the provisions of Regulation 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, (the "SEBI Regulations"), wherein at least 75% of the Issue shall be allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs"). Our Company and the Selling Shareholder may, in consultation with the Book Running Lead Manager, allocate up to 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 domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 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 and 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 at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to QIBs in proportion to their Bids, subject to valid Bids being received at or above the Issue Price. If at least 75 % of the Issue cannot be Allotted to QIBs, all the application monies will be refunded forthwith. 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 in accordance with SEBI Regulations to Retail Individual Bidders, subject to valid Bids being received from them at or above the Issue Price. All QIBs (other than Anchor Investors) and Non-Institutional Bidders must compulsorily and Retail Individual Investors may optionally participate in this Issue though the Application Supported by Blocked Amount ("ASBA") process by providing the details of their respective bank accounts in which the corresponding Bid Amounts will be blocked by the SCSBs (Anchor Investors are not permitted to participate in the Issue through ASBA process). Specific attention is invited to the chapter titled "Issue Procedure" on page 302.

IPO GRADING

This Issue has been graded by [•] as [•], indicating [•]. The IPO grading is assigned on a five point scale from 1 to 5 with "IPO Grade 5/5" indicating strong fundamentals and "IPO Grade 1/5" indicating poor fundamentals. For more information on IPO grading, see the chapters titled "General Information", "Other Regulatory and Statutory Disclosures" and "Material Contracts and Documents for Inspection" on pages 56, 279 and 396 respectively.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares, provided, however, the Global Depository Receipts ("GDRs") of our Company are listed on the main market of London Stock Exchange ("LSE"). For further details, please see the chapter titled "Capital Structure – Issuance of GDRs" on page 68. The face value of the Equity Shares is ₹ 10 and the Floor Price is [•] times of the face value and the Cap Price is [•] times of the face value. The Issue Price (as determined and justified by our Company, the Selling Shareholder and the Book Running Lead Manager, as stated in the chapter titled "Basis for the Issue Price" on page 93) and the price of the GDRs should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares 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 entire 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 the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 16.

ISSUER'S AND SELLING SHAREHOLDER'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 this 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 aspects 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 Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect. The Selling Shareholder, having made reasonable enquiries, accepts responsibility for statements in this Draft Red Herring Prospectus in relation to itself in connection with the Offer for Sale and the Equity Shares of our Company offered by it in the Offer for Sale. The Selling Shareholder having made all reasonable enquiries accepts responsibility for and confirms that the information relating to such Selling Shareholder in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect.

LISTING ARRANGEMENT

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

BOOK RUNNING LEAD MANAGER



ICICI SECURITIES LIMITED
ICICI Centre, H. T. Parekh Marg,
Churchgate, Mumbai 400 020, India
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
Email: geecl ipo@icicisecurities.com
Investor Grievance ID: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Mrs. Payal Kulkarni
SEBI Registration No.: INM000011179
Compliance officer: Mr. Subir Saha

REGISTRAR TO THE ISSUE



KARVY COMPUTERSHARE PRIVATE LIMITED
Plot No. 17 to 24, Vithalrao Nagar, Madhapur,
Hyderabad 500 081, India
Toll Free No.: 1-800-3454001
Tel: +91 40 44655000
Fax: +91 40 23431551
Email: geecl-ipo@karvy.com
Investor Grievance ID: einward.ris@karvy.com
Website: www.karvycomputershare.com
Contact Person: Mr. M Murali Krishna
SEBI Registration No.: INR000000221

BID/ISSUE PROGRAMME*

	ISSUE OPENS ON	[•]
FOR ALL BIDDERS		
FOR QIBs**	ISSUE CLOSES ON	[•]
FOR ALL OTHER BIDDERS	ISSUE CLOSES ON	[•]

* Our Company and the Selling Shareholder may in consultation with the BRLM consider participation by Anchor Investors. The Anchor Investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid/ Issue Opening Date.

** Our Company and the Selling Shareholder may in consultation with the BRLM consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/ Issue Closing Date.

† In the event the non – Promoter/Promoter Group GDR holders convert their GDRs into underlying Equity Shares, at any time prior to the filing of the Red Herring Prospectus with the RoC, the Selling Shareholder will offer such number of additional Equity Shares, so as to ensure that atleast 25% of the fully diluted post-Issue paid up Indian Equity Share Capital, is offered to the public.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms have the meanings given below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto from time to time.

General Terms

Term	Description
Our Company/ the Company/ the Issuer/ We/ us/ Our	Unless the context otherwise indicates or implies, Great Eastern Energy Corporation Limited, a public limited company incorporated under the Companies Act and having its registered office at M10, ADDA Industrial Estate, Bardhaman, Asansol 713 305, West Bengal, India.

Company Related Terms

Term	Description
Articles/ Articles of Association	The articles of association of our Company, as amended.
Auditors / Statutory Auditor	The statutory auditors of our Company, being BSR & Co., Chartered Accountants.
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 Signature Towers-A, 14 th Floor, South City, NH-8, Gurgaon 122 001, Haryana, India.
Director(s)	The director(s) of our Company, unless otherwise specified.
ESOP 2008 / ESOP	Employee Stock Option Plan 2008 for the employees of our Company as approved by the shareholders and subsequent amendments thereto.
Equity Shares	Fully paid up equity shares of our Company of face value of ₹ 10 each including those underlying the GDRs, unless otherwise specified in the context thereof.
Equity Share Capital	Aggregate share capital of our Company comprising of Equity Shares including those underlying the GDRs.
GDRs	Global Depository Receipts issued under GDR Issue I and GDR Issue II. As on date there are 73,839,746 GDRs represented by 36,919,873 Equity Shares.
GDR Issue I	Placement of 18,803,504 GDRs by our Company in 2005 representing 94,017,520 equity shares of ₹ 1 each (at the time each GDR representing five equity shares of ₹ 1 each of our Company) on the Alternative Investment Market of the London Stock Exchange, London, at a price of 101.00 pence (₹ 82.49 as per the exchange rate prevailing on December 13, 2005) per GDR. The placement comprised of a fresh issue of 12,000,000 GDRs representing 60,000,000 equity shares of ₹ 1 each and a sponsored issue of 6,803,504 GDRs representing 34,017,520 equity shares of ₹ 1 each by certain existing shareholders of our Company. Currently, each GDR represents 0.5 Equity Shares.
GDR Issue II	Sponsored issue of 57,418,843 GDRs by our Company in 2006 representing 287,094,215 equity shares of ₹ 1 each (at the time each GDR representing five equity shares of ₹ 1 each of our Company) on the Alternative Investment Market of the London Stock Exchange, London, by way of offer for sale by certain existing shareholders of our Company. Currently, each GDR represents 0.5 Equity Shares.
Group Companies	Companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under section 370(1) (B) of the Companies Act and as disclosed in the chapter titled “ <i>Our Group Companies</i> ” on page 165.
Indian Equity Share Capital	Aggregate share capital of our Company comprising of Equity Shares excluding those underlying the GDRs.

Term	Description
Mannargudi Block	The area comprising approximately 691 square kilometers, located in Mannargudi Ignite Field, in the state of Tamil Nadu, identified as block MG-CBM-2008/IV. The effective area in Mannargudi Block for conducting CBM operations comprises approximately 667 square kilometers.
Memorandum/ Memorandum of Association/ MoA	The memorandum of association of our Company, as amended.
Promoters	Our promoters being Mr. Yogendra Kumar Modi and YKM Holdings Private Limited.
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1) (zb) of the SEBI Regulations, as enlisted in the chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page 161 other than Mrs. Anupama Mukarji, Ms. Manju Saraf, Ms. Anju Poddar, Ms. Sharda Poddar, Ms. Krishna Nevatia, Ms. Sushila Poddar and Ms. Usha Rajgharia (the “Relatives”). The Company and the Promoter, Mr. Yogendra Kumar Modi, does not have access to any information in connection with the Relatives. None of the Relatives hold any Equity Shares in the Company nor does the Company or its Promoters have any stake/interest in the businesses run by the Relatives. Accordingly, while we have disclosed the Relatives as natural persons forming part of the Promoter Group in the DRHP, we have not considered the entities associated with the Relatives, as a part of the Promoter Group for the purposes of the DRHP. Further, we have not considered the Relatives for the confirmations made in the DRHP regarding the Promoter Group.
Raniganj (North) Block/ Raniganj (North) block	The block in Raniganj (north), West Bengal, spanning an aggregate area of 350 square kilometers. Our Company has been awarded a 25.0% participating interest in the Raniganj (North) Block through a competitive bidding process.
Raniganj (South) Block/ Raniganj (South) block	The block in Raniganj (south), West Bengal, spanning an aggregate area of 210 square kilometers as described in the PSC and for which our Company has been granted a mining lease by the Government of West Bengal pursuant to its letter dated September 4, 2008 bearing reference number 480-CI/0/Coal/016/02/ML. Pt.
Registered Office	The registered office of our Company, presently located at M10, ADDA Industrial Estate, Bardhaman Asansol 713 305, West Bengal, India.
Resource and Reserve Assessment Reports	Executive Summary of report dated March 15, 2013 by ARI for estimation of Original-Gas-In-Place (OGIP) and resource and reserve assessment in our Company’s Raniganj (South) Block and report dated September 10, 2013 by ARI for estimation of Original-Gas-In-Place (OGIP) for disputed areas in our Company’s Raniganj (South) Block
RoC	The Registrar of Companies, Kolkata.
RoC, Delhi	The Registrar of Companies, National Capital Territory of Delhi and Haryana.

Issue Related Terms

Term	Description
Allot/ Allotment/ Allotted	Allotment/ Transfer of Equity Shares pursuant to this Issue to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Allotment is made.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, with a minimum Bid of ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus to the Anchor Investors on the Anchor Investor Bidding Date, which will be decided by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager prior to the Bid/Issue Opening Date.

Term	Description
Anchor Investor Bidding Date	One Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager.
Anchor Investor Pay-in Date	With respect to Anchor Investors, it shall be the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date.
Anchor Investor Portion	Up to 30% of the QIB Portion, which may be allocated by our Company in consultation with Book Running Lead Manager, to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidder to make a Bid authorising a SCSB, to block the Bid Amount in their specified bank account maintained with the SCSB. Bids by QIBs (except Anchor Investors) and Non-Institutional Bidders should be compulsorily made through ASBA. Anchor Investors are not permitted to participate through the ASBA process.
ASBA Account	Account maintained with a SCSB which will be blocked by such SCSB to the extent of the appropriate Bid Amount specified by an ASBA Bidder in the Bid-cum-Application Form submitted by the ASBA bidder.
ASBA Bidder(s)	Any Bidder, other than an Anchor Investor, who Bids in the Issue through the ASBA process.
Banker(s) to the Issue/ Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994, with whom the Escrow Account(s) will be opened and in this case being [●], [●] and [●].
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in “ <i>Issue Procedure – Basis of Allotment</i> ” on page 341.
Bid(s)	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than Anchor Investors), or during the Anchor Investor Bidding Date by the Anchor Investors, to subscribe to/ purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI Regulations.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder/ blocked in the ASBA Account on submission of a Bid in the Issue.
Bid cum Application Form	The form used by a Bidder, which is serially numbered comprising an eight digit application number, including ASBA Bidders, to make a Bid and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus.
Bid/Issue 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 and a Bengali newspaper, each with wide circulation and in case of any revision, the extended Bid/Issue 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/Issue Closing Date in accordance with the SEBI Regulations by our Company and the Selling Shareholder in consultation with the BRLM, which shall also be notified in an advertisement in same news papers in which the Bid/ Issue Opening Date was published.

Term	Description
Bid/Issue 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, a Hindi national daily newspaper and a Bengali newspaper, each with wide circulation.
Bid Price	The prices indicated against each optional Bid in the Bid cum Application Form.
Bid/Issue Period	The period between the Bid/ Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders (except Anchor Investors) and the ASBA Bidders can submit their Bids, including any revisions thereof. Our Company may consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/Issue Closing Date, which shall be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published and in such a case the Bid/Issue Period for the QIBs shall be determined accordingly.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid-cum-Application Form, including an Anchor Investor unless stated or implied otherwise.
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 under Schedule XI of the SEBI Regulations, in terms of which this Issue is being made.
Book Running Lead Manager or BRLM or Manager	Book running lead manager to this Issue, being ICICI Securities Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the successful Anchor Investors who have been allocated Equity Shares after discovery of the Anchor Investor Issue Price, including any revisions thereof.
Cap Price	The higher end of the Price Band 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 coordinate Bids under this Issue by the ASBA Bidders with the Book Running Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in or at such other websites as may be prescribed by SEBI from time to time.
Cut-Off Price	The Issue Price, as finalised by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price, for a Bid Amount not exceeding ₹ 200,000. No other category of Bidders are entitled to Bid at the Cut-off Price.
Demographic Details	The address, Bidders bank account details, MICR code and occupation of a Bidder.
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 Bid-cum-Application Forms used by ASBA Bidders, a list of which is available on http://www.sebi.gov.in or at such other websites as may be prescribed by SEBI from time to time
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the Refund Account, as appropriate, or the amount blocked by the SCSB is transferred from the bank account of the ASBA Bidder to the Public Issue Account, 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 and the Selling Shareholder shall transfer the Equity Shares in the Offer for Sale.
Designated Stock Exchange	[●].
Draft Red Herring Prospectus or	This draft red herring prospectus dated September 15, 2013 issued in

Term	Description
DRHP	accordance with the Companies Act, the 2013 Act and the SEBI Regulations, filed with SEBI and which does not contain complete particulars of the price at which the Equity Shares would be issued and the size of the Issue.
Eligible NRI	NRI's from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to or acquire the Equity Shares offered herein and who apply in the Issue on a non-repatriation basis in accordance with Schedule 4 of the FEMA Regulations.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (except ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement to be entered into by our Company, the Selling Shareholder, the Registrar to the Issue, Book Running Lead Manager, the Syndicate Members and the Escrow Collection Bank(s), Public Issue Bank and the Refund Bank for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders on the terms and conditions thereof.
First /Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form, as applicable.
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted, including any revisions thereof.
Fresh Issue	The issue of 7,800,000 Equity Shares aggregating up to ₹ [●] million by our Company offered for subscription pursuant to the terms of the Red Herring Prospectus.
IPO Grading Agency	[●].
Issue	The public issue of up to 8,200,000 Equity Shares for cash at a price of ₹ [●] per Equity Share for an amount aggregating up to ₹ [●] million, consisting of the Fresh Issue and the Offer for Sale.
Issue Agreement	The agreement dated September 14, 2013 entered into among our Company, the Selling Shareholder and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price, as determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager on the Pricing Date, at which the Equity Shares will be issued and allotted/ transferred in terms of the Red Herring Prospectus. Unless otherwise stated or the context otherwise implies, the term Issue Price refers to the Issue Price applicable to investors other than Anchor Investors.
Issue Proceeds	The proceeds of the Issue that would be available to our Company and the Selling Shareholder pursuant to the final listing and trading approvals are received.
Listing Agreement	The listing agreement to be entered into by our Company with the Stock Exchanges.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	Up to 215,250 Equity Shares or 5% of the Net QIB Portion, available for allocation to Mutual Funds out of the Net QIB Portion.
Net Proceeds	Proceeds of the Fresh Issue after deducting our Company's share of the Issue related expenses. For further information about use of the Issue

Term	Description
	Proceeds and the Issue expenses, see the chapter titled “ <i>Objects of the Issue</i> ” on page 86.
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
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/ 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. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
Non Syndicate Registered Broker Mechanism	Investors applying through Non Syndicate Registered Broker at a Non Syndicate Registered Broker Centre pursuant to SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012.
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (including sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals and Eligible QFIs but not including NRIs, other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not more than 15% of the Issue consisting of 1,230,000 Equity Shares, available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.
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.
Offer for Sale	The offer for sale of up to 400,000 Equity Shares and additional Equity Shares (if any) [#] by the Selling Shareholder aggregating up to ₹ [●] million, pursuant to the terms of the Red Herring Prospectus. [#] Additional Equity Shares will be offered by the Selling Shareholder, in the event the non – Promoter/Promoter Group GDR holders, convert their GDRs into underlying Equity Shares, at any time prior to the filing of the Red Herring Prospectus with the RoC, so as to ensure that at least 25%, of the fully diluted post-Issue paid up Indian Equity Share Capital, is offered to the public.
Price Band	Price band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band and the minimum bid lot size for the Issue will be decided by our Company and Selling Shareholder in consultation with the BRLM and advertised at least five Working Days prior to the Bid/Issue Opening Date, in an English national daily newspaper, a Hindi national daily newspaper and a Bengali daily newspaper, each with wide circulation.
Pricing Date	The date on which the Issue Price is finalised by our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager.
Prospectus	The prospectus to be filed with the RoC in accordance with section 60 of the Companies Act and section 32 of 2013 Act, containing, inter alia, the Issue Price that is determined at the end of the Book Building process, the size of the Issue and certain other information.
Public Issue Account(s)	The bank accounts opened with the Public Issue Bank by our Company and the Selling Shareholder under section 73 of the Companies Act and section 40 of the 2013 Act to receive money from the Escrow Accounts on the Designated Date and where the funds shall be transferred by the SCSBs from the ASBA Accounts.

Term	Description
Public Issue Bank	The banks which are clearing members and registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 with whom the Public Issue Account(s) will be opened and in this case being [●].
Qualified Foreign Investors or QFIs	<p>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.</p> <p>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.</p>
QIBs/ Qualified Institutional Buyers	Qualified Institutional Buyers as defined under regulation 2 (1) (zd) of the SEBI Regulations.
QIB Bid/Issue 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 a Hindi national daily newspaper, each with wide circulation and in case of any revision, the extended Bid/Issue 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/Issue Closing Date.
QIB Portion	The portion of the Issue being at least 75% of the Issue, that is, at least 6,150,000 Equity Shares which shall be available for allocation to QIBs on a proportionate basis, subject to valid Bids being received at or above the Issue Price, including the Anchor Investor Portion. Allocation to Anchor Investor, if any, will be made by our Company and the Selling Shareholder in consultation with the BRLM, on a discretionary basis.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 60B of the Companies Act, section 32 of the 2013 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. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Issue Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date.
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.
Refund Banker(s)	The Banker(s) to the Issue, with whom the Refund Account(s) will be opened, in this case being [●].
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through NECS, Direct Credit, NEFT, RTGS or the ASBA process, as applicable.
Registrar/ Registrar to the Issue	Karvy Computershare Private 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 Issue being not more than 10% of the Issue, consisting of 820,000 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).
SEBI Letter	Letter dated January 7, 2013, by which SEBI has granted our Company the

Term	Description
	approval “to get listed on the Indian stock exchanges by offering” its Equity Shares by way of an initial public offering in which “not less than 25% of the total domestic shareholding” calculated in the manner prescribed in the SEBI Letter shall be offered to the public. Provided, however, after listing of the Equity Shares, in the event of “any conversion of GDRs held by the Promoters of our Company into Equity Shares, these will necessarily be sold on the Stock Exchanges.”
Self Certified Syndicate Banks or SCSBs	Self-Certified Syndicate Bank is a Banker to an Issue registered with SEBI which offers the facility of making an Applications Supported by Blocked Amount and recognized as such by SEBI, a list of which is available on www.sebi.gov.in .
Selling Shareholder	YKM Holdings International Limited
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 and the NSE.
Sub Syndicate Member	A SEBI Registered member of BSE and / or NSE appointed by the BRLM and / or Syndicate Member to act as a Sub Syndicate Member in the Issue.
Syndicate	The Book Running Lead Manager and the Syndicate Members.
Syndicate Agreement	The agreement to be entered by our Company, the Selling Shareholder 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 members of the Syndicate.
Underwriting Agreement	The agreement to be entered into between the Underwriters, our Company, the Selling Shareholder and the 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.

Technical/ Industry Related Terms / Abbreviations

Term	Description
ARI	Advanced Resources International, Inc.
APM	Administered Pricing Mechanism.
Bbls	Barrels.
Bcf	Billion cubic feet.
BCM	Billion cubic meter.
CBM	Coal bed methane.
Cf	Cubic feet.
Cm	Cubic meter.
CNG	Compressed natural gas.
DGH	Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas, GoI.
EIA	Environmental Impact Assessment.
GIP	Gas in place.
GW	Gigawatts.
HDPE	High density polyethylene.
LPG	Liquefied petroleum gas.
MCF	Thousand cubic feet.

Term	Description
Mcm	Thousand cubic meter.
mD	Millidarcy.
MDPE	Medium density polyethylene
Mm	Millimeter.
Mmcf	Million cubic feet.
Mmbtu	Million British thermal unit.
Mmscmd	Million standard cubic meter per day.
MOPNG	Ministry of Petroleum and Natural Gas.
MW	Megawatts
NELP	New Exploration Licensing Policy
LNG	Liquefied natural gas.
PEL	Petroleum exploration license.
PLP	Production level payment.
PML	Petroleum mining lease.
PNG	Piped natural gas.
PSC	Production sharing contract.
Scf	Standard cubic feet.
Scmd	Standard cubic meters per day.
Sq km	Square kilometer.
Tcf	Trillion cubic feet.
OGIP	Original Gas In Place

Conventional and Abbreviations

Abbreviation	Full Form
₹/Rs./Rupees / INR	Indian Rupees.
AGM	Annual General Meeting.
AIFs	Alternative Investment Funds.
AIM	Alternative Investment Market of the London Stock Exchange
Act / Companies Act	Companies Act, 1956, as amended.
Air Act	Air (Prevention and Control of Pollution) Act, 1981, as amended.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
AY	Assessment Year.
BG	Bank Guarantee
BIS	Bureau of Indian Standards.
BR	Base Rate
BSE	BSE Ltd.
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CFO	Chief Financial Officer.
CIN	Corporate Identity Number.
Companies Act 2013/2013 Act	Companies Act 2013
Competition Act	Competition Act, 2002, as amended
Consolidated FDI Policy	Circular D/o IPP F. No. 5(1)/2013-FC.I dated April 5, 2013, effective from April 5, 2013, as issued by the DIPP.
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.
EBIDTA	Earnings Before Interest Depreciation Taxes and Amortization.
ECS	Electronic Clearing System.
EGM	Extraordinary General Meeting.
EPS	Earnings Per Share.
FCNR Account	Foreign Currency Non-Resident Account.

Abbreviation	Full Form
FDI	Foreign Direct Investment, as laid down in the Consolidated FDI Policy effective from April 5, 2013.
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.
FICCI	Federation of Indian Chambers of Commerce and Industry.
FII	Foreign Institutional Investors, as defined under the FII Regulations and registered with SEBI under applicable laws in India.
FII Regulations/SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIPB	Foreign Investment Promotion Board of the Government of India.
Fiscal/ Financial Year/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
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.
GDP	Gross Domestic Product.
GoI/Government of India/ Central Government	The Government of India.
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended
HNI	High Networth Individual
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants in India.
IFRS	International Financial Reporting Standards.
Income Tax Act	Income Tax Act, 1961, as amended.
Income Tax Rules	The Income Tax Rules, 1962, as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
IPC	Indian Penal Code, 1860, as amended.
IPO	Initial Public Offer.
IRDA	Insurance Regulatory and Development Authority.
IT Act	Information Technology Act, 2000, as amended.
IT Department	Income Tax Department, GoI.
Key Management Personnel / KMP	The key management personnel as listed in the chapter titled “ <i>Our Management</i> ” on page 147.
LEO	Labour Enforcement Officer.
LSE	London Stock Exchange
Ltd.	Limited.
MCA	Ministry of Corporate Affairs, Government of India
MoPNG	Ministry of Petroleum and Natural Gas, Government of India
Mn	Million
N.A.	Not Applicable.
NAV	Net Asset Value.
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
Net Worth	Net worth represents sum of paid up equity share capital and reserves and surplus (securities premium, foreign currency translation reserve, general reserve, debenture redemption reserve and statement of profit and loss)
NOC	No Objection Certificate
No.	Number.
NR(s) or Non Resident(s)	A person resident outside India, as defined under FEMA, including an Eligible NRI and an FII.

Abbreviation	Full Form
NRE Account	Non-Resident External Account
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.
OCB(s)	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA. OCB(s) are not allowed to invest in the Issue.
p.a.	Per annum.
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number allotted under the Income Tax Act.
PBDIT	Profit before depreciation and amortization expense, finance cost, taxation and fixed assets written off.
PBT	Profit Before Tax.
PLR	Prime Lending Rate.
Pvt.	Private.
R&D	Research and Development.
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time.
Re.	One Indian Rupee.
RONW	Return on Networth
RTGS	Real Time Gross Settlement
S/o	Son of.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended.
SEBI	The Securities and Exchange Board of India established under the SEBI Act.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended.
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Guidelines	The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
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 Deduction at Source.
TIN	Taxpayers Identification Number.
TRS	Transaction Registration Slip.
ULCRA	Urban Land (Ceiling and Regulation) Act, 1976, as amended.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
U.S./ US/ U.S.A/United States	The United States of America, together with its territories and possessions.

Abbreviation	Full Form
UIN	Unique Identification Number issued in terms of SEBI (Central Database of Market Participants) Regulations, 2003, as amended from time to time.
UoI	Union of India.
VCFs	Venture Capital Funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Water Act	Water (Prevention and Control of Pollution) Act, 1974, as amended.
WBLRA	The West Bengal Land Reforms Act, 1955, as amended.

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 2013 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 the section titled “*Main Provisions of the Articles of Association*” chapters titled “*Statement of Tax Benefits*”, “*Outstanding Litigations and Material Developments*” and “*Financial Statements*” on pages 351, 95, 240 and 171, respectively, have the meanings given to such terms in these respective sections and chapters.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” in this Draft Red Herring Prospectus are to the Republic of India, together with its territories and possessions and all references to the “US”, the “USA”, the “United States” or the “U.S.” are to the United States of America, together with its territories and possessions.

Financial Data

Unless stated otherwise, the financial data and other financial information in this Draft Red Herring Prospectus is derived from the restated financial information of our Company for the Fiscals 2009, 2010, 2011, 2012 and 2013, prepared in accordance with the Indian GAAP, the Companies Act and restated in accordance with the SEBI Regulations.

The fiscal year of our 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 IFRS. 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. Our 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.

We do not provide a reconciliation of our financial information to IFRS and we have not otherwise quantified or identified the impact of the differences between IFRS and Indian GAAP. As there are significant differences between IFRS and Indian GAAP 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 the 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 our Company, see the chapter titled “*Financial Statements*” beginning on page 171.

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 and all references to GBP or “£” are to Pound Sterling, the official currency of the United Kingdom.

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. While rounding off, 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.

Exchange Rates

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 'period average' in the table below is the average of the daily rate for each day in the period.

Period	Period End Rate (in ₹)	Period Average Rate (in ₹)
FY 2013	54.39	54.45
FY 2012	51.16	47.95
FY 2011	44.65	45.27

(Source: RBI Reference Rate)

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

Period	Period End Rate (in ₹)	Period Average Rate (in ₹)
FY 2013	82.32	86.03
FY 2012	81.80	76.40
FY 2011	71.93	70.88

(Source: RBI Reference Rate)

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 our 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.

FORWARD-LOOKING STATEMENTS

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

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute “forward-looking statements.” All statements regarding our expected financial condition and results of operations, business, plans, objectives, strategies, goals and prospects are forward-looking statements.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the oil and gas industry in India in which our Company operates and our ability to respond to them.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- our ability to compete with and adapt to technological advances;
- changes in domestic laws, policy, 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 the section titled “*Risk Factors*” and chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company*” on pages 16, 118 and 220, respectively.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause our actual results to differ materially from those contemplated by the relevant forward looking statement.

By their nature, certain 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. Our Company, the Directors, the Syndicate and their respective affiliates or associates do not have any obligation to, and do not intend 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 the SEBI Regulations, our Company, the Selling Shareholder and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permissions by the Stock Exchanges for the Equity Shares allotted pursuant to the Issue. The Selling Shareholder will ensure that investors are informed of material developments in relation to statements and undertakings made by the Selling Shareholder in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II – RISK FACTORS

An investment in the Equity Shares involves a degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. If any one or some combination of the following risks were to occur, our business, results of operations, financial condition and prospects could suffer, and the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below.

We have described the risks and uncertainties that our management believe are material but the risks set out in this Draft Red Herring Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and the risks involved.

Internal Risk Factors

1. Our Company, Promoters, Directors and certain employees are involved in criminal proceedings and proceedings initiated by SEBI.

There are outstanding legal proceedings involving our Company, our Promoters, one of our Directors and Group Companies which may adversely affect our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals.

A classification of the outstanding/material legal proceedings instituted against and by our Company, our Promoters, one of our Directors and certain Group Companies, the monetary amount involved, wherever quantifiable, in these cases is mentioned in brief below.

Litigation against our Company

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Criminal	3	73.30
2.	Civil	29	55.97
3.	Tax	17	49.08
Total		49	178.35

Litigation by our Company

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Criminal	49	4.24
2.	Civil	15	6,645.06
3.	Criminal Complaints	140	Not ascertainable
Total		204	6,649.30

Notices against our Company

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Show cause notices	4	Not ascertainable
2.	Legal notices	36	7.04
Total		40	7.04

Notices by our Company

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
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Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Legal notices	9	Not ascertainable
Total		9	Not ascertainable

Promoters

Litigation against Mr. Yogendra Kumar Modi

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Criminal	2	73.30
2.	Civil	5	56.99
3.	Tax	10	31.97
4.	SEBI proceeding	1	0.02
Total		18	162.28

Litigation by Mr. Yogendra Kumar Modi

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Civil	1	34.32
Total		1	34.32

Litigation against YKM Holdings Private Limited

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Tax	4	2.00
2.	Civil	1	Not ascertainable
Total		5	2.00

Litigation by YKM Holdings Private Limited

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Civil	3	Not ascertainable
Total		3	Not ascertainable

Directors

Litigation against Mr. Pejavar Murari

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	Criminal	1	Not ascertainable
Total		1	Not ascertainable

Litigation against Mr. Gurvirendra Singh Talwar

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
1.	SEBI Notice	2	Not ascertainable
Total		2	Not ascertainable

Litigation against our Group Companies

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
Modi Telecommunications Limited			
1.	Civil	3	15.36
2.	Tax	2	30.85
Total		5	46.21

Litigation by Group Companies

Sr. No.	Nature of the litigation	Number of outstanding litigations	Aggregate amount ascertainable (₹) in million ⁽¹⁾
Modi Telecommunications Limited			
1.	Civil	1	14.16
Great Eastern Energy City Gas Private Limited			
1.	Civil	1	Not ascertainable
Total		2	14.16

Note:

(1) All amounts are approximate.

We cannot provide any assurance that these matters will be decided in favour of the above mentioned entities or persons. Further, there is no assurance that similar proceedings will not be initiated against the above mentioned entities or persons in the future. For further details of the cases mentioned above, please see “Outstanding Litigation and Material Developments” on page 240.

- While we have been granted a petroleum mining lease for CBM mining and extraction in the Raniganj (South) block by the government of West Bengal, the formal mining lease required to be executed in terms of the grant has not yet been executed. If we are compelled to execute the mining lease in a form that is unacceptable to us, our ability to extract CBM may be adversely affected, which could in turn result in an adverse effect on our business, prospects and results of operations.***

The government of West Bengal granted our Company a petroleum mining lease for a period of 20 years for the exploration and production of CBM in the Raniganj (South) block by its letter dated September 4, 2009 (the “Grant Letter”), on condition that we execute a formal lease deed with the government of West Bengal, formally setting out the terms and conditions of the lease concession.

In September 2011, the government of West Bengal provided a draft mining lease (the “Draft Lease”) for execution. We did not agree to the form of the Draft Lease as we were believed that a clause in the Draft Lease conflicted with the provisions of the production sharing contract entered into with the Ministry of Petroleum and Natural Gas (the “MoPNG”). This clause provided for simultaneous coal mining activities along with prospecting operations for CBM in the Raniganj (South) block. We have written to the government of West Bengal that the MoPNG recommended that the mining lease we enter into cover the entire 210.0 square kilometers and that ongoing CBM production does not get affected. If we agreed to this clause in the form suggested by the government of West Bengal, we may be compelled to allow other parties to carry out coal mining operations in the Raniganj (South) block simultaneously with our CBM operations. Simultaneous coal mining operations, if allowed, in the Raniganj (South) block may adversely affect our CBM operations in all or part of the Raniganj (South) block. This may result in an adverse effect on our business, prospects and results of operations.

- We have entered into agreements to acquire land beyond the ceiling limit prescribed under local land laws in West Bengal in the Raniganj (South) block. If we are not granted an exemption under such local laws to hold such land beyond the ceiling limits, our ability to carry out CBM extraction operations in all or part of the Raniganj (South) block may be severely impaired. This could in turn result in an adverse effect on our business, prospects and results of operations.***

Under the PSC, we have been granted rights for exploration, development and production of CBM in an area of 210.0 square kilometers in the Raniganj (South) block by the MoPNG. In order to commercially produce CBM

pursuant to such rights, we entered into agreements with private land owners for the acquisition of land beyond the ceiling limit of land within such 210.0 square kilometers. Under local land laws in West Bengal, no private landowner is allowed to hold land in excess of the ceiling limit of 24 acres unless such landowner falls under the various exemptions under such local laws. While our Company has applied for an exemption that is generally available to operators in the petroleum sector and the grant of such exemption has been recommended by the Department of Commerce and Industries, government of West Bengal by its letter dated July 13, 2013, we have not yet received such exemption. If we are not granted an exemption for acquiring land beyond the limit of 24 acres, it would severely impair our ability to extract CBM in all or part of the block, which in turn could result in an adverse effect on our business, prospects and results of operations.

- 4. *The Petroleum and Natural Gas Regulatory Board (the “PNGRB”) has passed an order requiring us to obtain “authorization” under the Petroleum and Natural Gas Regulatory Board Act, 2006 (the “PNGRB Act”) as a “common carrier” which we challenged in the High Court of Delhi. If we are held to be a “common carrier”, we shall have to share our pipeline infrastructure with other CBM operators. Further, we may also be subjected to significant penalties under applicable oil and gas laws in India for our default in obtaining authorization in time.***

By an order dated March 18, 2011 (the “Order”), the PNGRB held that we were a “common carrier” and required that we obtain authorization under the PNGRB Act for our pipeline. According to the Order, due to our failure in obtaining such authorization in time, the PNGRB declared our pipeline to be a “common carrier” and illegal and imposed a penalty of ₹ 2.5 million along with an additional penalty of ₹ 0.1 million per day for every day of continuing default under the Order. We filed a writ petition against the PNGRB and the MoPNG before the High Court of Delhi against the Order. On March 25, 2011, the High Court of Delhi granted us a stay on the penalty imposed by the PNGRB subject to us depositing an amount of ₹ 5 million within a period of two weeks from the date of the Order. We have since deposited the ₹ 5 million as directed by the High Court of Delhi. Under the directions of the High Court of Delhi, we were also required to obtain a provisional authorization pending the determination of our writ. We have since applied for provisional authorization as per the directions of the High Court of Delhi. If the High Court of Delhi, in its determination of the writ, holds us to be a common carrier under applicable oil and gas laws, we may be required to share our pipeline infrastructure with other CBM operators in the region and, as a result, this may decrease the amounts of CBM that we would otherwise be able to supply to our customers through our pipeline network. Further, the High Court of Delhi may uphold the penalty imposed by the PNGRB under the Order or enhance the penal amount under applicable oil and gas laws. In the event that we are compelled to share our pipeline infrastructure and/or are subjected to penalties under applicable oil and gas laws, our business, prospects and results of operations may be adversely affected. For more details of the Order and our writ petition, please see “Outstanding Litigation and Material Developments” on page 240.

- 5. *Petroleum and natural gas interests of Oil and Natural Gas Corporation Limited (“ONGC”) conflict with our rights with respect to the Mannargudi block that was allocated to us, which may negatively affect our business and prospects.***

The MoPNG has, in the past, granted exploration or mining rights over the same parcel of land to more than one party. As a result, rights of more than one party on the same parcel of land could result in conflicts due to competing interests. For example, we successfully bid for and were allocated the Mannargudi block in the state of Tamil Nadu over an area covering 667.0 square kilometers. We entered into a contract for the exploration and production with the Government of India on July 29, 2010 (the “Mannargudi CBM Contract”) and received the petroleum exploration licenses from the government of Tamil Nadu on September 13, 2011 (for that portion of the block located in Thanjavur district) and on November 4, 2011 (for that portion of the block located in Thiruvarur district). The Mannargudi CBM Contract gives us the exclusive right to undertake CBM activities within the 667.0 square kilometers and no activity should obstruct our activities in any manner. Under the terms of the Mannargudi CBM Contract, we commenced an examination of the land within the block for optimum exploration and production activity. Pursuant to such examination we discovered parcels of land occupied by ONGC where they had commenced certain exploration and production activity for conventional oil and gas within the block. ONGC has claimed that they have entered into a petroleum mining lease with the government of India for 15.5 square kilometers and a petroleum exploration license with the government of India for 280.5 square kilometers of the area within the Mannargudi block. ONGC has stated that if we are to commence any exploration and production activity within the block, such exploration and production should be conducted on such part of the block that does not form a part of the land over which they have a claim. In addition, ONGC has stated that until the policy on “simultaneous development of hydrocarbon resources” comes into effect, ONGC will continue operations in the area. We have written to the Directorate General of Hydrocarbons (the “DGH”)

on August 1, 2012 and September 21, 2012 in order to seek a resolution to the conflict of interest between ONGC and us and have written to ONGC on August 5, 2012 asking them to vacate the area. Additionally, we have again written another letter to the DGH on March 14, 2013 requesting them to take immediate steps towards providing us with full and unrestricted access and rights on the entire 667.0 square kilometers. We have also written to the MoPNG, seeking a resolution of this matter. We are awaiting a response from the authorities with respect to this matter. In the event we are unable to obtain our exclusive rights under the Mannargudi CBM Contract, we believe it may not be commercially viable to take any further steps for exploration and production of CBM in the block.

6. *Original gas-in-place and resources data are only estimates and are inherently uncertain, and the actual amounts may differ from these estimates.*

The original gas-in-place, the reserve data and the resources data set forth in this Draft Red Herring Prospectus are estimates based primarily on the resource and reserve assessment report dated March 15, 2013 undertaken by Advanced Resources International, Inc. (“ARI”), independent petroleum consultants (the “Resource and Reserve Assessment”). We engaged ARI to prepare estimates, as of February 28, 2013, of the reserves, contingent resources, prospective resources and original gas-in-place contained in the Raniganj (South) block. Estimating gas reserves and resources involves the interpretation of volumes and values that have an inherent degree of uncertainty and is a subjective process of estimating underground accumulations of coal bed methane (“CBM”) that cannot be measured in an exact manner. Estimates of the value and quantity of economically recoverable CBM reserves and rates of production depend upon several variables and assumptions, including the following:

- historical production from the area compared with production from other comparable producing areas;
- interpretation of geological, geophysical and core hole data;
- assumptions concerning the future performance of wells and surface facilities;
- assumptions concerning development planning;
- assumed effects of regulations adopted by governmental agencies;
- assumptions concerning development planning;
- assumptions concerning future CBM prices;
- assumptions on capital expenditures; and
- assumptions concerning future operating costs, tax on the extraction of commercial minerals, development costs and workover and remedial costs.

Because all reserves and resources estimates are subjective and judgmental, each of the following items may individually or collectively differ from those assumed in estimating reserves and resources as set forth in the Resource and Reserve Assessment:

- the quantity and quality of CBM ultimately recovered;
- the production and operating costs incurred;
- the amount and timing of additional exploration and future development expenditures; and
- future CBM sales prices.

The assumptions used in estimating reserves and resources are beyond our control and may prove to be incorrect over time. The accuracy of any reserves or resources evaluation depends on the quality of available information and engineering and geological interpretation. Exploration, drilling, interpretation, testing and production after the date of the estimates may require substantial upward or downward revisions in our reserves or resources data. Moreover, different reservoir engineers may make different estimates of reserves and resources based on

the same available data. Changes in the price of CBM may also adversely affect the estimates of our reserves because the reserves are evaluated based on prices and costs as of the appraisal date. Actual production, revenues and expenditures with respect to reserves and resources will vary from estimates, and the variances may be significant. If actual production is lower than expected and, as a result, our revenues are impacted, and our expenditures are higher than anticipated, our financial conditions and results of operations may be adversely affected.

Between March 1, 2013 and July 31, 2013, we have drilled an additional 13 wells in the Raniganj (South) block. The data available from these additional wells have not been considered in the Resource and Reserve Assessment. For CBM projects, meaningful reserves can only be attributed to the level of production of gas from wells after drilling and dewatering. As additional wells are drilled and dewatered in the Raniganj (South) block, production data can be used in future reserve or resource audits to reduce uncertainty and lead to the reclassification of resources to reserves.

The Resource and Reserve Assessment estimates the reserves in 210.0 square kilometers of the Raniganj (South) block. There is pending litigation in relation to our exclusive mining rights within the area that was granted to us amounting to 32.67 square kilometers. See “—We may not be able to identify or correct any defects or irregularities in title and exploration and mining rights in relation to the lands upon which we have developed or intend to develop our wells” on page 22 for further details. In the event we are unable to successfully defend our rights in relation to the 32.67 square kilometers, the original gas-in-place, the reserve data and the resources data set forth in this Draft Red Herring Prospectus will need to be revised to reflect the reduced acreage we are permitted to exploit. ARI, in its report dated September 10, 2013 estimated the total OGIP in the 32.67 square kilometers to be 0.37 TCF.

Under the standards adhered to in the Resource and Reserve Assessment, prospective resources are those deposits that are estimated, on a given date, to be potentially recoverable from undiscovered accumulations. By contrast, contingent resources are those deposits that are estimated, on a given date, to be potentially recoverable from known accumulations, but that are not currently considered commercially recoverable. We have substantial prospective and contingent resources. If estimates of our reserves and resources prove to be incorrect, our business and results of operations may be adversely affected.

The reserve and resource information included in this Draft Red Herring Prospectus is not intended to comply with the reporting requirements of the Securities and Exchange Commission or any other regulatory authority. Consequently, the reserve and resource estimates contained in the Draft Red Herring Prospectus are not comparable to those contained in registration statements typically filed with the Securities and Exchange Commission. There are currently no clear regulations governing public disclosure of reserves and resources by oil and gas companies operating in India or their use in securities offering documents, accordingly, undue reliance should not be placed on our estimates of reserves and resources by investors. Our ability to make disclosure of our reserves and resources estimates would be subject to any changes in law, regulation or guidelines that may occur and we may be restricted or prevented from making such disclosure in the future as a result of any such changes.

7. *If we fail to discover, otherwise acquire or develop additional reserves, the reserves within fields that are producing and under development, and production from these fields, will decline from their current levels.*

All of our producing reserves are in the Raniganj (South) block. Future production of CBM is dependent on our finding, or acquiring, and developing further reserves. We also currently hold petroleum exploration licenses for the Mannargudi block in Tamil Nadu as well as have recently been awarded a 25.0% participating interest in the Raniganj (North) Block with ONGC, for which we have not yet commissioned resource and reserve assessment reports and which are not yet producing assets.

If we fail to successfully exploit our existing reserves and conduct successful exploration and development activities in these blocks or to acquire additional assets with proved reserves, our total production volumes will decline as we extract CBM and deplete existing reserves. Without the addition of new CBM reserves, our production will decline over time as existing CBM reserves are exploited. Additionally, if we encounter geophysical or geological conditions different from that predicted by past exploration activities, sampling and similar examination, our reserve estimates may have to be adjusted. Our future production depends on our success in finding or acquiring and developing additional reserves. If we are unsuccessful, we may not meet our production targets, and the total proved reserves in the fields in which we have an interest, and production from

these fields, would eventually decline, which may adversely affect our results of operations and financial condition.

8. *Drilling for and producing CBM are costly and high-risk activities with many uncertainties that could adversely affect our financial condition or results of operations.*

The cost of drilling, completing and operating a well is often uncertain, and cost factors can adversely affect the economics of a well. Our drilling and producing operations may be curtailed, delayed or canceled as a result of various factors, including:

- rising costs, shortages or delivery delays of drilling rigs, equipment, labor or other services;
- reductions in CBM prices;
- limitations in the market for CBM;
- adverse weather conditions;
- facility or equipment malfunctions or accidents;
- difficulty in disposing of water produced as part of the CBM production process;
- delays in dewatering of wells;
- title defects on the land required to set up well sites;
- pipe or cement failures or casing collapses;
- non-compliance with environmental and other governmental requirements;
- environmental hazards, such as gas leaks, pipeline ruptures and discharges of toxic gases;
- unexpected operational events and drilling conditions;
- unusual or unexpected strata or geological formations;
- natural disasters, such as earthquakes;
- blowouts, surface craterings and explosions; and
- uncontrollable flows of gas or well fluids.

Moreover, a productive well may become uneconomic if deleterious substances are encountered which impair or prevent the production of CBM from the well. We may drill wells that are unproductive or, although productive, do not produce CBM in commercial quantities. Unsuccessful drilling activities could result in higher costs without any corresponding revenues. Furthermore, a successful completion of a well does not ensure a profitable return on the investment. If our wells do not produce as planned, our results of operations may be adversely affected.

9. *We may not be able to identify or correct any defects or irregularities in title and exploration and mining rights in relation to the lands upon which we have developed or intend to develop our wells.*

There may be various legal defects, restrictions, requirements and irregularities in title to the lands on which we have developed or intend to develop our wells, which we may not be able to fully identify, comply with or assess. Our rights in respect of these lands may be compromised by improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, unregistered encumbrances in favor of third parties, rights of adverse possessors, ownership claims of family members of prior owners, or other defects that we may not be aware of. Any defects or irregularities of title may result in loss of development rights over land, which will prejudice the success of the well intended for that parcel of land and may require us

to write-off substantial expenditures in respect of that well. Any inability to identify defects or irregularities of title, and any inability to correct any such defects or irregularities of title may have an adverse effect on our business and results of operations. Any decision to acquire land based on inaccurate, incomplete or dated information may result in risks and liabilities associated with acquiring and owning such parcels of land.

We are also involved in various civil suits in relation to matters including possession and title of the land held by us, suits involving encroachment and unauthorized use of the land and suits in relation to unauthorized laying of pipelines and other construction activities. For instance, we have filed a writ petition against the Union of India, Coal India Limited (“CIL”) and Eastern Coal Fields Limited (“ECL”) contesting ECL’s claim for carrying on coal mining operations over a portion of the Raniganj (South) block which was exclusively allotted to us. ECL has claimed mining rights over 22.17 square kilometres within the 210.0 square kilometres of the Raniganj (South) block. Bankura DRI Mining Manufacturers Company Private Limited (“Bankura”) has also claimed mining rights in relation to an additional 10.5 square kilometres within the Raniganj (South) block, and has filed an application for impleadment in the writ petition we filed. The High Court has allowed the impleadment of Bankura. Any decision against us in these proceedings would require our Company to enter into interaction agreements with CIL, ECL and Bankura in order to allow coal mining activities within the 210.0 square kilometres, thereby adversely affecting our reserve estimates and, as a result, our financial condition and results of operations. See “Outstanding Litigation and Material Developments” on page 240 for further details. Also see “— Original gas-in-place and resources data are only estimates and are inherently uncertain, and the actual amounts may differ from these estimates.” on page 125.

10. *Our royalty and production level payment obligations are based on a minimum price, although we may charge our customers less than that for our CBM.*

Under the CBM Contract for the Raniganj (South) block (the “Raniganj CBM Contract”), our royalty and production level payment obligations are based on a minimum price of \$6.79/mmbtu at the well head. If we sell our gas below that minimum price, we are still obligated to pay the royalty and production level payment at the minimum price. If we charge our customers less than the minimum price, our effective royalty and production level payment rate, as a percentage of sales value, will increase. In the event that our effective royalty and production level payment rates increase, our results of operations will be adversely affected.

11. *Fluctuations or a substantial or extended decline in prices for natural gas, internationally or in the markets we operate in, would have an adverse effect on our business.*

It is not possible to forecast future natural gas price movements with accuracy. The primary factors affecting the financial results of business are the selling price of CBM, the market price of CBM, the volume of CBM sold by us, global and regional supply and demand, particularly the availability of CBM from other regional sources and discoveries of, and commercial availability of, alternative fuels at cheaper prices that affect our realized prices under our gas sales contracts.

The profitability of our business will be primarily determined by the difference between prices received for CBM produced by us and the costs of finding, developing, producing and transporting these hydrocarbons. Lower prices of CBM may also reduce the economic viability of projects planned or in development.

12. *Due to our lack of geographic diversification of our operating assets and customers base, any adverse developments in our operating area would adversely affect our results of operations.*

All of our operational and producing assets are currently located in West Bengal, as are all our customers. We are present only regionally and do not have pan-India operations. As a result, our business is disproportionately exposed to adverse developments affecting this region. These potential adverse developments could result from, among other things, changes in governmental regulation, political instability in the region, capacity constraints with respect to the pipelines connected to our wells, curtailment of production, decline in demand from our customers, or adverse weather conditions in or affecting this region. Due to our lack of diversification in producing asset type and location, an adverse development in our business or in this operating area may affect our financial condition and results of operations.

13. *Our growth plans have significant capital expenditure requirements and our capital expenditure plans are subject to various risks.*

Hydrocarbon exploration is capital intensive and we have limited financial resources. Exploration and development of our existing assets and the acquisition of new assets may be dependent upon our ability to

obtain suitable financing or ability to generate sufficient cash from our operations. There can be no assurance that such funding will be available and, if such funding is made available, that it will be offered on economical terms. We, therefore, require significant capital expenditure in order to implement our strategy. We must continue to invest capital to maintain or increase the amounts of CBM that we produce and process and to maintain or increase our levels of gas reserves and expand our gas distribution infrastructure. Generally, in our business there are significant periods between the time a well is drilled and completed and when the well is connected to the gas gathering stations. This period between which when we make capital expenditures to drill and complete a well and when we begin to recognize cash flows from such expenditures generally takes a period of time. The maintenance of existing plant, machinery and equipment also requires significant capital expenditure. In addition, we must continue to invest capital to improve the reliability and productivity of our infrastructure.

For the Fiscal Years 2013, 2012 and 2011, we incurred cash expenditure of ₹ 1,721.87 million, ₹ 1,978.29 million and ₹ 1,210.56 million, respectively, on capital expenditures. Such capital expenditure was primarily utilized for developing our gas pipelines, wells and our gas gathering stations.

We plan to utilize ₹ 2,735.00 million from the Net Proceeds towards drilling 45 wells as well as other related infrastructure in the Raniganj (South) block. For details, please see “Objects of the Issue” on page 86. Please also see “Management’s Discussion and Analysis of Financial Condition and Results of Operation—Planned Capital Expenditure” on page 233 for details on our planned capital expenditures going forward.

Our capital expenditure plans and requirements are subject to a number of risks, contingencies and other factors, some of which are beyond our control, including:

- the ability to generate sufficient cash flows from operations and external financings to fund the capital expenditure, investments and other requirements;
- the availability and terms of external financing;
- new investment opportunities such as new findings of CBM; and
- cost overruns and/or delays in commencement of commercial production from a new project.

For example, we have had certain cost overruns while completing the first 100 wells pursuant to our development plan of the Raniganj (South) Block. Therefore, our actual future capital expenditure and investments may differ significantly from our current planned amounts. In addition, we cannot assure you that we will be able to generate sufficient cash flow or that we will have access to external financing, on favorable terms, or at all, to continue our business activities at present levels.

14. We may face unanticipated water treatment and disposal costs.

We are subject to regulations that restrict our ability to discharge water produced as part of our production operations. Coal beds frequently contain water that must be removed in order for the CBM to detach from the coal and flow to the well bore, and our ability to remove and dispose of sufficient quantities of such water from the coal seam will determine whether we can produce CBM in commercial quantities, or at all. Also, the cost to transport and dispose of such water, including the cost of complying with regulations concerning water disposal, may reduce our profitability.

Where water produced from our wells fail to meet the quality requirements of applicable regulatory agencies, we may have to close wells in production or upgrade facilities for water handling or treatment. Our ability to treat such water may be affected by any of the following occurrences:

- our inability to obtain permits from applicable regulatory agencies;
- water of lesser quality or requiring additional treatment is produced;
- our wells producing excess water;
- new laws and regulations require water to be disposed in a manner different to that of our processes; or

- costs to transport the produced water increase.

The water produced from our wells is stored in pits, where the water quality is tested. The water is tested as per industry norms and used in our drilling and fracturing operations. Water produced from existing and new wells in the future may be in larger quantities or of lesser quality than anticipated and the current storage, testing and disposal capacity may not be sufficient. Further, water treatment and disposal standards may develop and become more stringent. Any of these factors may result in an increase in our water treatment and disposal costs. Additionally, if we stop production at a well, or production is stopped for reasons beyond our control for an extended period of time before all the reserves have been produced, water will accumulate in the coal seams and we will have to de-water that well again to restart production. This will delay our production plans and may adversely affect our business and results of operations.

If our water treatment and disposal costs increase, or regulations regarding water disposal change, our results of operations may be adversely affected.

15. *Our operations expose us to significant costs and liabilities with respect to environmental and operational safety matters applicable to our operations.*

We may incur significant costs and liabilities as a result of environmental, health and safety requirements applicable to our operations. These costs and liabilities could arise under national, state and local environmental, health and safety laws and regulations, including enforcement policies. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, imposition of cleanup and site restoration costs and liens, and the issuance of injunctions to limit or cease operations. In addition, claims for damages to persons or property may result from environmental and other aspects of our operations. Moreover, it is not uncommon for neighboring landowners and other third parties to file claims for damages as a result of alleged negligence and environmental and other accidents.

We may be liable for environmental damage caused by our third party contractors. Under arrangements entered into by us with certain parties, we are responsible, and are required to indemnify the contractors, for environmental damage and related losses caused by our operations without regard to the negligence of the contractor. Further, certain of our service contracts limit the third party contractors' liability for pollution caused by their activities. Our insurance coverage does not cover all potential liabilities that may arise as a result of environmental damage caused by third party contractors or by us and any such damage may have an adverse effect on our results of operations. For further details on environmental regulations in India, see "Regulations and Policies" on page 134.

16. *We derive a significant portion of our income from a few customers and a loss of one or more such significant customers or a reduction in their demand for our CBM could adversely affect our business, financial condition and results of operations.*

We are dependent on a limited number of customers for a significant portion of our income. For example, for the Fiscal Years 2013 and 2012, Phillips Carbon Black Limited contributed 22.1% and 30.4%, respectively, of our total revenue for the periods indicated; Shree Parasnath Re-Rolling Mills Limited contributed 13.8% and 18.6%, respectively, of our total revenue for the periods indicated; and SRMB Srijan Limited contributed 10.9% of our total revenues for the Fiscal Year 2013. Additionally, our top 10 customers contributed 81.1%, 81.6% and 89.4% of our revenue from operations for the Fiscal Years 2013, 2012 and 2011, respectively. For details on our top 10 customers for the Fiscal Years 2013 and 2012, see "Our Business—Sales and Marketing—Customer Base" on page 129. The loss of one or more of these significant customers or a reduction in the amount of business we obtain from them (due to decline of a particular industry or any other factors) could have an adverse effect on our business, financial condition and results of operations. We cannot assure you that we will be able to maintain historic levels of business from our significant customers or that we will be able to significantly reduce customer concentration in the future.

Additionally, while we have entered into long term off-take agreements, which are for durations of between 23 and 25 years, for some of our existing production, our customers may opt not to extend or renew these off-take agreements with us upon their expiration. There can be no assurance that we will be able to enter into further long-term off-take arrangements on terms, including CBM price, CBM sales volume and tenor, that are acceptable to us. Failure to enter into or renew our off-take arrangements in a timely manner and on terms that are acceptable to us could adversely affect our business and results of operations.

17. *The unavailability or high cost of equipment, supplies and services or any damage to our owned and hired rigs could adversely affect our ability to execute our exploration, development and drilling plans on a timely basis and within our budget.*

In the past, there has been a shortage of equipment, supplies and services we require. During such periods, the costs and delivery times of equipment, supplies and services are substantially greater. As a result of historically strong prices of CBM, the demand for gas services has risen, and the costs of these services and supplies are increasing. If the unavailability or high cost of drilling rigs, equipment, supplies or services become particularly severe in the areas where we operate, our business and results of operations could be adversely affected.

We own two drilling rigs and four work over rigs and have hired two work over rigs. We use the drilling rigs to dig the wells and the work over rigs to maintain completed wells. We will continue using these rigs to complete and operate any new wells we dig. There is a significant shortage of this equipment in India. If our drilling rigs are damaged, or we are, for some reason, not able to use the rigs or acquire new rigs, our drilling plans will be delayed. We may be forced to pay for repairs or lease or purchase new rigs to continue drilling new wells. We cannot provide any assurance that we will be able to do this in a timely manner in order to keep pace with our drilling operations, or at all. Any slowdown in our drilling plans may adversely affect our business and results of operations.

18. *Shortages of crews could delay our operations and adversely affect our ability to increase production.*

Higher CBM prices generally stimulate increased demand and result in increased wages for crews, with skilled and unskilled personnel, in our exploration and production operations, creating a shortage of crews at reasonable costs. Also, some of our third party contractors who perform specialized functions in relation to our operations are foreigners and the specialized skills they provide may not exist in India, and will thus be more difficult to replace. These types of shortages could increase our costs and/or restrict or delay our ability to drill the wells and conduct the operations that we currently have planned. Our third party contractors may also face difficulties in hiring labor to execute the drilling and production activities we outsource to them. Any increase in labor costs could adversely affect our ability to increase our production and may lead to a reduction in our profitability. Additionally, higher labor costs could cause an increase in our capital expenditures and costs of operation, which may adversely affect our business and results of operations.

19. *Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or other disputes with our employees.*

As of July 31, 2013, we had 155 employees. None of our employees at the workman level are affiliated with any labor unions. However, there can be no assurance that our employees will not form a union, join any existing union or otherwise organize themselves.

India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. If our relations with our employees are strained, it may become difficult for us to maintain our existing labor policies, and our business may be adversely affected. Organized efforts by employees to affect compensation increases and other terms of employment may divert our management's attention and increase operating expenses, which could adversely affect our business and results of operations.

20. *We expect to become increasingly dependent on third party expertise and equipment as a result of our exploration and production plans and, we cannot assure you that such third parties will be available at cost-efficient prices or that we will be able to control the quality, safety and environmental standard of the work done by such third parties.*

We outsource all of our drilling, logging, cementing, fracturing and related activities on the Raniganj (South) block to three third party contractors, Halliburton Offshore Services Inc. ("Halliburton"), Mitchell Drilling India Private Limited ("Mitchell"), and Towell Drilling & Oilfield Services LLC ("Towell"). We also outsource the operation and maintenance of the central gathering station, gas gathering stations and construction of a medium density polyethylene ("MDPE") pipeline and 4" and 12" steel pipeline. Our ability to engage such services in a cost-effective manner and at commercially acceptable terms, or at all, and to hire such personnel and consultants, will be determined by market conditions, which can be unpredictable and are susceptible to change

over time. We expect to face increased production costs and may encounter difficulties integrating such new infrastructure, equipment, personnel and consultants. Further, there is a risk that such contractors and suppliers may experience credit and performance issues that could adversely affect their ability to perform their contractual obligations with us. This could result in delays or defaults in performing such contractual obligations, which could adversely affect our business, financial condition and results of operations.

Although we monitor the work of our third party contractors, we may not be able to control the quality, safety and environmental standards of the work done through third party contractors to the same extent as when the work is performed by our own employees. If our third party contractors do not meet our quality standards or violate our contracts or any government regulations or labor laws, if our contractual relationships become the subject of litigation, if our third party contractors fail to conform to generally accepted ethical standards, or if our third party contractors attempt to prematurely end our working relationships, our business could be adversely affected. Further, we are responsible for any loss or damage caused by pollution or contamination below the land surface. Further, if our third party contractors fail to pay wages to their employees within the prescribed period and for the prescribed amount, we will be liable to the employees of our third party contractors for payment of unpaid wages.

21. *If we do not invest in new technologies and equipment, our current technologies and equipment may become obsolete and our cost of production may increase relative to our competitors, which would have an adverse effect on our ability to compete and our results of operations.*

Our profitability and competitiveness are in large part dependent upon our ability to maintain a low cost of production as we sell CBM at prices we are unable to influence. Unless we continue to invest in newer technologies and equipment and are successful at integrating such newer technologies and equipment to make our operations more efficient, our cost of production relative to our competitors may increase and we may cease to be profitable or competitive. However, newer technologies and equipment are expensive and the necessary investments may be substantial. Moreover, such investments entail additional risks as to whether the newer technologies and equipment will reduce our cost of production sufficiently to justify the capital expenditures to obtain them. Any failure to make sufficient investments in beneficial newer technologies and equipment or in successfully integrating such newer technologies and equipment into our operations could have an adverse effect on our ability to compete and on our results of operations.

22. *We may be unable to successfully distribute our CBM, which may adversely affect our business and results of operations.*

As part of our CBM transportation infrastructure we own and operate, as of July 31, 2013, a MDPE pipeline network of over 119 kilometers, a dedicated steel pipeline network of over 110 kilometers, two gas gathering stations, one central gathering station and seven compressed natural gas (“CNG”) dispenser outlets providing us with infrastructure that allows us to distribute gas by pipeline to Kulti and along the Asansol-Raniganj-Durgapur industrial belt. See “Our Business—Production Process—Processing and Distribution at the Raniganj (South) block” on page 128 for further details. Gas transmission is subject to hazards, such as the risk of engineering and design defects in the gas transmission pipelines. These hazards include faults in pipe material, manufacturing processes that cause pipeline defects, and welding defects. Such defects can cause pipelines to leak or rupture, which may result in injury, loss of life, severe damage to property and equipment, environmental damage, suspension of operations and the imposition of civil and criminal liabilities. The occurrence of any such event may disrupt our business and operations and may adversely affect our business, financial condition, results of operations and reputation.

We are also building additional distribution infrastructure for CBM and CNG which will include dedicated spur lines. If we are unable to fully develop this infrastructure as planned, we will be unable to distribute CBM and CNG in significant quantities. We may also face construction delays, cost overruns and delays in receiving right of way approvals or other licenses needed to build our pipelines, each of which may restrict our ability to distribute CBM. If we are unable to distribute CBM or CNG in the quantities and on the timelines we envision, our business and results of operations will be adversely affected.

23. *Certain of our customer sale agreements require us to compensate buyers if we are unable to supply the amount of gas requested, or pay liquidated damages if we are in default under the terms of the customer sales agreement, as a result of which such agreement is terminated.*

Under the terms of certain customer sales agreements we enter into, in the event there is a shortfall of gas supplied, and, as a result of which the buyer is forced to use alternate fuel, we are required to compensate the

buyer with the differential cost which they would have incurred over and above the gas price agreed to with us in the customer sales agreements. Such differential cost will be calculated on the basis of a half yearly or a quarterly reconciliation. This payment is usually settled by a credit note to the buyer included in subsequent invoices. If there is a period of reduction in supply or stoppage in gas supply which lasts for a continuous period of more than three months then we and the buyer may terminate the contract by written notice to the other party and in the event that the customer sales agreement is terminated due to our default, we may be required to pay liquidated damages which will be mutually agreed between the parties. Either of these events could adversely affect our business and, as a result, our results of operations.

24. *We may have difficulty managing growth in our business or implementing our strategies in expanding the scope of our operations.*

Our growth could place a significant strain on our financial, technical, operational and management resources. The failure to continue to upgrade our technical, administrative, operating and financial control systems or the occurrence of unexpected expansion difficulties, including the recruitment and retention of required personnel could have an adverse effect on our business, financial condition and results of operations and our ability to timely execute our business plan.

Further, we cannot assure you that we will be successful in implementing our strategies in expanding the scope of our operations to sell the CBM we produce to large commercial buyers. If we are unsuccessful in implementing this strategy, our business and results of operations could be adversely affected.

25. *Our business involves many hazards and operational risks, some of which may not be fully covered by insurance. If a significant accident or event occurs that is not fully insured, our operations and financial results could be adversely affected.*

There are a variety of risks inherent in our operations that may generate liabilities, including contingent liabilities, and financial losses to us, such as:

- damage to wells, pipelines, related equipment and surrounding properties caused by cyclones, floods, fires and other natural disasters and acts of terrorism;
- inadvertent damage to construction and utility equipment;
- leaks or losses of CBM as a result of the malfunction of equipment or facilities or blowouts; and
- other hazards that could also result in personal injury and loss of life, pollution and suspension of operations.

Any of these or other similar occurrences could result in the disruption of our operations, substantial repair costs, personal injury or loss of human life, significant damage to property, environmental pollution, impairment of our operations and substantial revenue losses.

In accordance with industry practice, and under the terms of our contracts for exploration and production of CBM, petroleum exploration licenses and petroleum mining lease, we currently possess property and general liability insurance at levels we believe are appropriate, however, insurance against all operational risks are not available to us. We are not fully insured against all risks, including drilling and completion risks that are generally not recoverable from third parties or insurance. Pollution and environmental risks are generally not fully insurable. Additionally, we may elect not to obtain insurance if we believe that the cost or premium payable on available insurance is excessive relative to the perceived risks presented. Losses could, therefore, occur for uninsurable or uninsured risks or in amounts in excess of existing insurance coverage. Moreover, insurance may not be available in the future at commercially reasonable costs and commercially reasonable terms.

There can be no assurance that we will be able to obtain the levels or types of insurance we would otherwise have obtained prior to these market changes or that the insurance coverage we do obtain will not contain large deductibles or fail to cover certain hazards or cover all potential losses. Losses and liabilities from uninsured and underinsured events and delay in the payment of insurance proceeds owed to us could have an adverse effect on our results of operations.

26. *Our success depends on our ability to retain our current key management personnel, and hire new, qualified and skilled professionals.*

Our success depends to a significant extent on the continued services of our key management personnel. If one or more of these individuals were unable or unwilling to continue in his present position our business might be temporarily disrupted and we might not be able to find replacements with the same level of skill and experience on a timely basis or at all. For a discussion on our key management personnel, see “Our Management” on page 147. Finding and hiring any such replacements could be costly and might require us to grant significant equity awards or other incentive compensation, which could adversely affect our financial results.

Due to the current limited pool in India of skilled personnel, competition for senior management, commercial and finance professionals and engineers in our industry is intense. We do not maintain key-person life insurance for any of our management personnel or other key employees.

27. *We must obtain and retain governmental permits and approvals in relation to (i) the land that we are in the processing of acquiring for our operations, (ii) our drilling operations and (iii) the construction of our pipelines, which can be a costly and time consuming process and may result in restrictions on our operations.*

Our business operations require us to obtain and renew certain approvals, licenses, registrations, authorizations, no objection certificates and permits; however some have expired. We are in the process of applying, or plan to apply, for a number of such approvals or their renewals. For example, for the Mannargudi block, we have applied for and are awaiting environmental clearance from the Pollution Control Board of Tamil Nadu. Additionally, the Ministry of Environment and Forests (“MoEF”) has issued a show cause notice on July 8, 2013 against us (the “MoEF Notice”) under Section 5 of the Environment (Protection) Act, 1986, demanding that we show cause within 15 days of the receipt of the MoEF Notice as to why the environmental clearance accorded to us on September 12, 2012 (“Environmental Clearance”) for exploration of the Mannargudi CBM block should not be revoked. We have since responded denying all the allegations made in the MoEF Notice including that we have not commenced with any exploration activity in the block as the Tamil Nadu Pollution Control Board has not yet granted us the consent to establish. We have also requested the MoEF to withdraw the MoEF Notice as the Environmental Clearance was granted after all the relevant points were duly considered and addressed to the satisfaction of the Expert Appraisal Committee of the MoEF. We cannot assure you that we will be able to obtain approvals in respect of any of these applications, currently or in the future. If we fail, or a regulator claims that we have failed, to maintain, or comply with, such approvals, licenses, registrations authorizations, no objection certificates and permits, our CBM contracts, licenses, leases or other regulatory approvals, licenses, registrations or permits may be suspended and/or cancelled, and we will not be able to continue to carry on the relevant activity. This could disrupt our operations and adversely affect our business, financial condition and results of operations.

Further, we are in the process of acquiring certain lands in relation to our CBM operations at the Raniganj (South) block. A majority of such land sought to be acquired by our company has been marked out for agricultural use. In order to use such land for our CBM operations, we are required to convert the land use of such lands from agricultural to industrial purposes. We are unable to make an application for change of land use from agricultural to industrial purposes as such lands have not yet been mutated in the name of our Company in the records of the sub-registrar of appropriate jurisdiction. See “—We have entered into agreements to acquire land beyond the ceiling limit prescribed under local land laws in West Bengal in the Raniganj (South) Block. If we are not granted an exemption under such local laws to hold such land beyond the ceiling limits, our ability to carry out CBM extraction operations in all or part of the Raniganj (South) Block may be severely impaired. This could in turn result in an adverse effect on our business, prospects and results of operations.

Regulatory authorities exercise considerable discretion in the timing and scope of issuing permits and licenses. Requirements imposed by these authorities may be time consuming to comply with and may result in delays in the commencement or continuation of our exploration or production operations. For example, we are often required to prepare and present to central, state or local authorities, data concerning the environmental effects of the proposed exploration, development and production of CBM. We are also required to apply for right of use permits and various approvals from local authorities, municipal corporations, electricity distribution companies and other statutory authorities and private parties to construct our pipelines and other aspects of our infrastructure. We may not receive these permits and approvals in a timely fashion, or at all, and, even if we receive these permits and approvals, they may contain onerous restrictions that adversely affect our ability to conduct our operations.

In addition, certain of our contractors and other third parties are required to obtain approvals, licenses, registrations and permits with respect to the services they provide. There can be no assurance that such contractors or third parties have obtained and will maintain the validity of such approvals, licenses, registrations and permits or will comply with the terms and conditions of such approvals.

For more information about the licenses required in our business and the licenses and approvals applied for, see sections “Regulations and Policies” and “Government and Other Approvals” beginning on pages 134 and 270, respectively.

28. We have also incurred losses in the past years and there can be no assurance that we will not sustain losses in the future. We have had in the past, and expect to have in the near future, negative cash flows from operations.

We incurred restated losses after tax for the Fiscal Years 2012 and 2011 of ₹ 55.96 million and ₹ 17.81 million, respectively. There can be no assurance that we will not incur losses in the future.

The table below summarizes our cash flows for the periods indicated:

	Fiscal Year		
	2011	2012	2013
	(₹ in millions)		
Net cash generated from operating activities	237.75	586.21	976.92
Net cash (used in) investing activities	(1,132.18)	(1,234.61)	(1,584.44)
Net cash generated from financing activities	910.08	702.92	759.95
Total cash and cash equivalents as of the end of the fiscal period	22.98	77.50	229.93

29. Our Group Companies have incurred losses in the past and had a negative net-worth.

Our Group Companies have incurred losses in the past three financial years, as set forth in the table below:

Name of the entity	Fiscal 2011	Fiscal 2012	Fiscal 2013
	(₹ in millions)		
Great Eastern Energy City Gas Private Limited	(0.02)	(0.02)	(0.02)
Great Eastern Energy Gas Private Limited	(0.01)	(0.01)	(0.01)
Modi Telecommunications Limited	(10.90)	(10.69)	(10.62)
Prarthana Art Photography Private Limited	(0.09)	(0.19)	(0.05)
YKM Holdings International Limited	881.01	661.50	(2.70)

Our Group Companies having negative net worth in the past three financial years, as set forth in the table below:

Name of the entity	Fiscal 2011	Fiscal 2012	Fiscal 2013
	(₹ in millions)		
Great Eastern Energy City Gas Private Limited	0.03	0.01	(0.002)
Modi Telecommunications Limited	(369.35)	(380.03)	(390.65)
Prarthana Art Photography Private Limited	0.01	(0.18)	(0.23)

30. We have substantial borrowings and will continue to have substantial borrowings and debt service obligations following the Issue which could adversely affect our future financial results and business prospects.

As of March 31, 2013, we had total borrowings of ₹ 5,983.28 million. We expect to incur additional borrowings in the future. Our high degree of leverage could have significant consequences to our shareholders and our future financial results and business prospects, including but not limited to the following:

- if we are unable to meet our debt obligations through internal accruals, a portion of our cash flow will be used towards repayment of our debt, which will reduce the availability of cash to fund working capital needs, capital expenditures and other general corporate requirements;

- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as our loans are at variable interest rates; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

There can be no assurance that our business will generate cash in an amount sufficient to enable us to service our debt or fund other liquidity needs. In addition, we may need to refinance all or a portion of our debt on or before maturity. There are restrictions under certain of our financing documents on creating, incurring, assuming or suffering to exist any security interest upon or with respect to any property or revenue or assets, except for permitted security interests. Recently, interest rates for borrowings have increased in India, which may increase the cost of our borrowing. There can be no assurance that we will be able to refinance any of our debt on commercially reasonable terms, or at all. For more information regarding our borrowings, see “Financial Indebtedness” on page 237.

31. *All of our current debt facilities carry interest at floating rates and any increases in interest rates may adversely affect our results of operations.*

We are exposed to interest rate risk. All current debt facilities carry interest at floating rates with a provision for the periodic reset of interest rates. We enter into interest rate hedging transactions in connection with our Euro denominated external commercial borrowings, which constitutes 42.4% of our total debt as of March 31, 2013, to mitigate our interest rate exposure between the Euro and the US Dollar. We cannot assure you that our interest rate hedging contracts or other financial arrangements will mitigate our exposure to interest rate fluctuations or will protect us fully against our interest rate risk. Any increase in interest rates may have an adverse effect on our business and results of operations.

32. *The restrictive covenants imposed on us under our loan agreement could adversely affect our ability to conduct our business.*

Under the terms of the loan agreements, we are required to obtain the prior written consent of the concerned bank prior to us entering into any scheme of expansion, merger, amalgamation, compromise or reconstruction, effecting any change in our capital structure or in our constitutional documents, appointing, re-appointing or removing any persons who exercise substantial powers of management over our affairs; availing of any fresh credit facilities so long as the loan accounts continue in the books of lender; declaration and/or payment of dividend to our shareholders in a particular year, if we have not paid the installment of the principal, interest and/or other money payable to lenders up to the particular year; assignment or transfer any of our rights, benefits or obligations under the loan agreement; making any change in our ownership or control or constitution, capital structure, creation of subsidiaries or in the nature of our business; undertaking guarantee obligations on behalf of any third party or any other company; entering into any contractual obligation which is of a long term nature or which affects us financially to a significant extent. Further, we have agreed and undertaken to procure that YKM Holdings, YKM Holdings International, Mr. Y.K. Modi and Mr. Prashant Modi shall, at all times until the final settlement date, hold and maintain at least 51.0% of the total paid up share capital in our Company and shall not sell, transfer, assign, dispose off, pledge, charge or create any security interest or in any way encumber such shareholding at any time till such time that certain loans continue to remain outstanding. We have also agreed that these entities shall have majority control of our Board and have the ability or the right to control or direct the management or our policy decisions. For further details of our financing arrangements, see “Financial Indebtedness” on page 237.

Breaches of the terms and conditions of the loan facilities may constitute an event of default, cross-default and acceleration of repayment under our financing agreements. Our lenders are entitled to declare the relevant loans to be immediately due and payable, cancel the respective facilities, enforce security under the respective loans and/or require us to restructure our management, appoint nominee directors on our Board or convert the loan amount into equity in us. We cannot provide any assurance that our lenders will not enforce their rights relating to our breach of financial covenants, or grant us waivers with relation to any of these breaches. Our lenders could take action to accelerate our indebtedness or prohibit us from drawing upon these or other facilities. We

may also be unable to take out new debt facilities as a result of these breaches. Any of these consequences could adversely affect our capital expenditure plans, business, financial condition, results of operations and prospects.

33. *We are effectively prohibited from exporting CBM in our contracts for exploration and production of CBM.*

Our CBM contracts effectively prohibit us from exporting CBM from our blocks. Under the terms of the CBM contracts, we are permitted to sell CBM only in India unless our production of CBM exceeds the requirements of the Indian markets. This could restrict our ability to monetize our CBM reserves.

We have made significant investments in CBM exploration and production over the last few years, and CBM remains an important element of our growth strategy; however the price of gas is a material factor in assessing the commercial value of planned exploration and development.

34. *We may not be able to secure the land or obtain the requisite approvals necessary to develop our drilling sites within our blocks and our pipelines within our blocks and in the area surrounding our blocks.*

We must purchase or lease the surface rights above prospective CBM reserves within our blocks in order to drill wells and build relevant infrastructure. We may face difficulties in the acquisition or lease of land, particularly in respect of land owned by private parties, agricultural land and forest land, which may result in delays. Our license does not compel land owners within our blocks to sell or lease land to us. We must negotiate with each land owner on an individual basis. Land owners may decide not to sell or lease the land to us for a variety of reasons beyond our control. If we are unable to buy or lease the plots of land above prospective CBM reserves, we will be unable to develop that part of our blocks, which will adversely affect our business and results of operations.

Some of the land that we purchase or lease within our blocks may be classified as “agricultural land”. No development is permitted on such land without obtaining the prior approval of local authorities, including the conversion of such land to the appropriate zone for development. Most of the land that we are in the process of acquiring for our CBM operations in the Raniganj (South) block are classified for agricultural use. In order to use such land for CBM operations, we are required to convert the land from agricultural use to industrial use. We are currently unable to make applications for the change of land use as the land has not yet been mutated in our Company’s name in the records of relevant authorities. See “—We have entered into agreements to acquire land beyond the ceiling limit prescribed under local land laws in West Bengal in the Raniganj (South) Block. If we are not granted an exemption under such local laws to hold such land beyond the ceiling limits, our ability to carry out CBM extraction operations in all or part of the Raniganj (South) Block may be severely impaired. This could in turn result in an adverse effect on our business, prospects and results of operations.

We cannot assure you that we will be able to obtain the requisite permission and conversion by the relevant authorities to convert the use of such land for non-agricultural purposes in a timely manner, or at all. If we do not receive permission and conversion in a timely manner, we may not be able to undertake drilling and production activities as planned or at all, which could adversely affect our business, prospects, financial condition and results of operations.

Additionally, we are building extensions of our pipelines to transport our CBM to customers. This involves acquiring easements or right of use permission from various authorities and land owners, which provide us with the legal right to develop and operate our pipeline network. The owners of such private areas through which our pipelines pass may refuse to give us a right of use or charge us a higher amount than expected. We cannot guarantee that we will be able to secure such rights to build our pipelines on a particular parcel of land in a timely fashion or at all, and as a result we may have to change the location and length of our pipelines. Any delay in the construction of, or increase in the length of, our pipelines could increase our construction costs and limit our ability to get our CBM to the market, which could adversely affect our business and results of operations.

35. *Our contingent liabilities could adversely affect our financial condition and results of operations.*

The contingent liabilities not provided for as of March 31, 2013, as disclosed in our restated financial statements, include:

	As of March 31, 2013 (₹ in millions)

	As of March 31, 2013
	<i>(₹ in millions)</i>
Claims made against the Company not acknowledged as debts (including interest, wherever applicable) by:	
M/s Adkins Services Inc.	592.62
M.R Associates (claimed by Contractor along with interest)	1.26
D.S.Steel (claimed by Contractor along with interest)	14.06
Goel Construction (India) Limited (claimed by Contractor along with interest)	30.26
Government of India (MoPNG)	10.19
PNGRB	5.00
Claims by Excise Department	40.92
Claims by Income tax Authorities	8.02
Claims by Sales Tax Authorities	4.18
Other claims, to the extent quantified	1.01
Production Level Payments	16.57

If any of these contingent liabilities materialize, the value of our capital works in progress and profitability could be adversely affected. Also see foot note (vii) in the chapter titled “*Financial Statements - Contingent Liabilities*” in relation to a claim for ₹ 2,686.80 million. For further details, refer chapter titled “*Financial Statements*” on page 171.

36. *We are exposed to market risks from our hedging activities, and the use of hedging instruments could result in financial losses that adversely affect our results of operations and financial condition.*

We currently hold, and have held in the past, derivative contracts, including forward exchange contracts to mitigate our risks associated with foreign currency fluctuations and interest related exposures as a result of certain foreign currency indebtedness that we have incurred. The nominal amounts of derivative contracts entered into by us and outstanding as of March 31, 2013 was Euro 36.5 million. Our total mark to market losses on outstanding derivative instruments as of March 31, 2013 was ₹ 110.69 million. There can be no assurance that, in the future, foreign exchange rates may not move contrary to our expectations, or if our risk management procedures prove to be inadequate, we could incur derivative-related or other charges and losses independent of the relative strength of our business, which could adversely affect our results of operations and financial condition. For further details see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 220.

37. *Grants of stock option under our employee stock option plan will result in a charge to our profit and loss account and will reduce our profits.*

We have adopted an ESOP Scheme, ESOP 2008, under which our eligible employees are able to participate, subject to such approvals as may be necessary. As per the ESOP Scheme, we are permitted to grant options which, if fully exercised, would result in the issue of up to a maximum of 500,000 Equity Shares. The total number of Equity Shares arising as a result of full exercise of options already granted, as of July 31, 2013, would be 110,517 Equity Shares. For further details on the exercise prices of the options please refer to the section titled “*Capital Structure – Notes to Capital Structure – Employee Stock Option Scheme*” on page 79.

Under Indian GAAP, the grant of these stock options may result in a charge to our profit and loss account based on the difference between the fair market value of the Equity Shares determined on the date of the grant of the stock options and the exercise price. This expense will be amortized over the vesting period of the stock options.

38. *We operate in a highly regulated industry and the regulatory environment in which we operate is subject to change, which may indirectly adversely affect our operations.*

We are subject to various central, state and local laws and regulations with respect to our operations and cannot guarantee that we may not be subject to other regulations and licensing requirements including new regulations issued by any legislative, governmental, statutory or administrative authorities in the future which may adversely affect our business, financial condition and prospects.

The extensive regulatory structure under which we operate may constrain our ability to respond to market conditions, competition or changes in cost structure. In addition, we are required to obtain certain approvals and licenses from various regulatory bodies. There can be no assurance that such approvals and licenses will be granted on a timely basis or at all, which may result in delays in achieving, or otherwise frustrate the achievement of, certain exploration, development and production targets.

Our exploration, development and production activities will continue to be regulated by the MOPNG and the DGH. As the rules, regulations and jurisprudence of the PNGRB, in relation to the refining, storage and transportation of crude oil and natural gas are currently under development and are constantly evolving, there can be no assurance that such rules, regulations and jurisprudence will not evolve in a manner which may have an adverse effect on our business, results of operations and financial condition, including through the imposition of different pricing mechanisms for the refining, storage and transportation of natural gas from what have otherwise been agreed or will be agreed in the various contracts governing the refining, storage and transportation of natural gas to which we are a party.

Additionally, the sale of CBM produced from our blocks is regulated by the gas utilization policy adopted by the Government of India. The gas utilization policy states, among other things, that (i) the pricing of CBM is subject to Government approval; (ii) the Steering Committee, appointed under the policy, must approve the recommendations for the delivery point for CBM block; (iii) the MoPNG should be informed, of various investment decisions, production levels and other parameters to ensure the utilization of CBM for priority sectors; and (iii) CBM be distributed to those customers recommended by the relevant administrative ministries state governments on the basis of the policy. For further details on the gas utilization policy, see “Regulations and Policies” on page 134.

There may be other revisions in regulations or policies governing the natural gas industry on terms which may not be favorable to us or which may result in uncertainties with respect to their implementation. Any unfavorable change in the regulatory environment may adversely affect our business, financial condition and prospects.

39. *Our Promoters and other major shareholders may be able to significantly affect the outcome of shareholder voting and any sale of Equity Shares by them may adversely affect the price of our Equity Shares.*

Our Promoters and certain other shareholders hold substantial Equity Shares in us. If such shareholders act together they may control the outcome of any proposal that can be passed with a majority shareholder vote. Further, sales of large blocks of Equity Shares by any or all of them could adversely affect the market price of our Equity Shares. The perception that any such secondary sale may occur also could adversely affect the market price of our Equity Shares.

40. *We have entered into, and may continue to enter into, related party transactions with our Promoters, Directors and certain Group Companies in the future.*

We have entered into, and may in the future enter into, related party transactions with our Promoters, Directors and certain Group Companies. Such transactions could be for provision of services, lease of assets or property (including intellectual property), sale or purchase of equity shares or could entail incurrence of indebtedness. For example, we issued 1,482,822 equity shares in our Company to YKM Holdings International Limited for ₹ 667.27 million in the Fiscal Year 2012. For details of our related party transactions, see “Financial Statements — Statements of Related Parties and Related Party Transactions” on page 216.

41. *We may face competition in the future from natural gas producing companies in West Bengal.*

The natural gas industry is intensely competitive with respect to acquiring prospects and productive properties, marketing natural gas and securing equipment and trained personnel, and we will compete in the future with other companies that may have greater resources. Many of our potential competitors are major and large independent natural gas companies, and they may possess and employ financial, technical and personnel resources greater than ours. These companies may be able to pay more for natural gas properties and evaluate, bid for and purchase a greater number of properties than our financial or human resources currently permit. Our inability to compete effectively with future competition could have an adverse effect on our business and results of operations.

42. *We may suffer a loss in our competitive advantage if we are unable to fully protect our intellectual property rights.*

We do not have any registered patents for any of the technological processes we implement or intend to implement in our operations. As we operate in an intensely competitive business environment, our inability to effectively use or protect our intellectual property rights, may adversely affect our business, results of operations and financial condition. Additionally, third parties may infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and any third party claim may lead to erosion of our business value as well as 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 a favorable 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. We cannot assure that any unauthorized use by third parties of the intellectual property will not similarly cause damage to our business prospects, reputation and goodwill.

43. *The objects of this Issue are based on our management estimates and have not been appraised by any bank or other financial institution.*

We intend to use the Net Proceeds of the Issue as set forth in “Objects of the Issue” on page 86. We have relied on third party quotations and existing contracts to calculate the expected amount to be spent on drilling and completion of wells and these estimates may be inaccurate or we may require additional funds to implement the Objects of the Issue. The purposes for which the Net Proceeds of the Issue are to be utilized have not been appraised by an independent entity and are based on our estimates, third-party quotations and existing contracts. Further, the deployment of the Net Proceeds of the Issue is not subject to any monitoring by an independent agency.

44. *Our contracts for the exploration and production of CBM contain onerous terms; a failure by us to adhere to such terms could result in penalties or termination of the contracts which would adversely affect our business.*

All of our operations on our blocks are governed by contracts for exploration and production of CBM. These contracts contain onerous terms that we are required to adhere to. For example, we are required to complete a minimum work program under our contracts for exploration and production of CBM during the exploration, development and production of our blocks. If we do not complete the minimum work program for given a phase, the Government of India may seek compensation from us to fund the completion of the portion of the minimum work program outstanding at the end of the allotted time. Our cash flows and results of operations may be adversely affected if we are required to compensate the Government of India in this manner.

Additionally, under the terms of the contracts for exploration and production of CBM, the Government of India has the option to assume ownership of any assets we purchase for use in our CBM operations upon the expiry or early termination of the contracts for exploration and production of CBM. If the Government of India exercises its option to assume ownership of any of our assets related to our CBM operations, it will prevent us from selling any of those assets or employing those assets in any other CBM operations we may conduct.

The Government of India may terminate the CBM contracts under certain circumstances constituting breaches of the agreement by us. Such breaches of the CBM contracts include, among other actions, submitting false statements to the Government of India, extracting resources other than CBM from the blocks without the permission of the Government of India, or filing for bankruptcy. If the CBM contracts were to be terminated (particularly before such time, if any, as we shall have acquired other gas-producing properties), such termination would adversely affect our business, financial condition and results of operations.

45. *There are potential conflicts of interest, with and within our Group Companies.*

Certain of our Group Companies, Great Eastern Energy City Gas Private Limited and Great Eastern Energy Gas Private Limited, are incorporated with objects which are similar to that of our Company. Even though our Company has entered into a non-compete agreement with each of these Group Companies, they may engage in business activities that will be similar to that undertaken by our Company. For further details, see the section titled “Our Group Companies” on page 165.

46. *We do not own the premises on which our registered office and other facilities are situated.*

We do not own the premises on which our registered office and other facilities are situated and operate from rented and leased premises. We have changed our registered office six times since January 24, 1994. The lease agreements for facilities are renewable at the option of both parties upon payment of such rates as stated in these agreements.

We also lease our corporate office from YKM Holdings Private Limited pursuant to a lease agreement dated April 20, 2006 for a monthly rent of ₹ 0.33 million. For further details, see “History and Other Corporate Matters” on page 138. If YKM Holdings Private Limited decides to terminate the lease agreement, we may suffer a disruption in our operations.

Certain portions of the land in the Raniganj (South) block on which our facilities, wells and infrastructure are located are also leased from government authorities and other private parties.

If any of the owners of these premises do not renew the agreements under which we occupy the premises or renew such agreements on terms and conditions that are unfavorable to us, we may suffer a disruption in operations which could have an adverse effect on our business, financial condition and results of operations. For further details in this regard, see the section titled “Our Business” on page 118.

External Risk Factors

47. *We cannot predict the effect of the proposed notification of the Companies Act, 2013 on our business.*

The Companies Act, 2013 (the “2013 Act”) has been notified by the Government of India on August 30, 2013 (the “Notification”). Under the Notification, Section 1 of the 2013 Act has come into effect and the remaining provisions of the 2013 Act have and shall come into force on such dates as the Central Government has notified and shall notify. Section 1 of the 2013 Act deals with the commencement and application of the 2013 Act, and among others, sets out the types of companies to which the 2013 Act applies. Further the Ministry of Corporate Affairs has by their notification dated September 12, 2013 notified 98 sections of the 2013 Act, which have come into force from September 12, 2013.

The 2013 Act is expected to replace the existing Companies Act, 1956. The 2013 Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, the requirements for independent directors, director’s liability, class action suits, and the inclusion of women directors on the boards of companies. The 2013 Act is expected to be complemented by a set of rules that shall set out the procedure for compliance with the substantive provisions of the 2013 Act. In the absence of such rules, it is difficult to predict with any degree of certainty the impact, adverse or otherwise, of the 2013 Act on the Issue, and on the business, prospects and results of operations of the Company. Further, as mentioned above, certain provisions of the 2013 Act have already come into force and the rest shall follow in due course. In event some or all of the provisions of the 2013 Act and the rules thereto are notified prior to the consummation of the Issue, we may have to undertake certain additional actions that we are not currently aware of (in the absence of the rules), which may result in delay of the Issue.

48. *Declines in the price of natural gas internationally and in India may have an adverse effect on our revenues and profit margins.*

Natural gas pricing is determined on the basis of demand-supply and other factors, all of which are beyond our control. Prices for natural gas have fluctuated widely in recent years. Any decline in prices could result in a reduction of net production revenue and profit margins. Certain wells or other projects may become uneconomic as a result of a decline in world natural gas prices. We might also elect not to produce from certain wells at lower prices. All of these factors could result in decreases in our future revenue, causing a reduction in our natural gas development activities.

49. *Political, economic and social changes in India could adversely affect our business.*

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 our Equity Shares, may be affected by changes in the Government of India’s policies, including taxation. Social, political, economic or other developments in or affecting India, acts of war and acts of terrorism could also adversely affect our business.

Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued and any significant change in the Government of India's policies in the future could affect business and economic conditions in India in general and could also affect our business and industry in particular. In addition, any political instability in India or geo political stability affecting India will adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

India has also witnessed civil disturbances in recent years. While these civil disturbances have not directly affected our operations, it is possible that future civil unrest, as well as other adverse social, economic and political events in India, could also adversely affect us.

50. *Terrorist attacks, war, natural disasters, outbreaks of infectious diseases or any other serious public health concerns or other catastrophic events may disrupt or otherwise adversely affect the markets in which we operate, our business, results of operations, financial condition and cash flow.*

Our business may be adversely affected by a war, terrorist attack, natural disaster, an outbreak of an infectious disease or any other serious public health concerns or other catastrophe. A catastrophic event could have a direct negative impact on us or an indirect impact on us by, for example, affecting our customers, the financial markets or the overall economy. In addition, any interruption or cessation of activities resulting from damage to our pipelines or facilities may have an adverse effect on our business, results of operation, financial condition and cash flow. In recent times, terrorist attacks in India have become more prevalent. Attacks may have an adverse effect on the Indian and global financial markets. Oil and gas wells, production facilities and pipelines can be targets for terrorism. If India were to become engaged in armed hostilities, particularly hostilities that were protracted or involved the threat or use of nuclear weapons, we might not be able to continue to operate. Further, events of this nature in the future could have an adverse effect on our ability to develop our Indian assets, as well as to produce and market oil and gas. As a result, our business, results of operations and financial condition may be adversely affected.

Any interruption or cessation of activities resulting from damage to our pipelines or facilities may have an adverse effect on our business, results of operations and financial condition and cash flow. The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concerns in areas in which we operate may affect our business. In addition, these factors may affect our employees' living or working in the affected areas and thus reduce their productivity, resulting in an adverse effect on our business and operations. Natural disasters such as the H5N1 "avian flu" virus, or H1N1, the "swine flu" virus, may adversely affect our results of operations and financial condition.

51. *Our growth is dependent on the Indian economy.*

All of our operations are in India. Further, while all our contracts with our customers are priced against the Indian Rupee, under the Raniganj CBM Contract, our royalty and production level payment obligations are based on a minimum price of \$6.79/mmbtu at the well head. As a result of this significant dependence on Indian companies and investors, our business, results of operations and financial condition are dependent on conditions in the financial markets, particularly in India, and the condition, including the uneven recovery, of the global economy.

Since August 2008, India's economy has been affected by the global economic uncertainties, including periods of volatility in interest rates, currency exchange rates, commodity and prices, adverse conditions affecting agriculture and other factors. The Indian economy is currently in a state of transition and it is difficult to predict the impact of certain fundamental economic changes on our business. While the current Government of India has encouraged private participation in various sectors, any adverse change in, or failure to successfully implement such policies could further adversely affect the Indian economy. Further, India's sovereign foreign currency long-term debt is currently rated (i) "BBB-" (negative) by Standard & Poor's Rating Group, a division of McGraw-Hill Companies, Inc. ("Standard & Poor's") (ii) "BBB-" (negative) by Fitch Ratings Ltd ("Fitch") and (iii) "Baa3" (stable) by Moody's Investors Services Limited ("Moody's"). Between April and June 2012, Standard and Poor's and Fitch each downgraded India's sovereign credit outlook from "stable" to "negative", citing the absence, or inadequacy, of domestic reforms. These ratings reflect an assessment of the Indian government's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due. No assurance can be given that Standard & Poor's, Fitch, Moody's or any other statistical rating organization will not downgrade the credit ratings of India. Any such downgrade would

result in India's sovereign debt rating being rated speculative grade, which could adversely affect the Indian economy, the financial markets, including our turnover, and our ability to raise financing.

The resulting economic pressure on the economies, including in India, a general lack of confidence in the financial markets and fears of a further worsening of the economy have affected and may continue to affect the economic conditions in such countries. We cannot assure you that the markets in which we operate will undergo a full, timely and sustainable recovery. We cannot predict whether or when unfavorable conditions may arise in the future or, if they occur, how long or severely they will affect trading turnover. A significant decline in our turnover or other factors could adversely affect our transaction fees, as well as our business and results of operations.

52. *Depreciation of the Rupee against foreign currencies may have an adverse effect on our results of operations.*

While our revenues are currently denominated in Rupees, we import project-related equipment and procure services from abroad, the costs and fees of which are denominated in foreign currencies. Also, the price of CBM we sell is based, in part, on the U.S. dollar prices for natural gas and the current U.S. dollar/Rupee exchange rates at particular times. The value of the Rupee against the US dollar and other currencies may fluctuate and is affected by, among other things, changes in India's political and economic conditions. The Indian Rupee has, between March 31, 2013 and August 31, 2013, depreciated against the US. Dollar and the Euro, by 22.4% and 26.7%, respectively. Accordingly, any further adverse movement of the Rupee against these currencies will increase the Rupee cost and/or decrease the Rupee revenue to us. If we are unable to recover the costs of foreign exchange variations through our tariffs, depreciation of the Rupee against foreign currencies may adversely impact our results of operations and financial condition. Any further adverse change in the exchange rate of the Indian Rupee in the future, may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

53. *A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.*

According to a weekly statistical supplement released by RBI, India's foreign exchange reserves totaled over US\$275.49 billion as of August 30, 2013. Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. Further declines in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee which could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the Equity Shares.

54. *Inflation in India may adversely affect our business.*

India has experienced in the past and is currently experiencing high rates of inflation. We can provide no assurance that high rates of inflation will not continue or even increase in the future, which could have an effect on the demand for natural gas and our ability to sell those products. In addition, from time to time, the Government of India has taken measures to control inflation, which have included tightening monetary policy by raising interest rates, restricting the availability of credit and inhibiting economic growth. Inflation, measures to combat inflation and public speculation about possible governmental actions to combat inflation have also contributed significantly to economic uncertainty in India and heightened volatility in the Indian capital markets. Periods of higher inflation may also slow the growth rate of the Indian economy which could also lead to a reduction in demand for natural gas and a decrease in our sales thereof. Inflation may also increase some of our costs and expenses. Moreover, the reporting currency of our financial statements is the Indian Rupee, and fluctuations in the value of the Indian Rupee that result from inflation, could affect our results of operations and financial condition. To the extent demand for our products decreases or our costs and expenses increase and we are not able to pass those increases in costs and expenses on to our customers, our operating margins and operating income may be adversely affected, which could have a material adverse effect on our business, financial condition and results of operations.

55. *Investors may be adversely affected by retrospective tax law changes by the Indian government that affect our Company.*

In the past, there have been instances where changes to the Income Tax Act have been applied retrospectively. For example, certain recent changes to the Income Tax Act provide that income arising directly or indirectly

through the sale of capital assets of an offshore company, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India. Applicability of this change to investors is unclear due to the ambiguity of the term “substantially”, and may subject investors to Indian income taxes on the income arising directly or indirectly through the sale of the Equity Shares.

Risks Related to Our Equity Shares

56. *Unfavorable changes in legislation, including tax legislation, or policies applicable to us could adversely affect our results of operations*

The Direct Tax Code Bill, 2010 (“DTC Bill”) was placed before the Indian Parliament on August 30, 2010 and seeks to substitute the existing Income Tax Act and Wealth Tax Act, 1957. The DTC Bill was subsequently referred to the Standing Committee of Finance (“SCF”) on September 9, 2010 for examination. The SCF has submitted its report to the Indian Parliament on March 9, 2012. Currently, the recommendations made by the SCF are under consideration by the Ministry of Finance, Government of India. On the finalization of the DTC Bill, the DTC Bill will be placed before the Indian Parliament for its approval and notification as an Act of Parliament. Accordingly, it is currently unclear what effect the finally approved Direct Tax Code would have on our financial statements.

India is seeking to introduce a goods and services tax (“GST”). GST will rationalize the Indian indirect tax system by amalgamating central and state levies including excise duty, service tax and value added tax into GST. The Government of India established a Central Sales Tax Compensation Committee and a GST Design Committee to review the GST regime. Once the GST is implemented by the Indian legislature, it may adversely affect our financial statements.

57. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.*

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

58. *You will not be able to immediately sell any of the Equity Shares you subscribe to in this Issue on an Indian stock exchange.*

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after the Equity Shares in this Issue have been Allotted. Approval will require all other relevant documents authorizing the issuing of the Equity Shares to be submitted. There could be failure or delays in listing the Equity Shares on the BSE and the NSE.

Further, pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors “book entry,” or “demat”, accounts with Depository Participants are expected to be credited within three Working Days of the date on which the Basis of Allotment is approved by the Designated Stock Exchange. Thereafter, upon receipt of final approval from the Designated Stock Exchange, trading in the Equity Shares is expected to commence within 12 Working Days from Bid/Issue Closing Date.

Further, there can be no assurance that the Equity Shares Allocated to you will be credited to your demat account, or that the trading in the Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining the approvals would restrict your ability to dispose of the Equity Shares.

59. Any future issuance of Equity Shares may dilute your shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by our Company, including pursuant to the exercise of stock options under the ESOP Scheme or any future employee stock option, may lead the dilution of investors' shareholdings in our Company. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of this Issue, including by major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

60. Any future issuance of Equity Shares by us or any conversion of debt to equity by our creditors may dilute your shareholding and adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by us or conversion of debt to equity by our creditors may dilute your shareholding in our Company, adversely affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

61. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.

In the past, we have not made dividend payments to our equity shareholders in any form. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors, and will be at the discretion of the Board of Directors. There can be no assurance that we will distribute dividends in the future.

62. 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.

Subsequent to listing, we may be subject to a daily circuit breaker imposed on listed companies by the BSE and the NSE which does not allow transactions beyond certain volatility 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 breaker will be set by the Stock Exchanges based on certain factors such as the historical volatility in the price and trading volume of the Equity Shares. The BSE and the NSE are not required to inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. If imposed this circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

63. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the restated financial statements prepared and presented in accordance with SEBI Regulations contained in this Draft Red Herring Prospectus.

As stated in the reports of the Auditor included in this Draft Red Herring Prospectus at page 171, the restated financial statements included in this Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI Regulations, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as IFRS. Significant differences exist between Indian GAAP and IFRS, including with respect to valuation methods and accounting practices in the stock exchange industry, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information

included in this Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

64. *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 for our projects under development or acquisitions and other strategic transactions, 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, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

65. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Capital gains arising from the sale of shares and debentures are generally taxable in India. Any gain realized on the sale of shares and debentures on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which shares or debentures are sold. Any gain realized on the sale of shares and/or held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of shares and/or debentures held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of shares and/or debentures will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares and/or debentures, as the case may be.

66. *Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.*

In the past, Indian stock exchanges have experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of our Equity Shares could be adversely affected.

67. *Fluctuation in the price of our GDRs may affect the price of our Equity Shares.*

We cannot control fluctuations in the price of our GDRs and such fluctuations may result from a variety of factors. Fluctuation in the price of our GDRs may affect the price of our Equity Shares.

Prominent Notes to Risk Factors

- Public issue of up to 8,200,000 Equity Shares of our Company for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] million. The Issue comprises a Fresh Issue of 7,800,000 Equity Shares aggregating up to ₹ [●] million and an Offer for Sale of up to 400,000 Equity Shares aggregating up to [●] million. Additionally in the event the non – Promoter/Promoter Group GDR holders, convert their GDRs into underlying Equity Shares, at any time prior to the filing of the Red Herring Prospectus with the RoC, the Selling Shareholder will offer such number of additional Equity Shares, so as to ensure that atleast 25%, of the fully diluted post-Issue paid up Indian Equity Share Capital, is offered to the public. The Issue constitutes 26.94 % and 12.17 % of the fully diluted post-Issue paid up Indian Equity Share Capital and Equity Share Capital of our Company, respectively.
- Our net worth was ₹ 4,262.04 million and ₹ 3,890.68 million as on March 31, 2013 and March 31, 2012 respectively as per our restated financial information included in this Draft Red Herring

Prospectus. For further details, see the chapter titled “*Financial Statements*” on page 171.

- Our net asset value per Equity Share was ₹ 71.56 as at March 31, 2013, as per our Company’s restated financial information.
- The average cost of acquisition of Equity Shares by our Promoters, Mr. Yogendra Kumar Modi and YKM Holdings Private Limited is ₹ 655 and ₹ 12.84 per Equity Share, respectively.
- Except as disclosed in the chapter titled “*Our Group Companies*” and chapter titled “*Financial Statements- Statements of Related Parties and Related Party Transactions*” on pages 165 and 216, none of our Group Companies have business interests or other interests in our Company.
- For details of related party transactions entered into by our Company with the Group Companies during the last financial year, the nature of transactions and the cumulative value of transactions, please see chapter titled “*Financial Statements- Statements of Related Parties and Related Party Transactions*” on page 216.
- There have been no financing arrangements whereby our Promoter Group, the directors of our Promoter Company, Directors and their relatives have financed the purchase by any other person of the Equity Shares other than in the normal course of our business during the period of six months immediately preceding the filing of this Draft Red Herring Prospectus.
- Investors may contact the Book Running Lead Manager who has submitted the due diligence certificate to SEBI for any complaint pertaining to the Issue. All grievances pertaining to the Issue and all future communications in connection with queries related to Allotment, credit of Equity Shares, refunds, non-receipt of Allotment Advice and other post-Issue matters should be addressed to the Registrar to the Issue. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs. In case of queries related to ASBA Bids submitted to the members of the Syndicate at the Specified Cities, the Bidders should also contact the relevant member of the Syndicate. In case of Bids submitted through Non Syndicate Registered Brokers, the Bidders should also contact the relevant Non Syndicate Registered Broker through whom he/she has submitted the Bid for any queries. All such communications should quote the full name and address of the Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Non Syndicate Registered Broker or the Designated Branch of the SCSB, as the case may be, where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, the Bid Amounts blocked and the ASBA Account number in which the Bid Amount was blocked.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section is derived from various government and industry sources. Neither we nor any other person connected with the Issue has verified this information. Industry sources and publications typically state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information.

Overview of the Indian Economy

India is the world's largest democracy by population and one of the fastest growing economies in the world. It is the fifth largest economy in the world in terms of gross domestic product ("GDP") on the basis of purchasing power parity, after the European Union, the United States, China and Japan (Source: *CIA World Factbook, February 2013*) According to the Central Statistical Organization (CSO), the Indian economy grew 5% in 2012-13, compared to 6.2% expansion in the previous year. (Source: <http://timesofindia.indiatimes.com/business/india-business/Its-official-Indian-economy-slowed-to-a-10-year-low-of-5-in-201213/articleshow/20374920.cms> accessed August 29, 2013). The Reserve Bank of India, (the "RBI") in its third quarter review of the monetary policy, announced in January 2013, its projection that real GDP for the fiscal year 2013 is expected to grow at 5.5% over fiscal 2012.

Overview of the Indian Energy Sector

Availability of and access to energy are considered to be catalysts for economic growth in India. Over half of India's population does not currently have access to electricity or any other form of commercial energy, even though India is both a major energy producer and a consumer. According to the Twelfth Five Year Plan, to sustain a GDP growth rate of 9.0% per year between 2012 and 2017, India will require energy supply to grow at 6.5% per year. India's ability to meet this energy demand depends on its ability to expand domestic production in critical energy sub sectors, notably petroleum, gas and coal, and meeting the balance requirement through imports. (Source: *Government of India Planning Commission, An Approach to the Twelfth Five Year Plan, October 2011.*)

The projected primary commercial energy requirements for India are illustrated below:

(million tons of oil equivalent)	2010-11*	2016-17**
Oil	164.32	204.80
Of which imports	125.5 (76.4%)	164.80 (80.5%)
Natural Gas & LNG	57.99	87.22
Of which imports	10.99 (19%)	24.80 (28.4%)
Coal	272.36	406.78
Of which imports	54.00 (19.8%)	90.00 (22.1%)
Lignite	9.52	14.00
Hydro	10.31	14.85
Of which imports	0.48 (4.6%)	0.52 (3.5%)
Nuclear	6.86	9.14
Renewables	0.95	1.29
Total Energy	522.81	738.07
Total Imports	190.97	280.12
% of Total Energy	36.53	37.95

* Provisional data

** On the assumption that annual demand/growth would be 6.5% up to 2016-17. The figures include use of oil and gas feed stock for fertilizer and other non-energy usage.

(Source: *Government of India Planning Commission, An Approach to the Twelfth Five Year Plan, October 2011.*)

India faces a significant challenge in ensuring rational energy pricing, which has follow-on effects on supply and demand. For demand, energy users have no incentive to use energy efficiently if energy is underpriced. For supply, energy producers will both shoulder a larger burden with lower profit margins on the energy they do

produce, but also produce less energy than is optimal. The Integrated Energy Policy, which was approved in 2009, had set out principles of energy pricing that equalized the prices of domestic and imported energy, which were coupled with subsidies for the poor. Indian prices of energy, particularly of coal and petroleum (other than petrol) are still significantly below world prices. (Source: Government of India Planning Commission, *An Approach to the Twelfth Five Year Plan, October 2011.*)

Economic Scenario of West Bengal

In 2009-10, the per capita gross state domestic product (“GSDP”) of West Bengal was US\$ 956.40 compared to US\$ 553.70 in 2004-05. Between 2004-05 and 2009-10, the per capita GSDP of West Bengal grew at a CAGR of 11.5%. West Bengal has registered an increase in the per capita income due to investments in sectors such as steel, real estate, power, retail and information technology.

In 2009-10, the tertiary sector which consists of the service industry, contributed 57.8% to the GSDP of West Bengal at current prices, followed by the primary sector of 24.0% and the secondary sector of 18.2%.

The tertiary sector has been the fastest growing among the three sectors. The tertiary sector grew at a CAGR of 15.2% between 2004-05 and 2009-10. The growth was driven by trade, hotels, real estate, finance, insurance, transport, communications and other services. Between 2004-05 and 2009-10, the primary sector, which consists of agriculture, fishing and extraction (such as mining) grew at a CAGR of 12.7%. The secondary sector grew at a CAGR of 11.5% between 2004-05 and 2009-10. It was driven by manufacturing, construction and electricity, gas and water supply. (Source: West Bengal “Unfolding Growth Strategy”, *The Associated Chambers of Commerce and Industry of India with Frost & Sullivan and Assocham India, 2012*)

The table below illustrates the structure and growth of the economy West Bengal from April 2005 until 2011:

(Value in ₹ millions in 2004-05 prices)				
Sector	2004-05	2010-11	Share in SDP 2010-11	CAGR 2004-05 to 2010-11
Primary Sector				
Agriculture	400,201.70	454,863.00	14.3	2.2
Forestry and logging	23,753.00	26,399.40	0.8	1.8
Fishing	75,400.50	92,985.60	2.9	3.6
<i>Agriculture and Allied</i>	499,355.20	574,248.00	18.1	2.4
Mining and quarrying	28,492.10	25,435.40	0.8	-1.9
Sub Total of Primary	527,847.30	599,683.40	18.9	2.1
Secondary Sector				
Manufacturing	232,615.80	350,040.70	11.0	7.0
Manu-Registered	127,564.30	188,395.60	5.9	6.7
Manu-Unregistered	105,051.50	161,645.10	5.1	7.4
Construction	149,399.60	192,292.20	6.1	4.3
Electricity, gas and water supply	41,437.00	56,436.10	1.8	5.3
Sub Total of secondary	423,452.40	598,769.00	18.8	5.9
Tertiary Sector				
<i>Industry</i>	451,944.50	624,204.40	19.6	5.5
Transport, storage and Communication	185,829.40	360,244.10	11.3	11.7
Railways	30,708.80	54,268.20	1.7	10.0
Transport by other means	116,129.20	181,808.80	5.7	7.8
Storage	6,171.60	8,097.60	0.3	4.6
Communication	32,819.80	116,069.50	3.7	23.4
Trade, hotels and restaurants	327,391.50	520,787.10	16.4	8.0
Banking and insurance	130,030.40	263,025.60	8.3	12.5
Real estate, ownership of dwellings and business services	157,076.90	273,168.80	8.6	9.7
Public administration	114,785.40	163,861.50	5.2	6.1
Other services	220,150.30	398,318.60	12.5	10.4
Services	1,135,263.90	1,979,405.70	62.3	9.7
State domestic product	2,086,563.60	3,177,858.10	100.0	7.3

(Source: Central Statistics Office: “Realizing the Growth Potential of West Bengal” Assocham India, August 2012)

Mining and quarrying decreased in West Bengal. The industrial sector in Bihar and Orissa grew whereas it remained subdued in West Bengal. The manufacturing segment of the industrial sector registered a 7.0% growth in West Bengal. The dominance of services in West Bengal and Bihar has increased over the six years to 2010-11. The structure and growth of four important Eastern states are illustrated in the table below:

Economic Activity	Assam		Bihar		Orissa		West Bengal	
	Share in GDP	CAGR 04-05 to 10-11	Share in GDP	CAGR 04-05 to 10-11	Share in GDP	CAGR 04-05 to 10-11	Share in GDP	CAGR 04-05 to 10-11
Primary sector, of which	28.7	2.5	19.9	2.6	24.4	4.5	18.9	2.1
Agriculture and allied activities	19.2	3.5	17.3	3.2	14.4	4.1	14.3	2.2
Mining and quarrying	5.9	-1.2	0.1	13.6	6.8	6.9	0.8	-1.9
Industrial sector, of which	16.3	3.1	16.9	14.8	28.3	9.9	18.8	5.9
Total Manufacturing	6.7	-2.0	4.8	7.8	15.7	13.6	11.0	7.0
Services sector, of which	55.0	8.5	63.2	13.6	47.3	10.7	62.3	9.7
State domestic product	100.0	5.6	100.0	10.9	100.0	8.7	100.0	7.3

(Source: Central Statistics Office: "Realizing the Growth Potential of West Bengal" ASSOCHAM India, August 2012)

SUMMARY OF BUSINESS

We are the first company to commercially produce natural gas from coal seams, commonly known as coal bed methane (“CBM”), in India. We focus on the exploration, development, production, distribution and sale of CBM. Our operational asset is a 100.0% participating interest in a license area, the Raniganj (South) block in West Bengal, for which we hold exploration, development and production rights until 2036. Additionally, we also hold exploration, development and production rights in the Mannargudi block in Tamil Nadu until 2046, subject to certain conditions discussed in “—Our Blocks—Mannargudi Block” and we have recently been awarded a 25.0% participating interest in the Raniganj (North) block along with ONGC.

We produce CBM from the Raniganj (South) Block, which has an estimated original gas-in-place of 2.40 tcf and net proved reserves (“1P”), proved and probable reserves (“2P”) and proved, probable and possible reserves (“3P”) of 46.9 bcf, 121.8 bcf and 242.2 bcf, respectively, as of February 28, 2013, according to the Resource and Reserve Assessment.

For the Fiscal Years 2013, 2012 and 2011, we produced 88.02 mmscm, 70.04 mmscm and 41.36 mmscm, and sold 75.75 mmscm, 56.56 mmscm and 30.12 mmscm, of CBM (including CNG for automobiles), respectively. As of March 31, 2013, we had contracts and memoranda of understanding with aggregate commitments by customers to purchase up to 1.13 mmcmd of CBM, as compared to production of 88.02 mmscm (0.24 mmcmd) of CBM for the Fiscal Year 2013.

In July 2007, we began producing CBM commercially at the Raniganj (South) Block and, in July 2012, we completed drilling 100 wells and constructing the distribution infrastructure, including gas gathering stations, and underground MDPE pipelines connecting the wells, such gas gathering stations and the central gathering station and steel pipeline connecting our customers’ operations. In 2012, we received approval for drilling an additional 200 wells, at a pace of over 40 wells drilled each year, and expanding our logistics operations and pipeline network, which we expect to complete by the Fiscal Year 2017.

In total, our existing operations at the Raniganj (South) block, as of July 31, 2013, included 153 drilled wells, including 137 that are producing and dewatering, a dedicated steel pipeline network of over 110 kilometers, MDPE pipelines of over 119 kilometers, two gas gathering stations, one central gathering station and seven compressed natural gas (“CNG”) dispenser outlets, providing us with infrastructure that allows us to distribute CBM by pipeline to Kulti and along the Asansol-Raniganj-Durgapur industrial belt and CNG to regional fueling stations.

As of August 31, 2013, we supplied CBM directly to 31 industrial customers through our network of dedicated pipelines, as well as through truck mounted cascades, and to automobile customers through seven CNG fueling stations, one owned by us and six by two state-owned petroleum companies.

We have recently been awarded a 25.0% participating interest in the Raniganj (North) Block which we won through a competitive bidding process. This award is subject to the execution of a farm-in related and joint operatorship agreement with ONGC (along with its consortium) and the approval from the Government of India. The Raniganj (North) Block is adjacent to our Raniganj (South) block. According to the DGH, the original-gas-in-place in the Raniganj (North) block is 1.5 TCF as of February 6, 2003.

For the Mannargudi block, we have entered into the contract for exploration and production with the Government of India (the “Mannargudi CBM Contract”) and received petroleum exploration licenses from the Government of Tamil Nadu. We currently have a conflict of interest with ONGC in relation to the Mannargudi block which is pending before the relevant authorities. See “Risk Factors — Petroleum and natural gas interests of Oil and Natural Gas Corporation Limited (“ONGC”) conflict with our rights with respect to the Mannargudi block that was allocated to us, which may negatively affect our business and prospects.” on page 19.

In December 2005, we listed GDRs on the London Stock Exchange’s Alternative Investment Market (“AIM”). In May 2010, our GDRs were admitted to the standard list on the official list of the UK Listing Authority and for trading on the main market of the London Stock Exchange and ceased to trade on the AIM market.

For the Fiscal Years 2013 and 2012, our total revenue was ₹ 1,606.65 million and ₹ 1,160.48 million, respectively. We had a restated profit after tax of ₹ 358.49 million for the Fiscal Year 2013 and had a restated loss after tax of ₹ 55.96 million for the Fiscal Year 2012.

Our Competitive Strengths

We believe that the following competitive strengths will enable us to compete successfully in our industry:

Established CBM Company in India

We are an established and fully integrated CBM company in India and the first company to commercially produce CBM in India. We were awarded the Raniganj (South) block on a nomination basis in May 2001 as part of the first round of CBM blocks awarded in India. Prior to this, in December 1993, we entered into a memorandum of understanding and license agreement with Coal India Limited (“CIL”) that rendered us eligible for such nomination. We first produced gas commercially at the Raniganj (South) block in July 2007, becoming the first company to commercially produce CBM in India.

As an established CBM company in India, we are one of the few companies in India that has established reserves, an extensive exploration and development program, commercial production for CBM and a secured market for natural gas off-take. We believe that our experience in exploring and developing CBM at the Raniganj (South) block for over a decade has provided us with a number of competitive advantages in implementing our growth strategy, achieving operational efficiencies and growing our customer base. For example, we believe that this experience allows us to reduce the time and costs associated with our upstream, midstream and downstream activities and to establish achievable objectives in our current and future development plans. This experience has also allowed us to establish long-term relationships with, and, in certain instances, secure minimum guaranteed off-take commitments from, customers in the region. In addition, we believe that this experience helps us to select and bid for CBM and other blocks in future bidding rounds or be awarded participating interests by other companies such as for the Raniganj (North) block.

Established Reserves and Commercially Producing CBM

We are one of the few CBM companies in India that have established reserves, an extensive exploration and development program and commercial production for CBM. The Raniganj (South) block has an estimated original gas-in-place of 2.40 tcf, and net 1P, 2P and 3P reserves of 46.9 bcf, 121.8 bcf and 242.2 bcf, respectively, as of February 28, 2013, according to the Resource and Reserve Assessment.

Our established reserves base is supported by our extensive exploration and development program, which, as of July 31, 2013, had 153 wells drilled. This established reserves base and exploration and development program provide us the opportunity to continue to increase CBM production. For the Fiscal Years 2013, 2012 and 2011, we produced 88.02 mmscm, 70.04 mmscm and 41.36 mmscm of CBM, respectively.

Revenue Sharing in CBM Contract for Raniganj (South) Block

CBM contracts in India have a revenue sharing mechanism, as compared to contracts for conventional oil and gas blocks, which generally have a profit sharing mechanism with cost recovery. For example, the revenue sharing mechanism requires us to pay a royalty and production level payment at an aggregate rate of 12.5% for CBM produced from the Raniganj (South) block, split between a royalty to the Government of West Bengal (10.0%) and a production level payment to the Government of India (2.5%). See “—Key Features of Our CBM Contracts and Mining Licenses—Raniganj (South) Block.” Our royalty and production level payments for the CBM Contract for the Raniganj (South) block (the “Raniganj CBM Contract”) are subject to a minimum net realization of \$6.79/mmbtu, on which such payments are computed at the well head; however, we are permitted to price the CBM above or below this price. We believe that this revenue sharing mechanism provides us with several advantages over producers of conventional natural gas in India, which are subject to a profit sharing mechanism with cost recovery.

Large Market for CBM Off-take Connected through Dedicated Distribution Infrastructure

The Raniganj (South) block is situated near, and connected through dedicated gas distribution infrastructure to, the Asansol-Raniganj-Durgapur industrial belt, and is located approximately 200 kilometers from Kolkata. As of July 31, 2013, our dedicated gas distribution infrastructure included 110 kilometers of pipeline connecting the Raniganj (South) block to the Asansol-Raniganj-Durgapur belt, which includes Kulti, Raniganj, and Durgapur, and our customers’ operations. These cities have industrial activity with substantial natural gas demand, including steel plants and the carbon black, steel rolling mills, glass, chemical and food industries.

Proximity to these markets has allowed us to secure contracts and memoranda of understanding with aggregate commitments from customers to purchase up to 1.13 mmscmd of CBM, as of March 31, 2013. By comparison, we produced 88.02 mmscm (0.24 mmscmd) of CBM for the Fiscal Year 2013, providing us with considerable opportunity to increase production and sale of CBM.

Experienced Senior Management and Consultant Team

We believe that we benefit from the experience and continued efforts of our senior management and consultant team. Our senior management has an average of over 25 years of experience in the management and growth of companies in the oil and gas industry. In particular, we rely on the expertise and experience of our Chairman and Managing Director, Mr. Yogendra Kumar Modi, and our President and Chief Operating Officer, Mr. Prashant Modi. Further, a number of other members of our senior management have broad experience in the oil and gas industry, including appointments to national and international bodies related to the energy industry, which enables us to effectively operate our business. In addition, we engage international contractors such as Halliburton Offshore Services Inc. (“Halliburton”), with vast experience in the industry, to manage our drilling and well completion activities and international consultants, ARI to prepare reserve estimates and to recommend production operations.

Ownership of Two Drilling Rigs and Four Work Over Rigs

We own two drilling rigs and four work over rigs. Owning these rigs allows us control over our drilling and maintenance schedules and allows us to deploy rigs as required, without being subject to lack of availability or fluctuations in rental fees from third party providers. We are able to set our own drilling timetables irrespective of the availability of, or price to lease, rigs.

Our Strategies

We intend to pursue the following principal strategies to become a leading CBM producer in India:

Fully Develop the Raniganj (South) Block

We intend to fully develop the Raniganj (South) block through exploration and development pursuant to our development plan which involves drilling an additional 200 wells, at a pace of drilling and fracturing 40 wells each year, and expanding our logistics operations and pipeline network, all of which we expect to complete by the Fiscal Year 2017. As of July 31, 2013, we have drilled 153 wells. We are permitted to operate the Raniganj (South) block until 2036 and believe that this exploration and development plan will allow us to maximize the amount of CBM that we produce and sell.

Through our contractor, Halliburton, we also engage in directional drilling and coil tube fracturing in the Raniganj (South) block. When effective, directional drilling increases the recovery rates and extends the production life at wells in the Raniganj (South) block, while coil tube fracturing shortens the time required to fracture wells.

Focus on Developing Dedicated Infrastructure

We will continue to focus on developing dedicated infrastructure for the Raniganj (South) block. For example, we plan to expand our dedicated steel spur pipeline network by an additional 15 kilometers from Bamunara to Panagarh and to construct a 4” dedicated steel spur pipeline to Jamuria industrial area and additional gas gathering stations as required by our ramp-up in production. We plan to use these spur lines to connect to, and secure off-take and supply agreements with, ceramic, glass, sponge iron and other manufacturers in the region.

Increase Our License Area in India through Acquisitions and Bidding

We intend to increase our license area in India by acquiring existing CBM assets, and by bidding in international tenders for CBM blocks in India. We believe that our track record in successfully exploring and developing CBM blocks for over a decade, and as the first Indian company to commercially produce CBM, will continue to give us an advantage in selecting, and bidding for or acquiring, non-conventional gas projects. Additionally, we have been awarded a 25.0% participating interest in the Raniganj (North) Block which we won through a competitive bidding process. According to the DGH, the original-gas-in-place in the Raniganj (North) block was 1.5 TCF as of February 6, 2003.

SUMMARY FINANCIAL INFORMATION

Annexure I

Restated Summary Statements of Assets and Liabilities

(₹ in Million)

	Particulars	As at				
		31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
A.	Non-current assets					
	Fixed assets					
	- Tangible assets	9,549.98	7,653.74	5,785.52	4,522.67	3,205.98
	- Intangible assets	3.68	4.42	1.35	3.58	4.16
	- Capital work in progress	1,042.90	943.76	617.33	568.30	668.06
	- Intangible assets under development	30.18	9.70	3.30	-	-
	Non-current investments	0.01	0.01	0.01	-	-
	Long-term loans and advances	146.36	91.85	56.73	34.21	107.10
	Other non-current assets	92.87	64.83	88.39	-	-
		10,865.98	8,768.31	6,552.63	5,128.76	3,985.30
B.	Current assets					
	Current investments	-	-	7.13	982.70	-
	Trade receivables	60.35	50.89	34.33	30.21	2.28
	Cash and bank balances	416.92	375.45	975.04	11.09	54.36
	Short-term loans and advances	10.09	12.42	12.62	5.32	52.32
	Other current assets	51.99	55.80	55.76	5.76	1.93
		539.35	494.56	1,084.88	1,035.08	110.89
C.	Non-current liabilities					
	Long-term borrowings	4,988.61	4,075.51	3,704.52	2,514.51	2,161.18
	Deferred tax liability	18.20	-	-	-	-
	Long-term provisions	275.16	223.40	33.71	26.50	23.20
		5,281.97	4,298.91	3,738.23	2,541.01	2,184.38
D.	Current liabilities					
	Trade payables	31.70	14.81	15.00	14.81	22.76
	Other current liabilities	1,720.96	1,016.14	586.62	304.06	329.16
	Short-term provisions	108.66	42.33	9.71	3.08	1.57
		1,861.32	1,073.28	611.33	321.95	353.49
E.	Net worth (A+B-C-D)	4,262.04	3,890.68	3,287.95	3,300.88	1,558.32
	Net worth represented by					
F.	Shareholders' funds					
	Share capital					
	Equity share capital	595.62	595.62	580.62	580.62	544.62
	Total share capital	595.62	595.62	580.62	580.62	544.62
G.	Reserves and surplus					
	Securities premium account	4,245.07	4,245.07	3,585.07	3,585.07	1,486.59
	Share option outstanding account	3.34	2.99	2.80	1.60	0.70
	Foreign currency monetary item translation difference	(0.30)	(12.82)	3.68	-	-
	Surplus / (Deficit)	(581.69)	(940.18)	(884.22)	(866.41)	(473.59)
	Total reserves and surplus	3,666.42	3,295.06	2,707.33	2,720.26	1,013.70
	Net worth (F+G)	4,262.04	3,890.68	3,287.95	3,300.88	1,558.32

Note:

The above Statements should be read with the Notes to the Restated Summary Statements of Assets and Liabilities; Restated Summary Statements of Profit and Loss; and Restated Summary Statements of Cash Flows, as appearing in Annexure IV of the chapter titled "*Financial Statements*" on page 171.

Annexure II

Restated Summary Statements of Profit and Loss

(₹ in Million)

Particulars	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Income					
Revenue from operations	1,583.96	1,085.99	595.26	118.44	32.40
Less: Excise duty	(4.66)	(3.02)	(1.96)	(1.10)	(0.21)
	1,579.30	1,082.97	593.30	117.34	32.19
Other operating revenue	2.55	34.39	18.29	-	-
Other income	24.80	43.12	51.80	32.18	7.94
Total revenue	1,606.65	1,160.48	663.39	149.52	40.13
Expenses					
Employee benefits expense	120.07	103.25	82.84	76.77	49.88
Finance cost	319.34	303.97	227.53	243.34	83.55
Depreciation/amortisation/ depletion	169.56	134.30	108.31	66.61	13.08
Listing expenses	-	-	32.74	-	-
Other expenses	449.78	347.26	225.08	163.75	155.83
Total expenses	1,058.75	888.78	676.50	550.47	302.34
Profit/(loss) before exceptional items and tax	547.90	271.70	(13.11)	(400.95)	(262.21)
Exceptional items					
Loss / (gain) on account of foreign exchange and derivative transaction (including losses on account of mark to market valuation of derivatives) [Refer to Note 4 (o) of Annexure IV]	169.14	327.66	4.70	(8.13)	10.08
Restated profit/(loss) before tax	378.76	(55.96)	(17.81)	(392.82)	(272.29)
Provision for tax					
Current tax/ Minimum alternate tax (MAT)	34.05	-	-	-	-
MAT credit entitlement	(31.98)	-	-	-	-
Deferred tax expenses	18.20	-	-	-	-
Fringe benefit tax	-	-	-	-	3.10
Total tax expense	20.27	-	-	-	3.10
Restated profit/(loss) after tax	358.49	(55.96)	(17.81)	(392.82)	(275.39)

Note:

The above statement should be read with the Notes to the Restated Summary Statements of Assets and Liabilities; Restated Summary Statements of Profit and Loss; and Restated Summary Statements of Cash Flows, as appearing in Annexure IV of the chapter titled “Financial Statements” on page 171.

Annexure III

Restated Summary Statements of Cash Flows

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
A. Cash flow from operating activities					
Restated Profit/(Loss) before tax	378.76	(55.96)	(17.81)	(392.82)	(272.29)
Adjustments for:-					
Depreciation/amortisation/depletion	169.56	134.30	108.31	66.61	13.08
Interest income	(22.69)	(25.09)	(4.10)	(2.51)	(3.36)
Profit on sale of investments	-	(0.92)	(46.69)	(9.34)	-
Provision for inventory obsolescence	-	-	-	13.27	-
Employee stock option outstanding account	0.35	0.19	1.20	0.90	0.70
(Profit)/loss on sale of fixed assets/capital inventory	0.12	0.08	(0.19)	0.26	0.02
Finance cost	319.34	303.97	227.53	243.34	83.55
Unrealised exchange losses/(gains)	88.92	272.10	10.31	(4.88)	7.24
Provisions/liabilities no longer required written back	-	(16.30)	-	(16.16)	(3.62)
Operating Profit/(Loss) before following adjustments	934.36	612.37	278.56	(101.33)	(174.68)
Adjustments:					
(Increase) / decrease in trade receivables	(9.46)	(16.56)	(4.12)	(27.93)	(1.33)
(Increase) / decrease in loans and advances	1.69	(10.61)	(6.36)	42.32	(9.83)
(Increase) / decrease in other assets	10.14	(9.42)	(13.00)	(4.65)	-
Increase / (decrease) in trade payables	16.89	(0.19)	0.19	(3.02)	0.04
Increase / (decrease) in provisions	8.84	9.10	5.73	4.81	12.33
Increase / (decrease) in other liabilities	14.46	1.52	(23.25)	56.10	403.37
Net cash generated from / (used in) operating activities	976.92	586.21	237.75	(33.70)	229.90
B. Cash flow from investing activities					
Acquisition of fixed assets	(1,721.87)	(1,978.29)	(1,210.56)	(1,277.12)	(1,503.09)
Proceeds from sale of fixed assets	0.35	0.05	0.84	4.07	0.03
Purchase of investments	-	-	(27.01)	(4,301.30)	-
Sales of investments	-	8.05	1,049.26	3,327.94	-
Fixed deposits matured/(purchased) during the year	110.96	654.11	(948.29)	24.98	8.52
Interest received	28.75	88.19	6.07	3.40	5.35
Income tax (paid)/refunded	(2.63)	(6.72)	(2.49)	11.43	10.89
Net cash (used in) investing activities	(1,584.44)	(1,234.61)	(1,132.18)	(2,206.60)	(1,478.30)
C. Cash flow from financing activities					
Proceeds from borrowings (net of transaction cost)	1,737.81	641.92	1,210.88	1,063.57	1416.42
Repayment of borrowings	(500.75)	(213.91)	(22.72)	(677.71)	-
Interest paid	(477.11)	(400.09)	(266.47)	(341.36)	(182.97)
Forward cover charges paid	-	-	(11.61)	-	-
Proceeds from issue of shares (including share premium)	-	675.00	-	2,186.71	-
Share issue expenses	-	-	-	(9.19)	(43.04)
Net cash generated from	759.95	702.92	910.08	2,222.02	1,190.41

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
financing activities					
Net changes in cash and cash equivalents(A+B+C)	152.43	54.52	15.65	(18.28)	(57.99)
Cash and cash equivalents at the beginning of the year	77.50	22.98	7.33	25.61	83.60
Cash and cash equivalents at the end of the year	229.93	77.50	22.98	7.33	25.61
Note:					
(i) Components of cash and cash equivalents					
Balances with banks in					
- Current accounts	48.15	27.44	22.82	7.22	25.40
- Deposits with original maturity of less than 3 months	180.00	50.00	-	-	-
Cash on hand	0.23	0.06	0.16	0.11	0.03
Cheques in hand	1.55	-	-	-	0.18
Total cash and cash equivalents	229.93	77.50	22.98	7.33	25.61
ii) The above statement should be read with the Notes to the Restated Summary Statements of Assets and Liabilities; Restated Summary Statements of Profit and Loss; and Restated Summary Statements of Cash Flows, as appearing in Annexure IV of the chapter titled “ <i>Financial Statements</i> ” on page 171.					

THE ISSUE

The following table summarizes the Issue details:

Public issue	Up to 8,200,000 Equity Shares
<i>Of which:</i>	
Fresh Issue by our Company [#]	7,800,000 Equity Shares
Offer for Sale by Selling Shareholder ^{###}	Up to 400,000 Equity Shares ^{###}
<i>Of which:</i>	
QIB Portion ⁽¹⁾⁽²⁾	At least 6,150,000 Equity Shares [*]
<i>Of which:</i>	
Anchor Investor Portion	1,845,000 Equity Shares ^{**}
Net QIB Portion	4,305,000 Equity Shares [*]
<i>Of which:</i>	
Mutual Fund Portion	215,250 Equity Shares [*]
Balance of Net QIB Portion (available for all QIBs including Mutual Funds)	4,089,750 Equity Shares [*]
Non-Institutional Portion ⁽²⁾	Not more than 1,230,000 Equity Shares [*]
Retail Portion ⁽²⁾	Not more than 820,000 Equity Shares [*]
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue ⁽³⁾	59,561,950 Equity Shares
Equity Shares outstanding after the Issue ⁽⁴⁾	[●] Equity Shares
Use of proceeds of this Issue	
For details in relation to use of the Issue Proceeds, see chapter titled “ <i>Objects of the Issue</i> ” on page 86. Our Company will not receive any proceeds of the Offer for Sale.	

^{*} In the event of over-subscription, allocation to all categories shall be made on a proportionate basis, except the Anchor Investor Portion for which allocation shall be made on discretionary basis and the Retail Individual Portion which will be subject to the minimum lot size in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

^{**} Our Company and the Selling Shareholder may, in consultation with the Book Running Lead Manager, allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. For further details, see the chapter titled “Issue Procedure” on page 302. 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 Fresh Issue has been authorised by our Board by their resolution dated February 20, 2013 and by the shareholders of our Company at the EGM dated March 26, 2013.

^{##} The Issue includes an Offer for Sale of up to 400,000 Equity Shares by the Selling Shareholder. The Selling Shareholder has authorized the Offer for Sale pursuant to its board resolution dated July 25, 2013. The Equity Shares offered by the Selling Shareholder in the Offer for Sale have been held by it for more than one year as of the date of this Draft Red Herring Prospectus and / otherwise are eligible to form part of the Offer for Sale in accordance with the SEBI Regulations.

^{###} In the event the non – Promoter/Promoter Group GDR holders, convert their GDRs into underlying Equity Shares, at any time prior to the filing of the Red Herring Prospectus with the RoC, the Selling Shareholder will offer such number of additional Equity Shares, so as to ensure that atleast 25%, of the fully diluted post-Issue paid up Indian Equity Share Capital, is offered to the public.

(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 215,250 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 (other than Anchor Investors) on a proportionate basis, subject to valid Bids at or above the Issue Price. For further details, see the chapter titled “*Issue Procedure*” on page 302.

(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 and the Selling Shareholder, in consultation with Book Running Lead Manager and the Designated Stock Exchange. However, if at least 75 % of the Issue cannot be Allotted to QIBs, all the application monies will be refunded forthwith.

(3) The issued share capital of our Company includes 36,919,873 Equity Shares underlying two GDR issuances made by our Company. See “Capital Structure—Issuance of GDRs” on page 68.

(4) *The GDRs of our Company are listed on the main market of the LSE. SEBI has, vide the SEBI Letter, granted our Company the approval “to get listed on the Indian stock exchanges by offering” its Equity Shares by way of an initial public offering in which “not less than 25% of the total domestic shareholding” calculated in the manner prescribed in the SEBI Letter shall be offered to the public. Provided, however, after listing of the Equity Shares, in the event of “any conversion of GDRs held by the Promoters of the Company into Equity Shares, these will necessarily be sold on the Stock Exchanges.”*

GENERAL INFORMATION

Our Company was incorporated as “Modi Mckenzie Methane Limited” on May 29, 1992 under the Companies Act. Our Company received the certificate for commencement of business on January 8, 1993 from the RoC Delhi. A shareholders’ agreement dated July 19, 1993 was entered into among Mr. Yogendra Kumar Modi and Mckenzie India Energy Corporation B.V. with respect to exploration, exploitation, production of methane gas and associated energy sources in India and conversion and marketing thereof to be carried out through our Company. The said shareholders’ agreement was subsequently terminated with effect from August 19, 1998 upon Mckenzie India Energy Corporation B.V. transferring its entire shareholding in our Company to Ogen Energy India (CBM) Limited.

The name of our Company was changed to “Great Eastern Energy Corporation Limited”, pursuant to a special resolution of the shareholders of our Company at an EGM held on January 21, 1996. The fresh certificate of incorporation consequent upon the change of name was granted on February 2, 1996 by the RoC, Delhi. Further, pursuant to a special resolution of the shareholders of our Company at an EGM on April 10, 1998, our Company was converted to a private company under Section 31(1) of the Companies Act and the name was changed to “Great Eastern Energy Corporation Private Limited”. The fresh certificate of incorporation consequent to change of name was issued on June 16, 1998 by the RoC, Delhi. However, since more than 25% of the then paid-up share capital of our Company was held by a public company, namely Bokel Investments Limited, our Company was considered a deemed public company and the status of our Company was converted into a public company by way of an amendment in the certificate of incorporation granted to our Company on June 16, 1998 and the name of our Company was changed back to “Great Eastern Energy Corporation Limited”. For details relating to changes in the name of our Company, see the chapter titled “*History and Corporate Structure*” on page 138.

Registered Office

M10, ADDA Industrial Estate,
Bardhaman,
Asansol 713 305,
West Bengal, India.
Telephone: +91 341-302 9900
Facsimile: +91 341-3029911

Corporate Office

Signature Towers-A, 14th Floor,
South City, NH-8,
Gurgaon 122 001,
Haryana, India.
Telephone: +91 124 455 9900
Facsimile: +91 124 258 0467.

For details relating to changes in the registered office, see the chapter titled “*History and Corporate Structure*” on page 138.

Corporate Identity Number: U48985WB1992PLC095301

Registration Number: 55 – 48985

Address of the RoC

Registrar of Companies, Kolkata
Nizam Palace
2nd MSO Building
2nd Floor, 234/4, A.J.C.B. Road
Kolkata 700020
West Bengal, India.
Telephone: +91 33 2287 7390
Facsimile: + 91 33 2290 3795
E-Mail: roc.kolkata@mca.gov.in

Board of Directors

Our Board comprises the following:

Name, Designation and Occupation	Age (years)	DIN	Address
Mr. Yogendra Kumar Modi <i>Designation:</i> Chairman and Managing Director <i>Occupation:</i> Industrialist	65	00016666	33, Shivji Marg, Rangpuri, New Delhi 110 037, India
Mr. Paul Sebastian Zuckerman <i>Designation:</i> Independent Director <i>Occupation:</i> Business	68	00112255	105, Grosvenor Road, London SW1V 3LG, United Kingdom.
Mr. Pejavar Murari <i>Designation:</i> Independent Director <i>Occupation:</i> Retired Professional	79	00020437	No. 2, Gilchrist Avenue, Off. Harrington Road, Chetpet, Chennai 600 031, India.
Mr. Kashi Nath Memani <i>Designation:</i> Independent Director <i>Occupation:</i> Retired Professional	74	00020696	177-C, Lane W-7, Western Avenue, Sainik Farms, New Delhi 110 062, India.
Mr. Haigreve Khaitan <i>Designation:</i> Non Executive Director <i>Occupation:</i> Professional	43	00005290	1104, Sterling Seaface, Dr. Annie Besant Road, Worli, Mumbai 400 018, Maharashtra, India.
Mr. Gurvirendra Singh Talwar <i>Designation:</i> Independent Director <i>Occupation:</i> Business	65	00559460	19, Phillimore Place, Kensington, London, W87BY, United Kingdom.
Mr. Ashok Kumar Jha <i>Designation:</i> Independent Director <i>Occupation:</i> Service	66	00170745	D6/24, 2 nd Floor, Vasant Vihar, New Delhi 110 057, India.

For further details and profile of our Directors, see the chapter titled “*Our Management*” on page 147.

Company Secretary and Compliance Officer

Our Company Secretary and Compliance Officer is Mr. Diviy Chadha.

His contact details are as follows:

Mr. Diviy Chadha

Signature Towers-A,
14th Floor, South City,
NH-8, Gurgaon 122 001,
Haryana, India

Telephone: +91 124 455 9900

Facsimile: +91 124 258 0467

E-mail: investors@geecl.com

Website: www.geecl.com

Investors can contact the Compliance Officer, the Registrar to the Issue or the BRLM, in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, credit of allotted shares in the respective beneficiary account or refund orders, etc. All grievances relating to the Issue may be addressed to the Registrar to the Issue giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Bank branch or collection center where the application was submitted. 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 Centres, or (ii) the concerned Non-Syndicate Registered Broker and the relevant SCSB, in the event of a Bid submitted by an ASBA Bidder at any of the Non-Syndicate Broker Centres, or (iii) 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, application number, 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 all cases with a copy to the Registrar to the Issue. All grievances relating to Bids submitted through the Non-Syndicate Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

Selling Shareholder

YKM Holdings International Limited

Trust House, 112 Bonafide Street
Kingston, Saint Vincent and the Grenadines

Book Running Lead Manager

ICICI Securities Limited

ICICI Centre, H. T. Parekh Marg,
Churchgate, Mumbai 400 020, India

Tel: +91 22 2288 2460

Fax: +91 22 2282 6580

Email: geecl.ipo@icicisecurities.com

Investor Grievance ID: customercare@icicisecurities.com

Website: www.icicisecurities.com

Contact Person: Mrs. Payal Kulkarni

SEBI Registration No.: INM000011179

Compliance officer: Mr. Subir Saha

Domestic Legal Counsel to our Company

Khaitan & Co

One Indiabulls Centre,
Tower 1, 13th Floor,
841 Senapati Bapat Marg,
Elphinstone Road,
Mumbai 400 013,
Maharashtra, India.

Tel: +91 22 6636 5000

Fax: +91 22 6636 5050

Domestic Legal Counsel to the Book Running Lead Manager

J. Sagar Associates

Vakils House,
18 Sprott Road,
Ballard Estate,
Mumbai 400 001,
Maharashtra, India.

Tel: +91 22 4341 8600

Fax: +91 22 4341 8617

International Legal Counsel to the Underwriters

Jones Day

3 Church Street
#14-02, Samsung Hub
Singapore 049483
Tel: +65 6538 3939
Fax: +65 6536 3939

Registrar to the Issue

Karvy Computershare Private Limited

Plot No. 17 to 24,
Vithalrao Nagar, Madhapur,
Hyderabad 500 081, India
Toll Free No. 1-800-3454001
Tel: +91 40 44655000
Fax: +91 40 23431551
Email: geecl-ipo@karvy.com
Investor Grievance ID: einward.ris@karvy.com
Website: www.karvycomputershare.com
Contact Person: Mr. M Murali Krishna
SEBI Registration No.: INR000000221

Escrow Collection Banks/ Bankers to the Issue

[•]

Syndicate Members

[•]

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided 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. For details of the Designated Branches of the SCSBs which shall collect Bid cum Application Forms submitted by ASBA Bidders, please refer to the above-mentioned link.

Non Syndicate Broker Centre

In accordance with SEBI circular dated October 4, 2012, the investors can submit Bid-cum-Application Forms using the stock broker network of the stock exchanges. The Bid-cum-Application Forms will be made available by the Stock Exchanges on their websites/broker terminals for download/print in more than 1,000 centres which are part of the nationwide broker network of stock exchanges and where there is a presence of the brokers' terminals. The details of Broker Centres are available on the websites of BSE and NSE at <http://www.bseindia.com/> and <http://www.nseindia.com/>, respectively and at such other websites as may be prescribed by SEBI from time to time.

Refund Banker

[•]

Auditors to our Company

BSR & Co.

Building No. 10, 8th floor,
Tower- B, DLF Cyber City
Phase – II
Gurgaon - 122002
Tel: +91 124 254 9191
Fax: +91 124 2549101
Email: kaushalkishore@kpmg.com
Contact Person: Kaushal Kishore

Bankers to our Company

<p>Canara Bank</p> <p>Brabourne road, No. 2, Govind Bhavan, Kolkata 7000 01, India</p> <p>Tel.: +91 33 2225 4715 Fax: +91 33 2225 0332 Email: duttachowdhury@canarabank.com Website: www.canarabank.in Contact Person: Mr. Dutta Chowdhury</p>	<p>Corporation Bank</p> <p>Corporate Banking Branch, Hindustan Time House,10th Floor, 18/20, K. G. Marg, Connaught Place, New Delhi 110 001, India</p> <p>Tel.: +91 11 2370 4673/74 Fax: +91 11 2370 4677 Email: cb447@corpbank.co.in Website: www.corpbank.com Contact Person: Mr. U Madhu Sudan Roy</p>
<p>State Bank of India</p> <p>Corporate Accounts Group Branch, Reliance House, 2nd Floor, 34, Jawaharlal Nehru Road, Kolkata – 700 071, India</p> <p>Tel.: +91 33 2226 2251/53/54 Fax: +91 33 2288 7037 Email: uttam.chowdhury@sbi.co.in Website: www.sbi.co.in Contact Person: Mr. Uttam Chowdhury</p>	<p>State Bank of Mysore</p> <p>Bentinck Street Branch, 1&2, Old Court House Corner, Tobacco House, Kolkata- 700 001, India</p> <p>Tel.: +91 33 22300991 Fax: +91 33 22311337 Email: bentinckstreet@sbm.co.in Website: http://www.statebankofmysore.co.in/ Contact Person: Mr. S. Subbaram</p>
<p>Union Bank of India</p> <p>Industrial Finance Branch, 1st Floor, Union Bank Bhavan, Sayajigunj, Baroda, Gujarat – 390005, India</p> <p>Tel.: +91 0265 2225 348/49 Fax: +91 0265 2261 516 Email: ifbbaroda@unionbankofindia.com Website: www.unionbankofindia.com Contact Person: Mr. M.C. Khurana</p>	<p>State Bank of Travancore</p> <p>Kolkata Main Branch, 36 Chowringhee Road, Middleton Row P.O., Kolkata – 700071 West Bengal, India Tel.: +91 33 2288 5583 Fax: +91 33 2288 4271 Email: Calcutta@sbt.co.in Website: www.statebankoftravancore.com Contact Person: Mr.Samarendra Dash</p>
<p>Vijaya Bank</p> <p>Maker Chamber IV (Rear Portion) 222, Nariman Point, Mumbai – 400 021, India</p> <p>Tel.: +91 22 2281 4898 Fax: +91 22 2281 4753 Email: mumbaicorpbanking@vijayabank.co.in Website: www.vijayabank.com Contact Person: Mr. A. Sridhara Murthy</p>	<p>Export - Import Bank of India</p> <p>Ground Floor, Statesman House, 148, Barakhamba Road, New Delhi – 110 001, India</p> <p>Tel.: +91 11 2347 4800 Fax: +91 11 2332 1719 Email: eximndro@eximbankindia.in Website: www.eximbankindia.in Contact Person: Mr Sriram Subramaniam</p>
<p>ICICI Bank Limited</p> <p>ICICI Bank Tower, NBCC Place, Pragati Vihar, Bhishma Pitamah Marg, New Delhi – 110 003, India Tel.: +91 11 2439 0000 Fax: +91 11 2439 0070 Email: Lovepreet.Kaur @icicibank.com Website: www.icicibank.com Contact Person: Ms. Lovepreet Kaur</p>	<p>State Bank of Patiala</p> <p>Commercial Branch, Chanderlok Building, IInd Floor, 36, Janpath New Delhi – 110 001, India Tel.: +91 11 2331 2274 Fax: +91 11 22335 6915 Email: sbpcbnd@yahoo.co.in Website: www.sbp.co.in Contact Person: Mr R. K. Gupta</p>

Credit Rating

As this is an issue of Equity Shares, credit rating is not required

Trustees

As this is an issue of Equity Shares, the appointment of trustees is not required.

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.

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 the Registered Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of filing of the Red Herring Prospectus with RoC until the Bid/Issue Closing Date. For details of summary of rationale for the grading assigned by the IPO Grading Agency, see the chapter titled “Other Regulatory and Statutory Disclosures” on page 279. The Issue has not been graded by any other agency.

Disclaimer of IPO Grading Agency

[●]

Monitoring Agency

There is no requirement for appointing a monitoring agency for this Issue under Regulation 16(1) of the SEBI Regulations since our proposed Issue size is less than ₹ 5,000 million. However, as per the Clause 49 of the Listing Agreement to be entered into with the stock exchanges upon listing of the equity shares in accordance with the corporate governance requirements, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

Expert

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

Our Company has received consent from the Auditors namely, BSR & Co., Chartered Accountants to include their name as an expert (also as defined under Section 2 (38) of the 2013 Act) under Section 58 of the Companies Act in this Draft Red Herring Prospectus in relation to the ‘Statement of Tax Benefits’ and the report of the Auditors dated September 15, 2013 and Septemebr 13, 2013, respectively, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. Our Company has also received consent from Advanced Resources International, Inc. for inclusion of Resource and Reserve Assessment Reports in 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.

Inter-se allocation of responsibilities

ICICI Securities Limited is the sole BRLM to this Issue. The list of major responsibilities of the BRLM, interalia, is as follows:

Sr. No.	Activities Responsibility	Responsibility and coordination
1.	Capital structuring with the relative components and formalities such as	ICICI Securities

Sr. No.	Activities Responsibility	Responsibility and coordination
	composition of debt and equity, type of instruments, size of issue, allocation between primary and secondary, etc.	Limited
2.	Due diligence of the Company's operations/ management/ business plans/ legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing of the same, follow up and coordination till final approval from all regulatory authorities,	ICICI Securities Limited
3.	Drafting and approval of publicity material including statutory advertisement, corporate advertisement, brochure, etc.	ICICI Securities Limited
4.	Appointment of all other intermediaries (e.g. Registrar(s), Printer(s) and Banker(s) to the Issue, Advertising agency etc.)	ICICI Securities Limited
5.	International Institutional Marketing; allocation of investors for meetings and finalizing road show schedules and preparation and finalization of the road-show presentation	ICICI Securities Limited
6.	Domestic Institutional Marketing (including banks/ mutual funds); allocation of investors for meetings and finalizing road show schedules	ICICI Securities Limited
7.	Non-Institutional & Retail Marketing of the Issue, which will cover, inter alia, <ul style="list-style-type: none"> • Formulating marketing strategies, preparation of publicity budget • Finalising Media and PR strategy • Finalising centres for holding conferences for brokers etc. • Finalising collection centres; and • Follow-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material 	ICICI Securities Limited
8.	Pricing and managing the book	ICICI Securities Limited
9.	Coordination with Stock-Exchanges for book building software, bidding terminals etc.	ICICI Securities Limited
10.	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks etc. Including responsibility for underwriting arrangements, as applicable.	ICICI Securities Limited

Appraising Entity

The objects of the Fresh Issue have not been appraised by any agency. The objects of the Fresh Issue and means of finance therefore are based on internal estimates of our Company.

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 and the Selling Shareholder, in consultation with the Book Running Lead Manager, after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

- our Company;
- the Selling Shareholder;

- the Book Running Lead Manager;
- Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as underwriters;
- Registrar to the Issue;
- Escrow Collection Banks; and
- SCSBs.

This Issue is being made through the Book Building Process where at least 75% of the Issue shall be Allotted on a proportionate basis to QIB Bidders. 5% of the Net QIB Portion, after allocation to Anchor Investors as mentioned below, 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 215,250 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 (other than Anchor Investors) on a proportionate basis, subject to valid Bids at or above Issue Price.

Our Company and the Selling Shareholder 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 the chapter titled “*Issue Procedure*” on page 302. Allocation to Anchor Investors shall be on a discretionary basis subject to minimum number of two Anchor Investors as per the SEBI Regulations. 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/Issue 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 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, subject to valid Bids being received at or above the Issue Price.

Our Company and the Selling Shareholder will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company and the Selling Shareholder have 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 the chapter titled “*Issue Procedure*” on page 302. Specific attention of ASBA Bidders is invited to “*Issue Procedure*” on page 302;
- 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 the chapter titled “*Issue Procedure*” on page 302). 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 – Bidder’s PAN, Depository Account and Bank Account Details*” on page 329), 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 chapter titled “*Issue Procedure*” on page 302. 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 (only in the Specified Cities) or the Non Registered Syndicate Brokers.

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.

Our Company and the Selling Shareholder, 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.

In case of any revision in the Price Band, the Bidding Period shall be extended by at least three additional Working Days after such revision of the Price Band, subject to the 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, the Stock Exchanges, by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate.

Withdrawal of the Issue

Our Company and the Selling Shareholder, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Bid/ Issue Opening Date but before the Board meeting for Allotment. In the event our Company and the Selling Shareholder withdraw the Issue after the Bid / Issue Closing Date, our Company would issue a public notice citing the reason thereof in the newspapers, in which the pre-issue advertisements were published, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchanges on which the Equity Shares were proposed to be listed.

If our Company and the Selling Shareholder withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an issue of our Company's 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) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus.

Bid/ Issue Programme*

FOR ALL BIDDERS	ISSUE OPENS ON [●]
FOR QIB BIDDERS**	ISSUE CLOSES ON [●]
FOR ALL OTHER BIDDERS	ISSUE CLOSES ON [●]

* Our Company and the Selling Shareholder may in consultation with the BRLM consider participation by Anchor Investors. The Anchor Investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid / Issue Opening Date.

** Our Company and the Selling Shareholder may in consultation with the BRLM consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/Issue Closing Date.

Underwriting Agreement

After the determination of the Issue Price, but prior to filing of the Prospectus with the RoC, our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters and the Registrar to the Issue for the Equity Shares proposed to be offered through this Issue. Pursuant to the terms of the Underwriting Agreement and the SEBI Regulations, the Book Running Lead Manager shall be responsible for bringing in the amount devolved in the event any of the respective Syndicate Members do not fulfil their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

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

Details of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

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.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriters, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure/subscribe for Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as of the date of this Draft Red Herring Prospectus, before the Issue and after the Issue is set forth below:

(₹ million, except share data)

		Aggregate nominal value	Aggregate value at Issue Price
A)	AUTHORISED SHARE CAPITAL		
	70,000,000 Equity Shares	700	-
B)	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE ISSUE		
	59,561,950 Equity Shares	595.62	-
C)	PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS		
	Public Issue of up to 8,200,000* Equity Shares	82	[●]
	<i>Which comprises</i>		
	(a) Fresh Issue of 7,800,000 Equity Shares**	78	[●]
	(b) Offer for Sale of up to 400,000 Equity Shares# by the Selling Shareholder***	4	[●]
D)	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE		
	[●] Equity Shares	[●]	-
E)	SECURITIES PREMIUM ACCOUNT		
	Before the Issue	4,245.07	
	After the Issue****	[●]	

*The GDRs of our Company are listed on the main market of the LSE. SEBI has vide the SEBI Letter, granted our Company the approval “to get listed on the Indian stock exchanges by offering” its Equity Shares by way of an initial public offering in which “not less than 25% of the total domestic shareholding” calculated in the manner prescribed in the SEBI Letter shall be offered to the public. Provided, however, after listing of the Equity Shares, in the event of “any conversion of GDRs held by the Promoters of our Company into Equity Shares, these will necessarily be sold on the Stock Exchanges.”

**The Fresh Issue has been authorized by a resolution of our Board of Directors, dated February 20, 2013 and a special resolution pursuant to section 81(1A) of the Companies Act, at the EGM held on March 26, 2013.

***YKM Holdings International Limited, the Selling Shareholder, is offering up to 400,000 Equity Shares as Offer for Sale in this Issue pursuant to a resolution by the board of directors of the Selling Shareholder dated July 25, 2013.

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

#In the event the non – Promoter/Promoter Group GDR holders, convert their GDRs into underlying Equity Shares, at any time prior to the filing of the Red Herring Prospectus with the RoC, the Selling Shareholder will offer such number of additional Equity Shares, so as to ensure that at least 25%, of the fully diluted post-Issue paid up Indian Equity Share Capital, is offered to the public.

Changes in authorised equity share capital of our Company

The initial authorised share capital of our Company of ₹ 1 million comprising 100,000 Equity Shares was increased to ₹ 50 million divided into 5,000,000 Equity Shares pursuant to a resolution of the shareholders of our Company dated June 29, 1993.

The authorised share capital of our Company was increased to ₹ 75 million divided into 7,500,000 Equity Shares pursuant to a resolution of the shareholders of our Company dated September 23, 1996.

The authorised share capital of our Company was increased to ₹ 120 million divided into 12,000,000 Equity Shares pursuant to a resolution of the shareholders of our Company dated April 28, 1998.

The authorised share capital of our Company was increased to ₹ 250 million divided into 25,000,000 Equity Shares pursuant to a resolution of the shareholders of our Company dated August 17, 2001.

The authorised share capital of our Company was increased to ₹ 350 million divided into 35,000,000 Equity Shares pursuant to a resolution of the shareholders of our Company dated July 31, 2003.

The face value of equity shares of our Company was changed pursuant to sub-division of Equity Shares from face value of ₹ 10 per equity share to face value of ₹ 1 per equity share and the authorised share capital of our Company was increased to ₹ 500 million divided into 500,000,000 equity shares of ₹ 1 each pursuant to a resolution of the shareholders of our Company dated September 30, 2004.

The authorised share capital of our Company was increased to ₹ 550 million divided into 550,000,000 equity shares of ₹ 1 each pursuant to a resolution of the shareholders of our Company dated March 12, 2005.

The authorised share capital of our Company was increased to ₹ 650 million divided into 650,000,000 equity shares of ₹ 1 each pursuant to a resolution of the shareholders of our Company dated July 15, 2006.

The face value of equity shares of our Company was changed pursuant to consolidation from face value of ₹ 1 per equity share to face value of ₹ 10 per equity share with effect from July 31, 2009 pursuant to a resolution of the shareholders of our Company dated July 3, 2009.

The authorised share capital of our Company was increased to ₹ 700 million divided into 70,000,000 Equity Shares pursuant to a resolution of the shareholders of our Company dated March 26, 2013.

Issuance of GDRs

The issued share capital of our Company includes 36,919,873 Equity Shares underlying the two GDR issuances made by our Company. The details of each of the GDR offerings made by our Company are as below:

GDR Issue I: Placement of 18,803,504 GDRs by our Company in 2005 representing 94,017,520 equity shares of ₹ 1 each (at the time each GDR representing five equity shares of ₹ 1 each of our Company) on the Alternative Investment Market of the London Stock Exchange, London, at a price of 101.00 pence (₹ 82.49 as per the exchange rate prevailing on December 13, 2005) per GDR. The placement comprised of a fresh issue of 12,000,000 GDRs representing 60,000,000 equity shares of ₹ 1 each and a sponsored issue of 6,803,504 GDRs representing 34,017,520 equity shares of ₹ 1 each by certain existing shareholders of our Company. Currently, each GDR represents 0.5 Equity Shares.

GDR Issue II: Sponsored issue of 57,418,843 GDRs by our Company in 2006 representing 287,094,215 equity shares of ₹ 1 each (at the time each GDR representing five equity shares of ₹ 1 each of our Company) on the Alternative Investment Market of the London Stock Exchange, London, by way of offer for sale by certain existing shareholders of our Company. Currently, each GDR represents 0.5 Equity Shares.

On May 28, 2010, the GDRs of our Company were admitted to the standard list on the official list of the UK Listing Authority and to trading on the main market of the London Stock Exchange for listed securities. Simultaneously, the trading in the GDRs of our Company ceased on the Alternative Investment Market.

Notes to Capital Structure

1. Share Capital History

a) History of equity share capital of our Company

Date of Allotment/ Date when made fully paid up	No. of equity shares	Face Value (₹)	Issue Price per equity share (₹)	Nature of Consideration	Reasons for Allotment	Cumulative number of equity shares	Cumulative Issued Capital (₹)	Cumulative Securities Premium (₹)
June 15, 1992	700	10	10	Cash	Subscription to the Memorandum and Articles	700	7,000	Nil
March 15,	1,000,000	10	10	Cash	Preferential	1,000,700	10,007,000	Nil

Date of Allotment/ Date when made fully paid up	No. of equity shares	Face Value (₹)	Issue Price per equity share (₹)	Nature of Consideration	Reasons for Allotment	Cumulative number of equity shares	Cumulative Issued Capital (₹)	Cumulative Securities Premium (₹)
1995					allotment			
March 29, 1996	1,832,700	10	10	Cash	Preferential allotment	2,833,400	28,334,000	Nil
March 5, 1997	380,000	10	10	Cash	Preferential allotment	3,213,400	32,134,000	Nil
January 2, 1998	1,609,615	10	10	Cash	Preferential allotment	4,823,015	48,230,150	Nil
September 11, 1998	195,000	10	43.50	Cash	Preferential allotment	5,018,015	50,180,150	6,532,500
March 26, 1999	212,000	10	40.10	Cash	Preferential allotment	5,230,015	52,300,150	12,913,700
May 5, 1999	482,500	10	35.40	Cash	Preferential allotment	5,712,515	57,125,150	25,169,200
May 21, 1999	276,000	10	30.75	Cash	Preferential allotment	5,988,515	59,885,150	30,896,200
February 17, 2000	824,115	10	26.25 [@]	Cash	Preferential allotment	6,812,630	68,126,300	44,285,050
July 28, 2000	1,340,000	10	10	Cash	Preferential allotment	8,152,630	81,526,300	44,285,050
October 25, 2000	274,191	10	10	Cash	Preferential allotment	8,426,821	84,268,210	44,285,050
October 31, 2000	273,179	10	10	Cash	Preferential allotment	8,700,000	87,000,000	44,285,050
March 1, 2001	265,700	10	10	Cash	Preferential allotment	8,965,700	89,657,000	44,285,050
April 25, 2001	234,300	10	10	Cash	Preferential allotment	9,200,000	92,000,000	44,285,050
October 19, 2001	1,559,320	10	10	Cash	Preferential allotment	10,759,320	107,593,200	44,285,050
January 4, 2002	1,240,680	10	10	Cash	Preferential allotment	12,000,000	120,000,000	44,285,050
March 30, 2002	1,980,900	10	10	Cash	Preferential allotment	13,980,900	139,809,000	44,285,050
April 8, 2002	1,019,100	10	10	Cash	Preferential allotment	15,000,000	150,000,000	44,285,050
July 12, 2002	1,011,900	10	10	Cash	Preferential allotment	16,011,900	160,119,000	44,285,050
September 1, 2002	362,500	10	10	Cash	Preferential allotment	16,374,400	163,744,000	44,285,050
March 31, 2003	6,957,700	10	10	Cash	Preferential allotment	23,332,100	233,321,000	44,285,050
August 18, 2003	1,667,900	10	10	Cash	Preferential allotment	25,000,000	250,000,000	44,285,050
December 22, 2003	4,250,000	10	10	Cash	Preferential allotment	29,250,000	292,500,000	44,285,050
January 31, 2004	1,350,000	10	10	Cash	Preferential allotment	30,600,000	306,000,000	44,285,050
May 24, 2004	2,600,000	10	10	Cash	Preferential allotment	33,200,000	332,000,000	44,285,050
July 28, 2004	1,800,000	10	10	Cash	Preferential allotment	35,000,000	350,000,000	44,285,050

The face value of equity shares of our Company was changed from ₹ 10 per equity share to ₹ 1 per equity share pursuant to a resolution of the shareholders of our Company dated September 30, 2004 resulting in the total number of equity shares

Date of Allotment/ Date when made fully paid up	No. of equity shares	Face Value (₹)	Issue Price per equity share (₹)	Nature of Consideration	Reasons for Allotment	Cumulative number of equity shares	Cumulative Issued Capital (₹)	Cumulative Securities Premium (₹)
being increased to 350,000,000								
November 5, 2004	8,436,900	1	1	Cash	Preferential allotment	358,436,900	358,436,900	44,285,050
April 14, 2005	60,613,573	1	4.93 [@]	Cash	Preferential allotment	419,050,473	419,050,473	282,410,541
September 13, 2005	65,569,026	1	7.44 [@]	Cash	Conversion of warrants	484,619,499	484,619,499	704,565,405
December 13, 2005	60,000,000	1	16.23 [^]	Cash	Issued by way of a preferential allotment in connection with the issuance of 12,000,000 GDRs as part of GDR Issue I	544,619,499	544,619,499	1,486,594,797 [^]
July 1, 2009	1	1	60	Cash	Preferential Allotment	544,619,500	544,619,500	1,486,594,856
The face value of the equity share of ₹ 1 each of our Company was consolidated into face value of ₹ 10 each through a shareholders resolution dated July 3, 2009 with effect from July 31, 2009 resulting in the total number of equity shares of face value ₹ 10 each being reduced to 54,461,950.								
December 1, 2009	3,600,000	10	607.42	Cash	Preferential Allotment	58,061,950	580,619,500	3,585,074,596 [*]
January 7, 2012	1,500,000	10	450	Cash	Rights Issue	59,561,950	595,619,500	4,245,074,596
Total						59,561,950	595,619,500	4,245,074,596

[^]The issue of GDRs was at a price of 101.00 pence (which is equivalent to ₹ 82.49 as per the exchange rate prevailing on December 13, 2005 source: www.rbi.org.in) per GDR. Each of the GDRs constituted five equity shares of ₹ 1 each. After the face value of the equity share of ₹ 1 each of our Company was consolidated into face value of ₹ 10 each through a shareholders resolution dated July 3, 2009 with effect from July 31, 2009, each GDR constitutes 0.5 Equity Share. An amount of ₹ 131,570,208 was used towards share issue expenses on December 13, 2005.

[@] Figures rounded off to two decimal places.

^{*}An amount of ₹ 52,232,260 were used towards share issue expenses on December 1, 2009.

b) Equity shares issued for consideration other than cash

No Equity Shares have been issued by our Company for consideration other than cash.

c) Equity shares issued at a price which may be lower than the Issue Price during the preceding one year

Our Company has not allotted any Equity Shares during preceding one year from the date of filing this Draft Red Herring Prospectus at a price, which may be lower than the Issue Price.

2. Build up of Promoters' Shareholding, Promoters' Contribution and Lock-in

a) Details of build-up of Promoters' shareholding in our Company:

Set forth below are the details of the build up of our Promoters' shareholding:

Name of the Promoter	Date of Allotment/transfer	No. of equity shares *	Pre-Issue Percentage of shareholding	Post-Issue ^{##} Percentage of shareholding	Face value of equity shares	Issue/ Acquisition Price per equity share (₹) ^{**}	Nature of Consideration	Nature of Transaction
YKM Holdings Private Limited	October 19, 2001	819,320	1.38	1.22	10	10	Cash	Preferential allotment
	January 4, 2002	1,240,680	2.08	1.84	10	10	Cash	Preferential allotment
	March 30, 2002	1,980,900	3.33	2.94	10	10	Cash	Preferential allotment
	April 8, 2002	1,019,100	1.71	1.51	10	10	Cash	Preferential allotment
	July 12, 2002	1,011,900	1.70	1.50	10	10	Cash	Preferential allotment
	September 1, 2002	362,500	0.61	0.54	10	10	Cash	Preferential allotment
	March 31, 2003	3,100,000	5.20	4.60	10	10	Cash	Preferential allotment
	September 27, 2004	(100,000)	(0.17)	(0.15)	10	40	Cash	Transfer to Mr. Sanjit Bakshi
	September 27, 2004	(100,000)	(0.17)	(0.15)	10	40	Cash	Transfer to Associated Buying Services Private Limited
	The face value of the equity share of ₹ 10 each of our Company was sub-divided into face value of ₹ 1 each through a shareholders resolution dated September 30, 2004 with effect from the same date resulting in the total number of equity shares held by YKM Holdings Private Limited being increased to 93,344,000 equity shares of ₹ 1 each.							
November 5, 2004	3,111,200	5.22	4.62	1	1	Cash	Preferential allotment	
April 13, 2005	3,000	0.01	Negligible	1	1	Cash	Transfer of 1,000 equity shares of ₹ 1 each from each of Mr. Yogendra Kumar Modi, Mrs. Asha Modi and Mr. Prashant Modi	
April 14, 2005	3,533,925	5.93	5.25	1	4.952	Cash	Preferential allotment	
November 17, 2005	(1,250,000)	(2.10)	(1.86)	1	1	Cash	Transfer to Bokel Investments Limited	
July 16, 2008	58,115,597	9.75	8.63	1	Nil [#]	Consideration other than cash [#]	Transfer from Bokel Investments Limited	
July 20, 2009	28	Negligible	Negligible	1	60	Cash	Transfer from Gilford Securities Incorporated	
July 21, 2009	3	Negligible	Negligible	1	60	Cash	Transfer from	

Name of the Promoter	Date of Allotment/transfer	No. of equity shares *	Pre-Issue Percentage of shareholding	Post-Issue ^{##} Percentage of shareholding	Face value of equity shares	Issue/ Acquisition Price per equity share (₹) ^{**}	Nature of Consideration	Nature of Transaction
								Mr. Goverdhan Das Agrawal
	July 21, 2009	6	Negligible	Negligible	1	60	Cash	Transfer from Mr. Sanjit Bakshi
	July 22, 2009	1	Negligible	Negligible	1	60	Cash	Transfer from Mr. Goverdhan Das Agrawal
The face value of the equity share of ₹ 1 each of our Company was consolidated into face value of ₹ 10 each through a shareholders resolution dated July 3, 2009 with effect from July 31, 2009 resulting in the total number of equity shares held by YKM Holdings Private Limited being reduced to 15,685,776.								
	August 2, 2010	(10)	Negligible	Negligible	10	655	Cash	Transfer to Mr. Yogendra Kumar Modi
	August 2, 2010	(10)	Negligible	Negligible	10	655	Cash	Transfer to Mr. Prashant Modi
	Total	15,685,756	26.34	23.29				
Mr. Yogendra Kumar Modi	June 15, 1992	100	Negligible	Negligible	10	10	Cash	Subscription to Memorandum of Association
	June 19, 1998	(100)	Negligible	Negligible	10	10	Cash	Transfer to Bokel Investments Limited
	August 18, 2003	100	Negligible	Negligible	10	10	Cash	Preferential Allotment
	April 13, 2005	(1,000)	Negligible	Negligible	1	1	Cash	Transfer to YKM Holdings Private Limited
	August 2, 2010	10	Negligible	Negligible	10	655	Cash	Transfer from YKM Holdings Private Limited
	Total	10	Negligible	Negligible				

* Equity Shares were fully paid up at the time of allotment. Hence, the date of them being made fully paid up is the same as the date of allotment.

** The cost of acquisition excludes the stamp duty paid.

Pursuant to the order of the High Court of Punjab and Haryana dated February 29, 2008, in relation to the merger of YKM Investment Limited, Trend-Setter Securities & Credits Private Limited, Bokel Investments Limited and Fame Securities & Credits Private Limited with YKM Holdings Private Limited 58,115,597 equity shares of face value ₹ 1 each held by Bokel Investments Limited were transferred to YKM Holdings Private Limited.

Based on the assumption that such shareholders shall continue to hold the same number of Equity Shares after this Issue.

All the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by the Promoters are pledged.

b) Details of Equity Shares offered pursuant to Offer for Sale by the Selling Shareholder

The Selling Shareholder is offering up to 400,000 Equity Shares as Offer for Sale in this Issue. Additionally, in the event the non-Promoter/Promoter Group GDR holders convert their GDRs into underlying Equity Shares at any time prior to the filing of the Red Herring Prospectus with the RoC, the Selling Shareholder will offer such number of additional Equity Shares, so as to ensure that at least 25% of the fully diluted post-Issue paid up Indian Equity Share Capital, is offered to the public.

The Offer for Sale has been approved by the Selling Shareholder pursuant to its board resolution dated July 25, 2013. The Equity Shares being offered in this Issue as Offer for Sale have been held by the Selling Shareholder for a period of more than one year prior to the filing of this Draft Red Herring Prospectus. The Equity Shares held by the Selling Shareholder are currently in dematerialised form. As on the date of this DRHP, the Selling Shareholder holds 6,274,123 Equity Shares of our Company, representing 10.53 % of the pre-Issue Equity Share Capital.

Further the Selling Shareholder has provided an undertaking dated September 14, 2013 not to convert their GDRs into underlying Equity Shares, at any time prior to the filing of the Red Herring Prospectus with the RoC. As on the date of this DRHP, the Selling Shareholders holds 26,748,886 GDRs of our Company representing 22.45% of the pre-Issue Equity Share Capital.

As on the date of the DRHP, other the Selling Shareholder, who is a part of the Promoter Group, no other member of the Promoter/Promoter Group holds any GDRs.

The Equity Shares held by the Selling Shareholder were acquired / allotted in the manner as stated in point 3 b below.

c) Details of Promoters' Contribution locked-in for three years

The Equity Shares which are being locked-in are eligible for computation of Promoters' contribution in accordance with the provisions of the SEBI Regulations.

Pursuant to the SEBI Regulations, an aggregate of 20% of the post-Issue paid up capital (including ESOPs vested but not exercised) of our Company held by the Promoters shall be locked-in for a period of three years from the date of Allotment in this Issue.

Our Promoters have, pursuant to their undertakings dated September 14, 2013 granted consent to include upto 13,485,023 Equity Shares by them, i.e., 10 Equity Shares held by Mr. Yogendra Kumar Modi and 13,485,013 Equity Shares held by YKM Holdings Private Limited, aggregating to 20% of the post-Issue Equity Share Capital (including ESOPs vested but not exercised) of our Company as Equity Shares eligible for computation of Promoters' Contribution and lock-in under regulation 32 and 33 of the SEBI Regulations. Our Promoters have agreed not to sell or transfer or pledge or otherwise dispose off in any manner the Promoters' Contribution from the date of this Draft Red Herring Prospectus until the commencement of the lock-in period specified above, or for such other time as required under the SEBI Regulations.

Details of Promoter's shareholding that is eligible for Promoter's Contribution is as provided below:

Sr. No.	Date of Allotment	Nature of transaction	Number of equity shares	Face Value (₹)	Issue Price per Equity Share (₹)	Consideration (Cash/ other than cash)	Cumulative % of post Issue capital
YKM Holdings Private Limited							
1.	October 19, 2001	Preferential Allotment	819,320	10	10	Cash	1.22
2.	January 4, 2002	Preferential Allotment	1,240,680	10	10	Cash	3.06
3.	March 30, 2002	Preferential Allotment	1,980,900	10	10	Cash	6.00
4.	April 8, 2002	Preferential Allotment	1,019,100	10	10	Cash	7.51

Sr. No.	Date of Allotment	Nature of transaction	Number of equity shares	Face Value (₹)	Issue Price per Equity Share (₹)	Consideration (Cash/ other than cash)	Cumulative % of post Issue capital
5.	July 12, 2002	Preferential Allotment	1,011,900	10	10	Cash	9.01
6.	September 1, 2002	Preferential Allotment	362,500	10	10	Cash	9.55
7.	March 31, 2003	Preferential Allotment	3,100,000	10	10	Cash	14.15
8.	July 16, 2008	Transfer from Bokel Investments Limited	39,506,130	1 ^{##}	Nil [#]	Consideration other than cash ^{###}	20.02
			13,485,013				
Mr. Yogendra Kumar Modi							
1.	August 2, 2010	Transfer from YKM Holdings Private Limited	10	10	655	Cash	Negligible
Total			13,485,023 [#]				

[#]All the above Equity Shares were fully paid-up at the time of allotment.

^{##}The face value of the equity share of ₹1 each of our Company was consolidated into face value of ₹10 each through a shareholders resolution dated July 3, 2009 with effect from July 31, 2009.

^{###}Pursuant to the order of the High Court of Punjab and Haryana dated February 29, 2008, in relation to the merger of YKM Investment Limited, Trend-Setter Securities & Credits Private Limited, Bokel Investments Limited and Fame Securities & Credits Private Limited with YKM Holdings Private Limited 58,115,597 equity shares of face value ₹1 each held by Bokel Investments Limited were transferred to YKM Holdings Private Limited.

The Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution under Regulation 33 of the SEBI Regulations. In this connection, our Company confirms the following:

- The Equity Shares offered for minimum 20% Promoter's contribution have not been acquired in the last three years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves, or unrealised profits of our Company or from a bonus issue against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;
- The Company has not been formed by the conversion of a partnership firm into a company;
- The Equity Shares held by Promoters and offered for minimum 20% Promoter's contribution are in dematerialised form and not subject to any pledge; and
- The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

The minimum Promoter's contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as 'Promoter' under the SEBI Regulations. Consent has been obtained from the Promoters for their contribution, constituting not less than 20% post-Issue capital (including ESOPs vested but not exercised) to be locked-in for a period of three years from the date of Allotment in the Issue.

d) Details of pre Issue share capital locked in for one year

In terms of Regulation 37 of the SEBI Regulations, except for (a) the Promoter Contribution (b) Equity Shares offered in Offer for Sale in this Issue (c) Equity Shares allotted to employees under the ESOP, the entire pre-Issue share capital of our Company, including all the Equity Shares underlying the GDRs will be locked-in for a period of one year from the date of Allotment in this Issue.

During the period of statutory lock-in mentioned above, the GDRs of our Company would not be subject to any lock-in and shall continue to remain freely tradable on the main market of the London Stock Exchange. However, GDR holders shall not be able to withdraw the underlying Equity Shares of the Company from the depository after forfeiting GDRs during the one year lock-in period mentioned above.

e) Lock in of Equity Shares to be Alloted, 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.

f) Other requirements in respect of lock-in

Locked-in Equity Shares of our Company held by the Promoters can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan. Further, the Equity Shares constituting 20% of the post-Issue paid up capital (including ESOPs vested but not exercised) of our Company held by the Promoters that are locked-in for a period of three years from the date of Allotment of Equity Shares in the Issue, may be pledged only if, in addition to complying with the aforesaid conditions, the loan has been granted by the banks or financial institutions for the purpose of financing one or more Objects of the Issue.

The Equity Shares held by persons other than the Promoters prior to the Issue and locked-in may be transferred to any other person holding the Equity Shares which are locked-in subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable. Further, Equity Shares held by the Promoters may be transferred to and among the Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

3. Our shareholding pattern

a) The table below represents the shareholding pattern of our Company before the proposed Issue and as adjusted for this Issue:

Category code	Category of shareholder	No of share Holders	Total number of shares	No of shares held in demat	Total shareholding as a % of total no of shares		Shares pledge or otherwise encumbered		Post Issue*	
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a percentage (IX)=(VIII)/(IV)*100	No of Equity Shares	Percent age of Holding (%)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII)/(IV)*100	No of Equity Shares	Percent age of Holding (%)
(A)	Promoter And Promoter Group									
(1)	Indian									
(a)	Individual /HUF	2	20	20	Negligible	Negligible	0	0.00	20	[●]
(b)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00	0.00	[●]
(c)	Bodies Corporate	1	15,685,756	15,685,756	69.28	26.34	0	0.00	15,685,756	[●]
(d)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00	0.00	[●]
(e)	Others (Trusts)	0	0	0	0.00	0.00	0	0.00	0.00	[●]
	Sub-Total A(1)	3	15,685,776	15,685,776	69.28	26.34	0	0.00	15,685,776	[●]
(2)	Foreign									

Category code	Category of shareholder	No of share Holders	Total number of shares	No of shares held in demat	Total shareholding as a % of total no of shares		Shares pledge or otherwise encumbered		Post Issue*	
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a percentage (IX)=(VIII)/(IV)*100	No of Equity Shares	Percent age of Holding (%)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	No of Equity Shares	Percent age of Holding (%)
(a)	Individuals (NRIs/ Foreign Individuals)	0	0	0	0.00	0.00	0	0.00	0.00	[●]
(b)	Bodies Corporate	1	6,274,123	6,274,123	27.71	10.53	0	0.00	5,874,123	[●]
(c)	Institutions	0	0	0	0.00	0.00	0	0.00	0.00	[●]
(d-i)	QFI- Individual	0	0	0	0.00	0.00	0	0.00	0.00	[●]
(d-ii)	QFI - Corporate	0	0	0	0.00	0.00	0	0.00	0.00	[●]
(d)	Others	0	0	0	0.00	0.00	0	0.00	0.00	[●]
	Sub-Total A(2) :	0	0	0	0.00	0.00	0	0.00	0.00	[●]
	Total A=A(1)+A(2)	4	21,959,899	21,959,899	96.99	36.87	0	0.00	21,559,899	[●]
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds /UTI	0	0	0	0.00	0.00	0	0.00		
(b)	Financial Institutions /Banks	0	0	0	0.00	0.00	0	0.00		
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0.00		
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00		
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00		
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00		
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00		
(h-i)	QFI- Individual	0	0	0	0.00	0.00	0	0.00		
(h-ii)	QFI - Corporate	0	0	0	0.00	0.00	0	0.00		
(i)	Others	0	0	0	0.00	0.00	0	0.00		
	Sub-Total B(1) :	0	0	0	0.00	0.00	0	0.00		
(2)	Non-Institutions									
(a)	Bodies Corporate	1	102,583	102,583	0.45	0.17	0	0.00		
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹ 100,000	0	0	0	0.00	0.00	0	0.00		

Category code	Category of shareholder	No of share Holders	Total number of shares	No of shares held in demat	Total shareholding as a % of total no of shares		Shares pledge or otherwise encumbered		Post Issue*	
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a percentage (IX)=(VIII)/(IV)*100	No of Equity Shares	Percent age of Holding (%)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)		
	(ii) Individuals holding nominal share capital in excess of ₹ 100,000	3	579,595	579,595	2.56	0.97	0	0.00		
(c)	Others									
	Foreign bodies	0	0	0	0.00	0.00	0	0.00		
	Directors	0	0	0	0.00	0.00	0	0.00		
	Non-Resident Indians	0	0	0	0.00	0.00	0	0.00		
	Overseas Corporate Bodies	0	0	0	0.00	0.00	0	0.00		
	Clearing Members	0	0	0	0.00	0.00	0	0.00		
	Trusts	0	0	0	0.00	0.00	0	0.00		
	Sub-Total B(2) :	4	682,178	682,178	3.01	1.15	0	0.00		
	Total B=B(1)+B(2)	4	682,178	682,178	3.01	1.15	0	0.00	[•]	[•]
	Total (A+B):	8	22,642,077	22,642,077	100.00	38.01	0	0.00	[•]	[•]
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	1**	13,374,443	13,374,443	-	22.45	0	0.00	[•]	[•]
(2)	Public	1	23,545,430	23,545,430	-	39.53	0	0.00	[•]	[•]
	Total C=C(1)+C(2)	2**	36,919,873	36,919,873	-	61.99	0	0.00	[•]	[•]
	Grand Total (A+B+C)	9**	59,561,950	59,561,950	-	100.00	0	0.00	[•]	[•]

* Based on the assumption that such shareholders shall continue to hold the same number of equity shares of face value ₹ 10 each after this Issue.

**The number of shareholders is 9 as YKM Holdings International Limited holds both Equity Shares and GDRs.

b) Details of shareholding of Promoter Group in our Company

Set forth below are the details of the build up of the members of our Promoter Group's shareholding:

Name of the member of the Promoter Group	Date of Allotment/ transfer	No. of equity shares*	Face value of equity shares	Issue/ Acquisition/ Sale Price per Equity Share (₹)**	Nature of Consideration	Nature of Transaction
YKM Holdings International Limited	March 15, 2005	40,768,210	1	1	Cash	Transfer from Covanta Energy India (CBM) Limited
	December 13, 2005	(4,206,208)	1	16.23	Cash	Transfer in favour of Deutsche Bank Trust

Name of the member of the Promoter Group	Date of Allotment/ transfer	No. of equity shares *	Face value of equity shares	Issue/ Acquisition/ Sale Price per Equity Share (₹)**	Nature of Consideration	Nature of Transaction
						Company Americas in furtherance to GDR Issue I
	September 13, 2006 [^]	(36,562,000)	1	Nil	Other than cash ^{^^}	Transfer in favour of Deutsche Bank Trust Company Americas in furtherance to GDR Issue II
	July 20, 2009	3	1	60	Cash	Transfer from Gem Management Limited
	July 21, 2009	5	1	Nil	Other than cash	Transfer from Deutsche Bank Trust Company Americas on redemption of one GDR
The face value of the equity share of ₹ 1 each of our Company was consolidated into face value of ₹ 10 each through a shareholders resolution dated July 3, 2009 with effect from July 31, 2009 resulting in the total number of equity shares held by YKM Holdings International Limited being reduced to 1.						
	August 24, 2009	1,191,300	10	Nil	Other than cash	Transfer from Deutsche Bank Trust Company Americas on redemption of 2,382,600 GDRs
	December 1, 2009	3,600,000	10	607.42	Cash	Preferential Allotment
	January 7, 2012	1,482,822	10	450	Cash	Rights Issue
	Total	6,274,123				
Mrs. Asha Modi	August 18, 2003	100	10	10	Cash	Preferential Allotment
	April 13, 2005	(1,000)	1	1	Cash	Transfer to YKM Holdings Private Limited
	Total	Nil				
Mr. Prashant Modi	May 31, 1997	100	10	10	Cash	Transfer from Ms. Lira Goswami
	June 19, 1998	(100)	10	10	Cash	Transfer to Bokel Investments Limited
	August 18, 2003	100	10	10	Cash	Preferential Allotment
	April 13, 2005	(1,000)	1	1	Cash	Transfer to YKM Holdings Private Limited
	August 2, 2010	10	10	655	Cash	Transfer from YKM Holdings Private Limited
	Total	10				

* The equity shares were fully paid up at the time of allotment. Hence, the date of them being made fully paid up is the same as the date of allotment.

** The cost of acquisition excludes the stamp duty paid.

[^] This is the date on which the equity shares were converted in the dematerialized form.

^{^^} YKM Holdings International Limited was issued GDRs in lieu of the equity shares transferred by them pursuant to GDR Issue II.

Except as otherwise stated herein, none of the members of our Promoter Group or directors of our corporate Promoter hold any Equity Shares.

4. Other than as set forth below, none of our Directors or Key Management Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus.

S. No.	Name of Director/ Key Management Personnel	No. of Equity Shares	Percentage of pre-Issue shareholding
Directors			
1.	Yogendra Kumar Modi	10	Negligible
Key Management Personnel			
2.	Prashant Modi	10	Negligible

5. Other than as set forth below, none of our Directors or Key Management Personnel hold GDRs as on the date of this Draft Red Herring Prospectus.

S. No.	Name of Director/ Key Management Personnel	No. of GDRs*	Percentage of pre-Issue shareholding
Directors			
1.	Paul Sebastian Zuckerman	176,733	0.15%
2.	Gurvirendra Singh Talwar	1,550,000	1.30%

* Each GDR represents 0.5 Equity Share

6. Other than as set forth below, none of the directors of our corporate Promoter hold Equity Shares as on the date of this Draft Red Herring Prospectus.

S. No.	Name of Director	No. of Equity Shares	Percentage of pre-Issue shareholding
Directors			
1.	Yogendra Kumar Modi	10	Negligible
2.	Prashant Modi	10	Negligible

7. Employee stock option schemes

Pursuant to the resolution passed by the Board dated May 27, 2008 and passed by the shareholders of our Company on July 17, 2008, our Company approved grant of 500,000 stock options under ESOP 2008 convertible into 500,000 Equity Shares to eligible employees. Employees has been defined to mean (i) a permanent employee of our Company working in India or out of India; (ii) a director of the Company, whether a whole time director or not; (iii) an employee as defined in sub-clause (i) and (ii) above of a subsidiary, in India or out of India or of holding company of our Company. The ESOP 2008 shall be administered by the Remuneration Committee/Compensation Committee of our Board.

The details of our employee stock option scheme are as provided below:

Particulars	Details				
	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	As on July 31, 2013
No. of Options as at beginning of Fiscal	43,568	77,631	82,244	96,942	107,410
Options granted	46,011	14,053	23,268	25,585	3,107
Pricing Formula	Fair Value under Profit Earning Capacity value(PECV) Method				
Exercise price of options granted (in ₹)	19,563- ₹ 400 26,448- ₹ 600	8,678- ₹ 600 5,375- ₹ 480	4,322- ₹ 480 12,228- ₹ 520 6,718- ₹ 460	12,022- ₹ 480 3,775- ₹ 410 9788- ₹ 420	3107- ₹ 405
Total options vested (includes options	7,947	21,434	36,613	53,797	57,758

Particulars	Details				
	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	As on July 31, 2013
exercised)					
Options exercised	Nil	Nil	920	745	Nil
Total number of Equity Shares arising as a result of full exercise of options already granted	Nil	Nil	Nil	Nil	Nil
Options forfeited/ lapsed/ cancelled	11,948	7,440	9,650	14,372	3,942
Variations in terms of options [@]	Nil	Nil	Nil	Nil	Nil
Money realised by exercise of options (in ₹)	Nil	Nil	Nil	Nil	Nil
Options outstanding (in force)	77,631	84,244	96,942	107,410	105,767
Person wise details of options granted to					
i) Directors and key managerial employees	<i>Directors and Key Managerial Employees to whom Options have been granted</i>				
	S. No.		Name		No. of options granted
	<i>Directors</i>				
	1.	Mr. Kashi Nath Memani			2,500
	2.	Mr. Ashok Kumar Jha			2,500
	3.	Mr. Pejavar Murari			2,500
	4.	Mr. Gurvirendra Singh Talwar			2,500
	5.	Mr. Haigreve Khaitan			2,500
	<i>Key Managerial Employees</i>				
	1.	Mr. S. Suriyanarayanan			20,313
	2.	Mr. Arun Nevatia			5,028
	3.	Mr. Anoop Gupta			2,500
	4.	Mr. Diviy Chadha			1,343
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	NIL				
iii) Identified	Nil				

Particulars	Details				
	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	As on July 31, 2013
employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant					
Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard	(6.87)	(0.31)	(0.96)	6.02	
Vesting Schedule					
Percentage of Options Vested	Cumulative Percentage	Schedule			
20%	20%	On the first anniversary of the grant date			
20%	40%	On the second anniversary of the grant date			
20%	60%	On the third anniversary of the grant date			
20%	80%	On the fourth anniversary of the grant date			
20%	100%	On the fifth anniversary of the grant date			
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and employee compensation cost calculated on the basis of fair value of stock options	Fiscal 2010 - ₹ 3,687,772 Fiscal 2011 - ₹ 7,351,986 Fiscal 2012 - ₹ 711,923 Fiscal 2013 - ₹ (2,605,554)				
Impact on the profits of our Company and	Fiscal 2010- Loss increased by ₹ 3,687,772 and Loss per share increased by ₹ 0.07 Fiscal 2011 – Loss increased by ₹ 7,351,986 and Loss per share increased by ₹ 0.12 Fiscal 2012 - Loss increased by ₹ 711,923 and Loss per share increased by ₹ 0.01				

Particulars	Details				
	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	As on July 31, 2013
on the EPS arising due to difference in the accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	Fiscal 2013 – Profit increased by ₹ 2,605,554 and Earning per share increased by ₹ 0.04				
Weighted average exercise price and weighted average fair value of options whose exercise price either equals or exceeds or is less than market price of the stock	Not Applicable since Market Price is not available being an unlisted company.				
Intention of the holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares pursuant to the Issue	Employees holding Equity Shares at the time of listing of the Equity Shares pursuant to the Issue, may at their own discretion sell the Equity Shares issued in connection with the exercise of options granted under ESOP within a period of three months from the date of listing of the Equity Shares.				
Intention to sell Equity Shares arising out of ESOP within three months after the listing of Equity Shares by Directors, senior management personnel and employees	Not Applicable, as Company has not granted equity shares arising out of options under ESOP amounting to more than 1% of issued capital of our Company.				

Particulars	Details				
	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	As on July 31, 2013
having Equity Shares arising out of the ESOP, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)					
Method and significant assumptions used to estimate the fair value of options granted during the year:					
Method used	Black Scholes Options formula				
Risk free interest rate	6.75 To 9.30 %				
Expected Life	5.50 to 7.50 years				
Expected Volatility	48.78 to 54.89 %				
Expected Dividends	0.00%				
Price of underlying shares in market at the time of Option grant	Not Applicable since Market Price is not available being an unlisted company				

@Shareholders of our Company vide special resolution dated June 9, 2011, passed at the AGM, approved the amendment of ESOP 2008 by inclusion of allotment of phantom options, cash settlement in lieu of shares and the related terms in the ESOP 2008. Further the shareholders of our Company vide special resolution dated June 9, 2011, passed at the EGM, approved the amendment of ESOP 2008 by deletion of allotment of phantom options, cash settlement in lieu of shares and the related terms in the ESOP 2008.

8. Top 10 shareholders

As on the date of this Draft Red Herring Prospectus, our Company has nine shareholders. The list of the principal shareholders of our Company and the number of Equity Shares held by them is provided below:

- (a) Our shareholders and the number of Equity Shares held by them, as on the date of this Draft Red Herring Prospectus, are as follows:

Sr. No.	Shareholder	No. of equity shares	Pre Issue %
1.	Deutsche Bank Trust Company Americas	36,919,873	61.99
2.	YKM Holdings Private Limited	15,685,756	26.34
3.	YKM Holdings International Limited	6,274,123	10.53
4.	Utkarsh Munot Nandini Munot Dinesh Munot	243,798	0.41
5.	Dev Mohan Gupta	243,798	0.41
6.	Associated Buying Services Private Limited	102,583	0.17
7.	Sanjit Bakshi	91,999	0.15
8.	Yogendra Kumar Modi	10	Negligible
9.	Prashant Modi	10	Negligible
	Total	59,561,950	100.00

- (b) Our shareholders and the number of Equity Shares held by them 10 days prior to filing of this Draft Red Herring Prospectus were as follows:

Sr. No.	Shareholder	No. of equity shares	Pre Issue %
1.	Deutsche Bank Trust Company Americas	36,919,873	61.99
2.	YKM Holdings Private Limited	15,685,756	26.34
3	YKM Holdings International Limited	6,274,123	10.53
4.	Utkarsh Munot Nandini Munot Dinesh Munot	243,798	0.41
5.	Dev Mohan Gupta	243,798	0.41
6.	Associated Buying Services Private Limited	102,583	0.17
7.	Sanjit Bakshi	91,999	0.15
8.	Yogendra Kumar Modi	10	Negligible
9.	Prashant Modi	10	Negligible
	Total	59,561,950	100.00

- (c) Our shareholders and the number of Equity Shares held by them two years prior to filing of this Draft Red Herring Prospectus were as follows:

Sr. No.	Shareholder	No. of equity shares	Pre Issue %
1.	Deutsche Bank Trust Company Americas	36,919,873	63.59
2.	YKM Holdings Private Limited	15,685,756	27.02
3.	YKM Holdings International Limited	4,791,301	8.25
4.	Utkarsh Munot Nandini Munot Dinesh Munot	237,659	0.41
5.	Dev Mohan Gupta	237,659	0.41
6.	Associated Buying Services Private Limited	100,000	0.17
7.	Sanjit Bakshi	89,682	0.15
8.	Mr. Y. K. Modi	10	Negligible
9.	Mr. Prashant Modi	10	Negligible
	Total	5,80,61,950	100.00

9. Our Company, the Selling Shareholder, our Directors and the Book Running Lead Manager have not entered into any buy-back and/or standby and/or any other similar arrangements for the purchase of Equity Shares.
10. The Book Running Lead Manager and their associates do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus.
11. Other than allotment pursuant to the ESOP, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the Equity Shares offered through the Red Herring Prospectus have been listed on the Stock Exchanges or until the application moneys are refunded on account of non-listing, under subscription etc.
12. Our Company has not issued Equity Shares out of its revaluation reserves.
13. Other than the options granted under the ESOP 2008, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares as on the date of this Draft Red Herring Prospectus. Our Company has also issued GDRs, under GDR Issue I and GDR Issue II.
14. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391 to 394 of the Companies Act.
15. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

16. Other than as stated above, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
17. Our Company does not have any intention, proposal, negotiations or consideration to alter its capital structure by way of split /consolidation of the denomination of the Equity Shares, or issue of Equity Shares on a preferential basis or issue of bonus or rights or further public issue of shares or any other securities, within a period of six months from the Bid/Issue Opening Date, except allotment of Equity Shares under ESOP 2008 that may vest and be exercised in the next six months or if our Company enters into acquisitions or joint ventures or, if the business needs otherwise arise, subject to necessary approvals, consider raising additional capital to fund such activity or use the Equity Shares as currency for acquisition or participation in such joint ventures.
18. Except as stated in “*Capital Structure – Notes to Capital Structure – History of equity share capital of our Company*” on page 68, respectively, none of our Directors, their immediate relatives, Promoters, the respective directors of our Corporate Promoter and/or the members of our Promoter Group have purchased or sold any securities of our Company, during a period of six months preceding the date of filing this Draft Red Herring Prospectus with SEBI.
19. During the period of six months immediately preceding the date of this Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoters, the directors of our Corporate Promoter, our Promoter Group, our Directors and their relatives may have financed the purchase of Equity Shares by any other person, other than in the normal course of the business of such financing entity.
20. Any oversubscription to the extent of 10% of this Issue can be retained for the purpose of rounding off to the nearest multiple of the Minimum Allotment Lot. Consequently, the Allotment may increase by a maximum of 10% of the Issue, as a result of which the post-issue paid up capital would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares to be locked-in towards the Promoters’ Contribution shall be suitably increased so as to ensure that 20% of the post – Issue paid up capital is locked in.
21. The Equity Shares issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.
22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
23. Our Promoters and members of our Promoter Group shall not participate in this Issue.
24. 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 our Company, in consultation with the Book Running Lead Manager. 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.
25. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive Allotments.
26. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
27. As on the date of this Draft Red Herring Prospectus, our Company has 9 shareholders.
28. Our Company shall ensure that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing of the Red Herring Prospectus with RoC and the date of closure of the Issue shall be intimated to the Stock Exchanges within 24 hours of such transaction.

OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue and an Offer for Sale by the Selling Shareholder.

The proceeds of Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholder and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Objects of Fresh Issue

Our Company proposes to utilise the funds which are being raised through the Fresh Issue, after deducting the Issue related expenses to the extent payable by our Company (“**Net Proceeds**”), estimated to be approximately ₹ [●], towards funding the following objects (collectively, referred to herein as the “**Objects**”):

1. Drilling and completion of CBM wells in the Raniganj (South) Block;
2. General Corporate Purposes.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges including enhancing our visibility and brand name.

Our Company focusses on the exploration, development, production, distribution and sale of CBM in India. In July 2007, our Company began producing CBM commercially at Raniganj (South) Block.

The main objects as set out in our Memorandum of Association enable our Company to undertake our existing activities and the activities for which funds are being raised through the Fresh Issue.

The details of the proceeds of the Fresh Issue are set forth in the following table:

Particular	Estimated Amount
Gross proceeds from the Fresh Issue*	[●]
(less) Issue related expenses (only those apportioned to our Company)*	[●]
Net proceeds of the Fresh Issue after deducting the Issue related expenses of our Company*	[●]

* Will be incorporated after finalization of the Issue Price

Requirement of Funds and Utilisation of Proceeds of the Fresh Issue

The following table details the Objects of the Issue and the amount proposed to be financed from the Net Proceeds:

Sr. No.	Particulars	Total Estimated Cost
1.	Drilling and completion of CBM wells in the Raniganj (South) Block	2,735.00
2.	General corporate purposes	[●]
	Total	[●]

Schedule of Utilization of Net Proceeds

The year-wise utilisation of Net Proceeds is set forth in table below:

Sr. No.	Particulars	Total Estimated Cost	Amount to be financed from Net Proceeds	Proposed schedule of deployment		
				Fiscal 2014	Fiscal 2015	Fiscal 2016
1.	Drilling and completion of CBM wells in the Raniganj (South) Block	2,735.00	2,735.00	-	1,829.75	905.25

Sr. No.	Particulars	Total Estimated Cost	Amount to be financed from Net Proceeds	Proposed schedule of deployment		
				Fiscal 2014	Fiscal 2015	Fiscal 2016
2.	General corporate purposes*	-	[●]	[●]	[●]	[●]
	Total	[●]	[●]	[●]	[●]	[●]

*The amount to be deployed towards general corporate purposes will be determined on finalization of Issue Price in compliance with the SEBI Regulations

In view of the competitive environment of the industry in which our Company operates, our Company may have to revise its business plan from time to time and consequently its capital requirements may also change. The Company's historical capital expenditure may not be reflective of its future capital expenditure plans. The 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 our Company's management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for the objects at the discretion of our Company's management. The current estimates are based on the quotations / work orders received by us and management estimates. We have not yet placed orders for majority of the items in the Objects of the Issue. As some of quotations received are valid up to period mentioned in the respective quotations, we may need to obtain fresh quotation before placing the firm order. Hence the actual cost may vary.

In case of any increase in the actual utilisation 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 internal accruals. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities and general corporate purposes.

Funding arrangements

The fund requirement for the drilling and completion of CBM wells as stated above is proposed to be financed entirely out of the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue.

Details of the activities to be financed from the Net Proceeds

1. Drilling and completion of CBM wells in the Raniganj (South) Block

Our Company focusses on the exploration, development, production, distribution and sale of CBM in India. In July 2007, our Company began producing CBM commercially at Raniganj (South) Block. Our Company entered into a PSC with the MoPNG in May 2001 and received PEL from the West Bengal Government in September 2001 and executed the formal deed for our PEL in November 2001.

As of July 31, 2013, we have completed 153 CBM wells. We intend to use a portion of the Net Proceeds to fund the drilling and completion of 45 CBM wells, which include 7 vertical wells and 38 directional wells to be drilled from the new and existing pads.

The vertical drilling is carried out using 8" hammer bit with air superfoam as drilling agent 9 5/8" casing used as surface casing upto Panchet- Raniganj contact and production casing of 5 1/2" used after completion of drilling till total depth.

The directional drilling technique is directing a well along a predetermined course to a bottom hole target located at a certain distance and direction from a surface location. The interference between wells has a beneficial effect on CBM reservoir, unlike conventional gas reservoirs. It is primarily different from conventional gas reservoirs, where wells are drilled at larger spacing in order to minimize the effect of interference. In a CBM reservoir, gas production rate peaks higher at earlier time as the well spacing decreases. The CBM projects usually develop field-wise instead of as isolated wells.

Estimated Cost of drilling and completion of 45 CBM wells:

a) *Land and site development*

We have acquired land for drilling of 45 CBM wells including long term lease land at Raniganj (South) Block. Site development activities include grading and levelling the area, construction of approach road, digging and making of cellar pit, mud pit, air pit and waste pit, construction of hard standing area, digging and making drains. Apart from these various repair works to approach road, hard stand area, pits, earthen bunds, fence and plumbing are also carried out at the time of developing an existing vertical well site for directional well. The site development activity is outsourced to a third party contractor. The estimated cost for site development activities for 45 CBM wells is ₹ 21.35 million, which is ₹ 20.33 million for site development activities as per quotation dated July 19, 2013 from United Infrastructure and ₹ 1.02 million as contingency provision of 5%.

b) *Drilling and completion activities*

Drilling of well involves drilling of holes, setting of casing pipes, cementing and wire line logging, and completion activities primarily involve perforation, cementing, fracturing, installation of dewatering pumps, workover and completion. Drilling of well and completion activities are completely outsourced by us and accordingly we would be awarding contracts to various contractors for the same. An activity-wise cost break up for each of the activities is as follows:

The cost of drilling and completion of 45 CBM wells as estimated by our Company is set forth below:

(in ₹ million)

Sr. No.	Particulars	Estimated Cost
1.	Drilling and completion	
a)	Drilling	742.07
b)	Logging	55.16
c)	Cementing	228.70
d)	Fracturing	1,006.33
e)	Work over and completion	552.18
f)	Contingency provision of 5%	129.22
	Total	2,713.65

We have also sought following quotations from various services providers/contractors for the execution of drilling of wells and completion activities.

(in ₹ million)

Services	Estimated Cost	Details of quotations / work orders / purchase orders / agreement*
Drilling	742.07	<p>Rig crew services contract dated March 31, 2012 with Towell Drilling & Oilfield Services LLC.</p> <p>Agreement for the provision of directional drilling services dated October 11, 2011 along with amendment agreement dated November 30, 2012 with Halliburton Offshore Services Inc.</p> <p>Work order dated April 18, 2013 for supply of trailer with Arihant Cargo Carriers Private Limited.</p> <p>Work order dated April 4, 2013 for hiring of crane with Arihant Cargo Carriers Private Limited.</p> <p>Work order dated April 20, 2013 for hiring of Hydra with Mahesh Engineering.</p> <p>Rent agreement dated October 1, 2011, with Gour Chandra Mondal & Brothers</p> <p>Quotation for food service management with effect from May</p>

Services	Estimated Cost	Details of quotations / work orders / purchase orders / agreement*
		<p>1, 2013 from Sodexo Food Solutions India Private Limited</p> <p>Work order dated May 2, 2013 for supply of labor from Chatterjee Enterprises</p> <p>Quotation dated May 24, 2013 for supply of various drilling items from Gaurav Associates</p> <p>Quotation dated May 20, 2013 for supply of bits etc from Satvik India</p> <p>Quotation dated May 21, 2013 for supply of drilling chemicals from Agarwal Sales Corporation</p> <p>Quotation dated May 24, 2013 for supply of HDPE Liner from JM Shelters</p> <p>Quotation dated June 6, 2013 for supply of various drilling related items from Frictions India</p>
Logging	55.16	Proposal for wire logging services dated May 16, 2013 from Mitchell Drilling (India) Pvt. Ltd.
Cementing	228.70	<p>Quotation dated May 17, 2013 for oil well cement from Shree Digvijay cement</p> <p>Agreement for the provision of cementing services dated May 29, 2010 with along with addendum agreement dated October 15, 2012 with Halliburton Offshore Services</p>
Fracturing	1,006.33	<p>Agreement for the provision of fracturing services dated August 20, 2009 along with addendum agreement dated June 10, 2010 and October 15, 2012 with Halliburton Offshore Services</p> <p>Work order dated April 18, 2013 for hiring trailer from Arihant Cargo Carriers Private Limited</p> <p>Work order dated April 20, 2013 for hiring cranes from Arihant Cargo Carriers Private Limited</p> <p>Work order dated April 4, 2013 for hiring water tanker from Layek Traders</p> <p>Work order dated May 2, 2013 for supply of labour from Chatterjee Enterprises</p>
Work over and completion	552.18	<p>Work order dated April 15, 2013 for hiring of workover rig from Mining Associates</p> <p>Work order dated April 18, 2013 for hiring trailer from Arihant Cargo Carriers Private Limited</p> <p>Work order dated April 4, 2013 for hiring water tanker from Layek Traders</p> <p>Quotation dated April 11, 2013 for supply of PC Pump from PCM Oil & Gas, UAE</p> <p>Quotation dated June 6, 2013 for installation & supply of separator from Smark Industries</p>

Services	Estimated Cost	Details of quotations / work orders / purchase orders / agreement*
		Quotation dated May 17, 2013 for supply of ESP pump from FZE, Russia Quotation dated May 24, 2013 for supply of various items work over & completion from Gaurav Associates.

* the quotations obtained are valid as on date and we will obtain fresh quotations in the event they have expired as on date of filing of the Red Herring Prospectus with the Registrar of Companies.

Schedule of implementation

The schedule of implementation for drilling and completion of 45 CBM wells as estimated by the management of the Company is as follows:

Activity	Estimated date of commencement	Estimated date of completion
Land and site development	April 2014	June 2015
Drilling and completion		
Drilling	May 2014	September 2015
Logging	May 2014	September 2015
Cementing	May 2014	September 2015
Fracturing	June 2014	October 2015
Work over and completion	July 2014	December 2015

Approvals

The proposed objects of the Issue do not require us to take any new approvals or licenses or modification of existing licenses and approvals. For details of our existing approvals see the chapter titled "Government and Other Approvals" on page 270.

Other confirmations

Some of the above quotations are in foreign currency denominations such as Euro and U.S. Dollar. For the purposes of arriving at the total cost estimate of the above machineries, our Company has taken the RBI reference rates as at August 30, 2013.

Sr. No.	Foreign Currency	Conversion Rate*
1.	Euro (€)	1 € = ₹ 88.16
2.	United States Dollar (USD)	1 USD = ₹ 66.57

* Source: www.rbi.org.in

Our Company does not intend to utilize the Net Proceeds to procure any second hand equipment/ machinery.

Our Promoters, the Directors, the Group Companies or the Promoter Group entities do not have any interest in the proposed procurement of any equipment/ machinery as stated above or any of the entities from whom our Company has obtained quotations/ machinery.

2. General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects mentioned above. The balance of the Net Proceeds, is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the proceeds from the Fresh Issue, in compliance with the SEBI Regulations.

Our Company, in accordance with the policies of our Board, will have flexibility in applying the remaining Net Proceeds, for general corporate purposes, subject to the abovementioned limit, including inter-alia (i) exploration of CBM wells at other sites; (ii) expenditure on site development, drilling and completion of other wells over and above the 45 CBM wells covered in the proposed Objects of the Issue; (iii) acquiring fixed assets including furniture and fixtures, and vehicles; (iv) meeting any expense of our Company incurred in the ordinary

course of business, including salaries and wages, rent, administration expenses, insurance related expenses, repairs and maintenance and the payment of taxes and duties; (v) funding inorganic or other growth opportunity; and (vi) any other purpose as permissible and as approved by our Board or a duly appointed committee from time to time.

The quantum of utilization of funds towards each of the above purposes will be determined by the Board based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time.

Issue related expenses

The Issue related expenses shall include listing fees, underwriting fees, selling commission, fees payable to the BRLM, legal counsel, processing fee to the SCSBs for processing Bid cum Application Forms submitted to the SCSBs, Registrar to the Offer, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The Issue expenses except for the listing fees shall be shared between our Company and the Selling Shareholder in proportion to the number of Equity Shares contributed by the respective parties to be offered as part of the Issue. The listing fee shall be paid by our Company.

The estimated Issue related expenses are as follows:

Activity	Amount* (₹ million)	% of the Issue Expenses*	% of total Issue Size*
BRLM fees (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/Processing fees for SCSB**	[●]	[●]	[●]
Commission payable to Non Syndicate Registered Brokers	[●]	[●]	[●]
Registrar’s fees	[●]	[●]	[●]
Advertisement and marketing expenses	[●]	[●]	[●]
Printing, stationery and distribution expenses	[●]	[●]	[●]
Others (SEBI filing fees, bidding software expenses, depository charges, listing fees, legal fees, IPO grading etc.)	[●]	[●]	[●]
Total	[●]	[●]	[●]

* Will be incorporated at the time of filing of the Prospectus with RoC.

** SCSBs would be entitled to a processing fees of ₹ [●] per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate or Non Syndicate Registered Brokers and submitted to SCSBs.

Appraisal

The fund requirements and deployment described above are based on our current business requirements and internal management estimates and have not been appraised by any bank, financial institution or any other external agency. These are based on current circumstances of our business.

Bridge loans

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, our Company may consider raising bridge financing, pending receipt of the Net Proceeds.

Interim Use of Net Proceeds

Our Board of Directors, in accordance with the policies formulated by them from time to time, will have flexibility in deploying the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to temporarily invest the funds in interest/ dividend bearing liquid instruments including investments in mutual funds and other financial products, such as principal protected funds, derivative linked debt instruments, other fixed and variable return instruments, listed debt instruments, rated debentures or deposits with banks/ other entities etc. as per our existing investment policy or any other policy that may be approved by our Board of Directors or any committee thereof, from time to time. Such investments would be in

accordance with the investment policies approved by our Board of Directors or any committee thereof authorised by our Board of Directors, from time to time. Our Company confirms that it shall not use the Net Proceeds for any investment in the equity markets.

Pending utilisation of the Net Proceeds as described above, our Company shall not use the funds from the Net Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Fresh Issue size is less than ₹ 5,000 million. Pursuant to clause 49 of the Listing Agreement, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company 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. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors. Furthermore, in accordance with clause 43A of the Listing Agreements, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including material deviations if any, in the utilization of the Net Proceeds. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

Key industry regulations for the proposed objects of the Issue

The key industry regulations for the proposed objects of the Fresh Issue are not different from our existing business.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our 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 and the Selling Shareholder in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the offered Equity Shares through the book building process and on the basis of the following qualitative and quantitative factors. 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.

Investors should also refer to the chapters “Our Business”, and “Financial Statements” and section “Risk Factors” on pages 118, 171 and 16, respectively, to get a more informed view before making the investment decision.

Qualitative Factors

Competitive Strengths

We believe that we have the following competitive strengths:

- a) Established CBM Company in India;
- b) Established Reserves and Commercially Producing CBM;
- c) Revenue Sharing in CBM Contract for Raniganj (South) Block;
- d) Large Market for CBM Off-take Connected through Dedicated Distribution Infrastructure;
- e) Experienced Senior Management and Consultant Team; and
- f) Ownership of Two Drilling Rigs and Four Work Over Rigs.

For a detailed discussion on the qualitative factors, which form the basis for computing the Issue Price, see the chapter titled “Our Business” and chapter titled “Risk Factors” on pages 118 and 16, respectively.

Quantitative Factors

Information presented in this section is derived from our restated financial information prepared in accordance with the Indian GAAP, the Companies Act and the SEBI Regulations. For more details on the financial information, see the chapter titled “Financial Statements” on page 171.

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 our Company

Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2013	6.02	6.02	3
March 31, 2012	(0.96)	(0.96)	2
March 31, 2011	(0.31)	(0.31)	1
Weighted Average	2.64	2.64	

i. Earnings Per Share has been calculated in accordance with Accounting Standard 20 - Earnings Per Share issued by the Institute of Chartered Accountants of India.

ii. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Summary Financial Statements as appearing at page 224.

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

Sr. No.	Particulars	
1.	P/E ratio on the Basic and Diluted EPS for the year ended March 31, 2013 at the Floor Price	[●]
2.	P/E ratio on the Basic and Diluted EPS for the year ended March 31, 2013 at the Cap Price	[●]

As there are no comparable listed companies in India with the same business as our Company, no comparison with industry peers is being made.

3. Return on Networth (RoNW)

Year ended	RoNW (%)	Weight
March 31, 2013	8.41%	3
March 31, 2012	-1.44%	2
March 31, 2011	-0.54%	1
Weighted Average	3.64%	

Note: The RoNW has been computed by dividing restated net profit after tax by net worth at the end of the year.

4. Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2013 for our 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 our Company

NAV as at March 31, 2013 : ₹ 71.56 per Equity Share

Issue price : ₹ [●] per Equity Share

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

Note:

1. Net Assets Value per Share (₹) = Net worth as per restated statement of Assets and liabilities divided by the Number of Equity Shares outstanding at the end of the year.

2. The Issue Price per Equity Share will be determined on conclusion of the book building process.

6. Comparison with listed industry peers

As there are no comparable listed companies in India with the same business as our Company, no comparison with industry peers is being made.

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

The Issue Price will be determined by our Company and the Selling Shareholder 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 and is justified in view of the above qualitative and quantitative parameters. Prospective investors should also review the entire Draft Red Herring Prospectus, including, in particular, the chapters titled “Industry Overview”, “Our Business” and “Financial Information” and the section titled “Risk Factors” at pages 103, 118, 171 and 16 to obtain a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” on page 16 and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

AUDITORS' REPORT ON STATEMENT OF TAX BENEFITS

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Great Eastern Energy Corporation Limited

Dear Sirs,

We hereby report that the enclosed statement states the possible tax benefits available to **Great Eastern Energy Corporation Limited** ("GEECL" or "the Company") and its shareholders under the current tax laws 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 relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the statement are not exhaustive and the preparation of its contents is the responsibility of Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. The investors are advised to consult their respective tax consultants 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 the Company or its shareholders will continue to obtain these benefits in future and the conditions prescribed for availing the benefits, wherever applicable have been/ would be met

Our views are based on the existing provisions of law and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

Our views expressed herein are based on the facts / assumptions indicated to us, our understanding of the law and interpretations thereof; and hence are not binding on any authority or court. Accordingly, no assurance is given that a position contrary to that expressed herein will not be asserted by any authority and ultimately sustained by an appellate authority or a Court of law.

We hereby give our consent to include the enclosed statement regarding tax benefits available to the Company and to its shareholders in the offer document for the proposed public offer which the company intends to submit to the Securities and Exchange Board of India. The views expressed are exclusively for the use of GEECL and shall not, without our prior written consent, be disclosed to any other person.

Yours faithfully,

For B S R & Co.
Chartered Accountants
Firm Registration No.:101248W

Kaushal Kishore
Partner
Membership No.:090075

Place: Gurgaon
Date: September 15, 2013

STATEMENT OF TAX BENEFITS AVAILABLE TO GREAT EASTERN ENERGY CORPORATION LIMITED AND ITS SHAREHOLDERS

A. SPECIAL TAX BENEFITS UNDER INCOME TAX ACT, 1961 AVAILABLE TO THE COMPANY

The Company has entered into Production Sharing Contract with the Government of India for exploration, development and production of Coal Bed Methane Gas ('CBM') for two blocks situated in the state of West Bengal and Tamil Nadu. The specific tax benefits available to the Company in respect of these two blocks are as follows:

1. Profit and Gains from Business of Exploration and Production of CBM Gas

Section 42 of the Income tax Act, 1961 ("the Act") provides for method of computation of profits and gains from business and profession in case of an assessee engaged in exploration and production of mineral oil and with whom Central Government has entered into an Agreement for this purpose. The Company has entered into two such Agreements with the Government of India in the states of West Bengal and Tamil Nadu for the exploration and production of Coal Bed Methane ("CBM"). Pursuant to such Agreements, the Company is entitled to claim the following deductions under section 42, in addition to or in lieu of deduction generally allowable under the provisions of the Act, in computation of profits and gains from business and profession:

- (a) Expenditure by way of infructuous or abortive exploration expenditure in relation to any area surrendered prior to beginning of commercial production.
- (b) After commencement of commercial production, expenditure incurred in respect of drilling or exploration activities, whether incurred before or after the date of commencement, including actual cost of assets utilized in such drilling or exploration activities.

In addition, for the purpose of computation of business income, the Agreement entered by the Company may also allow for deduction for other expenses specified in the Agreement.

2. Tax Holiday under Section 80 IB of the Act

In case of an assessee engaged in commercial production of mineral oil on or after April 1, 1997, section 80IB of the Act provides for deduction of 100% of taxable profits for a period of 7 consecutive years, beginning from the year of commencement of commercial production.

The deduction is specifically available to an assessee engaged in commercial production of natural gas in blocks licensed under IV Round of bidding for award of exploration contracts for CBM blocks provided the commercial production starts on or after April 1, 2009.

The Company is eligible for claiming deduction under section 80IB in respect of exploration block situated in the state of Tamil Nadu. In the opinion of the Company, it is also entitled to claim deduction under section 80IB for exploration block situated in the state of West Bengal.

B. GENERAL TAX BENEFITS AVAILABLE UNDER INCOME TAX ACT, 1961 TO THE COMPANY

The following tax benefits are generally available to the Company, subject to satisfaction of the conditions as prescribed under the Act.

1. Depreciation

The Company is eligible to claim depreciation at prescribed rates on specified tangible and intangible assets owned by it and used for the purpose of business under section 32 of the Act.

Further, subject to conditions stated in section 32(1)(iia) of the Act, an additional depreciation of 20% of the actual cost of new plant and machinery, acquired and installed on or after 31st March 2005 is also available to the Company.

In case of insufficiency or absence of profits, unabsorbed depreciation under section 32(2) of the Act for any assessment year can be carried forward and set off against any source of income in subsequent years, subject to provisions of section 72(2) of the Act.

2. Carry forward of business loss

As per section 71 of the Act, the Company is eligible to set off business loss of current year against income under any other head of income.

Under section 72 of the Act, where due to insufficiency or absence of income, loss from business which could not be set off against income under any other head of income in the same assessment year, so much of the loss that could not be set off, can be carried forward to the following assessment year and set off against business income of that year.

Such loss can be carried for eight successive assessment years subject to satisfaction of conditions set out in the said section.

3. Minimum Alternate Tax (“MAT”)

Section 115JB of the Act levies MAT on companies, in case income tax payable according to the normal provisions of the Act is less than 18.5% of the ‘book profits’. In case MAT is payable, the ‘book profits’ are treated as taxable income and the tax thereon is payable at 18.5% (plus applicable surcharge and education cess).

For this purpose, ‘book profits’ are computed after making specified adjustments to the profit as per Profit and Loss Account.

In addition, as per section 115JAA(1A) of the Act, MAT credit is allowed in respect of tax paid under section 115JB of the Act for any assessment year commencing on or after April 1, 2006. MAT credit is the difference between tax paid under section 115JB of the Act and tax computed under normal provisions of the Act. Such MAT credit is allowed to be carried forward for set off purposes for up to 10 assessment years immediately succeeding the assessment year in which the MAT credit becomes available.

4. Dividend Income

As per section 10(34) of the Act, income by way of dividend referred to in section 115O of the Act received by the Company shall be exempt from tax.

Income received in respect of mutual funds specified under section 10(23D) of the Act shall be exempt from tax under section 10(35) of the Act, subject to such income not arising from transfer of units in such mutual fund.

As per section 115BBD of the Act, dividend received by an Indian company from a specified foreign company (in which the Indian company holds 26% or more equity shares), shall be subject to tax at a beneficial rate of 15% (plus applicable surcharge and education cess). As per the current tax laws, this beneficial rate is applicable for dividend received on or before March 31, 2014. In case of dividend received after that date, the sum received shall be taxable at the rate of 30% (plus applicable surcharge and education cess).

However, in view of the provisions of section 14A of the Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions of the Act read with Rule 8D of Income tax Rules, 1962.

5. Tax on distributed profits of domestic companies

As per section 115O of the Act, every domestic company is liable to pay Dividend Distribution Tax (“DDT”) on the amount of dividend distributed by it at the rate of 15% (plus applicable surcharge and education cess).

Further, as per sub-section (1A) of section 115O, while computing the DDT liability, the amount of dividend received by the domestic company from its subsidiary shall be reduced from the amount of dividend distributed / paid by it. This is subject to the condition that the subsidiary company has paid DDT on the dividend distributed by it. Further, the same amount of dividend shall not be taken into account for reduction more than once.

In addition, as per amendment made by Finance Act, 2013, with effect from June 1, 2013, dividend received from specified foreign subsidiary company (in which the Indian company holds 50% or more equity shares) shall be set off against dividend distributed by the Indian company, while computing the DDT liability.

6. Capital Gains

Capital assets are categorized into short term capital assets and long term capital assets based on the period of holding. As per section 2(42A) of the Act, shares held in a company or any other security listed in a recognized stock exchange in India or units of the Unit Trust of India or units of a mutual fund specified under section 10(23D) of the Act or zero coupon bonds will be considered as short term capital assets if the period of holding of such shares, units or security is twelve months or less.

If the period of holding is more than twelve months, it will be considered as long term capital assets as per section 2(29B) of the Act. In respect of other assets the determinative period of holding is thirty six months as against twelve months mentioned above.

Further, gain/loss arising from the transfer of short term capital asset and long term capital asset is regarded as short term capital gains and long term capital gains respectively.

Section 48 of the Act, which prescribes the mode of computation of Capital Gains, provides for deduction of cost of acquisition / improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of Capital Gains. However, in respect of long term capital gains, it offers a benefit by permitting substitution of cost of acquisition/improvement with the indexed cost of acquisition/improvement, which adjusts the cost of acquisition/improvement by a cost inflation index as notified from time to time.

As per section 10(38) of the Act, long term capital gains arising to the Company from the transfer of long term capital asset being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to Securities Transaction Tax ("STT") will be exempt in the hands of the Company. However, such income shall be taken into account in computing book profit under section 115JB of the Act (Minimum Alternate Tax).

As per the provisions of section 112(1)(b) of the Act, long term capital gains as computed above that are not exempt under section 10(38) of the Act would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to section 112(1) of the Act, if the tax on long term capital gains resulting on transfer of listed securities, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long term capital gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at concessional rate of 10 percent (plus applicable surcharge and education cess).

As per section 111A of the Act, short term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to Securities Transaction Tax ("STT"), will be taxable at the rate of 15% (plus applicable surcharge and education cess).

As per section 71 read with section 74 of the Act, Short-term capital loss arising during a year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, may be carried forward and set-off against short-term as well as long-term capital gains for subsequent 8 years.

Further, Long-term capital loss arising during a year is allowed to be set-off only against long-term capital gains. Balance loss, if any, should be carried forward and set-off against long-term capital gains of subsequent 8 years.

C. BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS

The following tax benefits are generally available to resident shareholders, subject to satisfaction of the conditions as prescribed under the Act.

1. Dividend Income

Under section 10(34) of the Act, income earned by way of dividend (interim or final) from a domestic company referred to in section 115O of the Act is exempt from income tax in the hands of the shareholders.

2. Capital Gains

The benefits outlined in sub-paragraph 6 of paragraph B shall also be applicable to resident shareholders. In addition, the following benefits are also available to resident shareholders:

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, long term capital gains not exempt under section 10 (38) shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only a part of the capital gains are so reinvested, the resident shareholder shall be eligible for proportionate amount of exemption. Provided that investments made on or after April 1, 2007, in the said bonds during any financial year should not exceed Rupees fifty lakhs.

However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

As per Section 54F of the Act, long term capital gain arising to an individual and HUF from transfer of shares will be exempt from tax if net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

In case of resident individuals and Hindu Undivided Families, where taxable income (as reduced by long-term capital gains) is below the basic exemption limit, only the excess of the aggregate income over the maximum amount not chargeable to tax will be subjected to income-tax.

3. Deduction in respect of STT paid

As per section 36(1)(xv) of the Act, securities transaction tax paid by a shareholder in respect of taxable securities transactions (i.e. transaction which is chargeable to STT) entered into in the course of business would be eligible for deduction from the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions, subject to conditions and limits specified in that section.

D. BENEFITS AVAILABLE TO NON-RESIDENT SHAREHOLDERS (OTHER THAN FOREIGN INSTITUTIONAL INVESTORS)

1. Dividend Income

Under section 10(34) of the Act, income received by a non-resident shareholder by way of dividend (interim or final) from a domestic company referred to in section 115O of the Act is exempt from income tax in the hands of the shareholders.

2. Capital Gains

The benefits available to resident shareholders are also available to non-resident shareholders, except in case of taxability of long term capital gains, other than capital gains exempt under section 10(38) of the Act.

As per the provisions of section 112(1)(c) of the Act, long term capital gains arising in the hands of a non-resident shall be chargeable to tax as follows:

- Long term capital gains arising from transfer of unlisted securities shall be taxed at the rate of 10% (plus applicable surcharge and education cess), without indexation and without giving effect to the first proviso to section 48 [Section 112(1)(c)(iii)]
- In other cases, capital gains shall be taxed at the rate of 20% (plus applicable surcharge and education cess), [Section 112(1)(c)(ii)]

Additionally, under first proviso to section 48 of the Act, in case of non-residents, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations) protection has been provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made.

As per the said provisions, in case of non-residents, who have made investments in shares of an Indian company in foreign currency, capital gains can be computed in the same foreign currency in which the shares were originally acquired by the non-resident. The rates of exchange that need to be adopted for the purposes of currency conversion are also prescribed under the law. However, in such a case, no Inflation linked adjustment shall be made to the “cost of acquisition” and “cost of improvement” of the shares purchased in foreign currency.

Special provisions applicable in case of Non Resident Indians

Non Resident Indian (“NRI”) means a citizen of India or a person of Indian origin, who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, was born in undivided India.

Under section 115E of the Act, where shares in the company are subscribed for in convertible Foreign Exchange by a ‘Non Resident Indian’, capital gains arising to the non-resident on transfer of shares held for a period exceeding 12 months shall (in cases not covered under section 10(38) of the Act) be concessionally taxed, at the option of NRI, at the flat rate of 10% (without indexation benefit but with protection against foreign exchange fluctuation) plus applicable surcharge and education cess.

Under provisions of section 115F of the Act, long term capital gains (not covered under section 10(38) of the Act) arising to a non resident Indian from the transfer of shares of the company subscribed to in convertible Foreign Exchange shall be exempt from Income tax, if the net consideration is invested in specified assets or specified savings certificates within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

Under provisions of section 115G of the Act, it shall not be necessary for a Non Resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there-from.

Under section 115-I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any Assessment Year by furnishing Return of Income under section 139 of the Act, declaring therein that the provisions of the chapter shall not apply to him for that assessment year and if he does so the provisions of this chapter shall not apply to him instead the other normal provisions of the Act shall apply.

3. Benefits under Double Taxation Avoidance Agreements (“DTAA”)

As per section 90 of the Act, in case of a non resident, who is a resident of any country with which India has entered into a DTAA, the provisions of such a DTAA shall apply, to the extent the same are more beneficial as compared to the provisions of the Act.

E. BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS (“FIIs”)

1. Dividend Income

Under section 10(34) of the Act, income earned by way of dividend (interim or final) from a domestic company referred to in section 115O of the Act is exempt from income tax in the hands of the shareholders.

However, in view of the provisions of section 14A of the Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions of the Act read with Rule 8D of Income tax Rules, 1962.

2. Capital Gains

As per section 10(38) of the Act, long term capital gains arising to the Company from the transfer of long term capital asset being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to Securities Transaction Tax (“STT”) will be exempt from tax.

As per section 115AD of the Act, income by way of capital gains [other than those covered under section 10(38) of the Act] realized by FII’s on sale of the shares of Company would be taxed at the following rates as per section 115AD of the Act-

- Short term capital gains, other than those referred to under section 111A of the Act shall be taxed at the rate of 30% (plus applicable surcharge and education cess)
- Short term capital gains, referred to under section 111A of the Act shall be taxed at the rate of 15% (plus applicable surcharge and education cess)
- Long term capital gains at the rate of 10% (plus applicable surcharge, education cess and secondary higher education cess) (without cost indexation).

It may be noted that the benefits of indexation and foreign currency fluctuation protection as provided by section 48 of the Act are not applicable.

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, long term capital gains not exempt under section 10 (38) shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only a part of the capital gains are so reinvested, the FII shall be eligible for proportionate amount of investment. Provided that investments made on or after April 1, 2007, in the said bonds during any financial year should not exceed Rupees fifty lakhs.

However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

3. Benefits under Double Taxation Avoidance Agreements

As per section 90 of the Act, in case of a non resident, who is a resident of any country with which India has entered into a DTAA, the provisions of such a DTAA shall apply, to the extent the same are more beneficial as compared to the provisions of the Act.

F. BENEFITS AVAILABLE TO MUTUAL FUNDS

As per the provisions of section 10(23D) of the Act, any income of

- Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made there under,
- Mutual Funds set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India

shall be exempt from income tax subject to the prescribed conditions.

G. BENEFITS UNDER THE WEALTH TAX ACT, 1957

Shares in a company held by the shareholders will not be treated as an asset within the meaning of section 2(ea) of the Wealth tax Act, 1957. Accordingly, no wealth tax will be payable on the market value of shares of the Company held by its shareholders.

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole/first named holder in case the shares are held by the joint holders.
2. The above statement of possible direct tax benefits sets out the provision of law in summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares.
3. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
4. In view of the individual nature of tax consequences, investors are advised to consult their tax advisors with respect to specific tax implications arising out of their participation in the issue.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from various government and industry sources. Neither we nor any other person connected with the Issue has verified this information. Industry sources and publications typically state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information.

Overview of the Indian Economy

India is the world's largest democracy by population and one of the fastest growing economies in the world. It is the fifth largest economy in the world in terms of gross domestic product ("GDP") on the basis of purchasing power parity, after the European Union, the United States, China and Japan (Source: *CIA World Factbook, February 2013*) According to the Central Statistical Organization (CSO), the Indian economy grew 5% in 2012-13, compared to 6.2% expansion in the previous year. (Source: <http://timesofindia.indiatimes.com/business/india-business/Its-official-Indian-economy-slowed-to-a-10-year-low-of-5-in-201213/articleshow/20374920.cms> accessed August 29, 2013) The Reserve Bank of India, (the "RBI") in its third quarter review of the monetary policy, announced in January 2013, its projection that real GDP for the fiscal year 2013 is expected to grow at 5.5% over fiscal 2012.

Overview of the Indian Energy Sector

Availability of and access to energy are considered to be catalysts for economic growth in India. Over half of India's population does not currently have access to electricity or any other form of commercial energy, even though India is both a major energy producer and a consumer. According to the Twelfth Five Year Plan, to sustain a GDP growth rate of 9.0% per year between 2012 and 2017, India will require energy supply to grow at 6.5% per year. India's ability to meet this energy demand depends on its ability to expand domestic production in critical energy sub sectors, notably petroleum, gas and coal, and meeting the balance requirement through imports. (Source: *Government of India Planning Commission, An Approach to the Twelfth Five Year Plan, October 2011.*)

The projected primary commercial energy requirements for India are illustrated below:

(million tons of oil equivalent)	2010-11*	2016-17**
Oil	164.32	204.80
Of which imports	125.5 (76.4%)	164.80 (80.5%)
Natural Gas & LNG	57.99	87.22
Of which imports	10.99 (19%)	24.80 (28.4%)
Coal	272.36	406.78
Of which imports	54.00 (19.8%)	90.00 (22.1%)
Lignite	9.52	14.00
Hydro	10.31	14.85
Of which imports	0.48 (4.6%)	0.52 (3.5%)
Nuclear	6.86	9.14
Renewables	0.95	1.29
Total Energy	522.81	738.07
Total Imports	190.97	280.12
% of Total Energy	36.53	37.95

* Provisional data

** On the assumption that annual demand/growth would be 6.5% up to 2016-17. The figures include use of oil and gas feed stock for fertilizer and other non-energy usage.

(Source: *Government of India Planning Commission, An Approach to the Twelfth Five Year Plan, October 2011.*)

India faces a significant challenge in ensuring rational energy pricing, which has follow-on effects on supply and demand. For demand, energy users have no incentive to use energy efficiently if energy is underpriced. For supply, energy producers will both shoulder a larger burden with lower profit margins on the energy they do produce, but also produce less energy than is optimal. The Integrated Energy Policy, which was approved in 2009, had set out principles of energy pricing that equalized the prices of domestic and imported energy, which were coupled with subsidies for the poor. Indian prices of energy, particularly of coal and petroleum (other than petrol) are still significantly below world prices. (Source: Government of India Planning Commission, *An Approach to the Twelfth Five Year Plan, October 2011.*)

Economic Scenario of West Bengal

In 2009-10, the per capita gross state domestic product (“GSDP”) of West Bengal was US\$ 956.40 compared to US\$ 553.70 in 2004-05. Between 2004-05 and 2009-10, the per capita GSDP of West Bengal grew at a CAGR of 11.5%. West Bengal has registered an increase in the per capita income due to investments in sectors such as steel, real estate, power, retail and information technology.

In 2009-10, the tertiary sector which consists of the service industry, contributed 57.8% to the GSDP of West Bengal at current prices, followed by the primary sector of 24.0% and the secondary sector of 18.2%.

The tertiary sector has been the fastest growing among the three sectors. The tertiary sector grew at a CAGR of 15.2% between 2004-05 and 2009-10. The growth was driven by trade, hotels, real estate, finance, insurance, transport, communications and other services. Between 2004-05 and 2009-10, the primary sector, which consists of agriculture, fishing and extraction (such as mining) grew at a CAGR of 12.7%. The secondary sector grew at a CAGR of 11.5% between 2004-05 and 2009-10. It was driven by manufacturing, construction and electricity, gas and water supply. (Source: West Bengal “*Unfolding Growth Strategy*”, *The Associated Chambers of Commerce and Industry of India with Frost & Sullivan and Assocham India, 2012*)

The table below illustrates the structure and growth of the economy West Bengal from April 2005 until 2011:

(Value in ₹ millions in 2004-05 prices)				
Sector	2004-05	2010-11	Share in SDP 2010-11	CAGR 2004- 05 to 2010-11
Primary Sector				
Agriculture	400,201.70	454,863.00	14.3	2.2
Forestry and logging	23,753.00	26,399.40	0.8	1.8
Fishing	75,400.50	92,985.60	2.9	3.6
<i>Agriculture and Allied</i>	499,355.20	574,248.00	18.1	2.4
Mining and quarrying	28,492.10	25,435.40	0.8	-1.9
Sub Total of Primary	527,847.30	599,683.40	18.9	2.1
Secondary Sector				
Manufacturing	232,615.80	350,040.70	11.0	7.0
Manu-Registered	127,564.30	188,395.60	5.9	6.7
Manu-Unregistered	105,051.50	161,645.10	5.1	7.4
Construction	149,399.60	192,292.20	6.1	4.3
Electricity, gas and water supply	41,437.00	56,436.10	1.8	5.3
Sub Total of secondary	423,452.40	598,769.00	18.8	5.9
Tertiary Sector				
<i>Industry</i>	451,944.50	624,204.40	19.6	5.5
Transport, storage and Communication	185,829.40	360,244.10	11.3	11.7
Railways	30,708.80	54,268.20	1.7	10.0
Transport by other means	116,129.20	181,808.80	5.7	7.8
Storage	6,171.60	8,097.60	0.3	4.6
Communication	32,819.80	116,069.50	3.7	23.4
Trade, hotels and restaurants	327,391.50	520,787.10	16.4	8.0
Banking and insurance	130,030.40	263,025.60	8.3	12.5
Real estate, ownership of dwellings and business services	157,076.90	273,168.80	8.6	9.7
Public administration	114,785.40	163,861.50	5.2	6.1
Other services	220,150.30	398,318.60	12.5	10.4

(Value in ₹ millions in 2004-05 prices)				
Sector	2004-05	2010-11	Share in SDP 2010-11	CAGR 2004-05 to 2010-11
Services	1,135,263.90	1,979,405.70	62.3	9.7
State domestic product	2,086,563.60	3,177,858.10	100.0	7.3

(Source: Central Statistics Office: “Realizing the Growth Potential of West Bengal” Assocham India, August 2012)

Mining and quarrying decreased in West Bengal. The industrial sector in Bihar and Orissa grew whereas it remained subdued in West Bengal. The manufacturing segment of the industrial sector registered a 7.0% growth in West Bengal. The dominance of services in West Bengal and Bihar has increased over the six years to 2010-11. The structure and growth of four important Eastern states are illustrated in the table below:

Economic Activity	Assam		Bihar		Orissa		West Bengal	
	Share in GDP	CAGR 04-05 to 10-11	Share in GDP	CAGR 04-05 to 10-11	Share in GDP	CAGR 04-05 to 10-11	Share in GDP	CAGR 04-05 to 10-11
Primary sector, of which	28.7	2.5	19.9	2.6	24.4	4.5	18.9	2.1
Agriculture and allied activities	19.2	3.5	17.3	3.2	14.4	4.1	14.3	2.2
Mining and quarrying	5.9	-1.2	0.1	13.6	6.8	6.9	0.8	-1.9
Industrial sector, of which	16.3	3.1	16.9	14.8	28.3	9.9	18.8	5.9
Total Manufacturing	6.7	-2.0	4.8	7.8	15.7	13.6	11.0	7.0
Services sector, of which	55.0	8.5	63.2	13.6	47.3	10.7	62.3	9.7
State domestic product	100.0	5.6	100.0	10.9	100.0	8.7	100.0	7.3

(Source: Central Statistics Office: “Realizing the Growth Potential of West Bengal” Assocham India, August 2012)

Key Industries in West Bengal

The natural resources, policy incentives and infrastructure in the state support investments in major sectors such as iron and steel, biotechnology, coal, leather, jute products, tea, information technology, gems and jewelry. Climatic conditions suitable for the cultivation of jute and tea have made West Bengal a major center for these products and related industries.

West Bengal occupies a dominant position in the development of micro and small scale enterprises, the state has approximately 900,419 small scale enterprises, accounting for 7.0% of total such units in the country. The growth rate of index of industrial production of West Bengal was approximately 3.4% in 2009-10. (Source: West Bengal “Unfolding Growth Strategy”, The Associated Chambers of Commerce and Industry of India with Frost & Sullivan and Assocham India, 2012)

Petroleum and Petrochemicals

West Bengal accounts for approximately 4.0% of India’s production of petroleum products and 13.0% of polymer production.

Iron and Steel

West Bengal’s deposits of iron ore have helped attract new projects for iron and steel. The Chota Nagpur plateau bordering West Bengal is the center of this industry. The Joint Plan Committee for steel was constituted by the Government of India to formulate guidelines for production and distribution of steel material in India.

Mineral Resources

The Raniganj coal belt accounts for approximately 30,147 million metric tons of quality coal. Reserves of Coal Bed Methane (CBM), an alternative source of natural gas, in West Bengal is estimated at 1.64 million cubic feet. Rock phosphate deposits are found in Beldhi, Chirugora and Kutni regions of Purulia districts. Deposits of granite and Kaolinite are found in Purulia, Bankura and the Birbhum districts. Good quality pegmetallitic-quartz is available at Mirmi in the Purulia district; deposits of basalt-trap rocks used for preparing road metals are available in Birbhum district. (Source: West Bengal “Unfolding Growth Strategy”, The Associated Chambers of Commerce and Industry of India with Frost & Sullivan and Assocham India, 2012)

Economic Growth in West Bengal

West Bengal achieved a compound annual growth rate (“CAGR”) of 14.9% in its state gross domestic product (at current prices) between the fiscal years 2005 and 2012, including increases of 16.0% and 16.9% for the fiscal years 2012 and 2011, respectively. Per capital income in West Bengal likewise increased at a CAGR of 13.8%, between the fiscal years 2005 and 2012, with increases of 15.1% and 16.0% for the fiscal years 2012 and 2011, respectively. (Source: Government of West Bengal Economic Review, 2011-2012.)

The industrial production index (base: 1999-2000 = 100) in West Bengal has increased from 135.6 in the fiscal year 2004 to 208.3 in the fiscal year 2011. Within the industrial sector, manufacturing and electricity have increased from 136.9 and 142.3 in the fiscal year 2004 to 229.7 and 204.8 in the fiscal year 2011, respectively. This has also been reflected in the contribution of these sectors to the net state domestic product. The percentage contribution of the manufacturing sector to overall growth in the economy in West Bengal was 9.9% in 2006-07. (Source: Government of West Bengal Economic Review, 2011-2012.)

As of June 2012, West Bengal had approximately 900 live investment projects. Approximately 52.8% of these investments are in different stages of implementation and 40.0% of ongoing investments are in the announcement stage. The share of irrigation in total live investments is less than 1.0%. The amount of investments that are being implemented is 52.8%. This figure decreased by 17.4% during 2012. The table below illustrates the distribution of ongoing investment in West Bengal as of June 2012:

	June 2011		June 2012		Percentage change year on year	Percentage share in value
	Nos.	Amount in ₹ millions	Nos.	Amount in ₹ millions		
Manufacturing	205	2,203,520	185	2,207,300	0.2	35.2
Mining	29	491,730	34	274,820	16.9	9.2
Electricity	86	2,078,270	83	2,061,430	-0.8	32.8
Services	395	990,260	412	1,024,350	3.4	16.3
Irrigation	5	33,100	7	41,280	24.7	0.7
Real Estate	133	363,540	136	369,430	1.6	5.9
Total Investment, of which:	853	6,160,410	857	6,278,600	1.9	100
Announcement	260	2,026,360	278	2,508,780	23.8	40.0
Under Implementation	520	4,013,460	495	3,316,330	-17.4	52.8
Nos Information	25	88,550	33	324,650	266.6	5.2
Implementation - stalled	48	32,040	51	128,840	302.1	2.1

(Source: “Realizing the Growth Potential of West Bengal” Assocham India, August 2012)

Worldwide Natural Gas Market

Natural gas remains the fuel of choice in many regions of the world, particularly for the electricity and industrial sectors. Natural gas is an attractive option due to its lower carbon intensity as compared with coal and oil. Total world natural gas consumption for industrial uses is expected to increase by an average of 1.7% per year through 2040. (Source: Annual Energy Outlook 2013 with projections to 2040, April 2013)

Countries in the Organization of Economic Co-Operation and Development (“OECD”) accounted for 36.0% of the world’s total natural gas production and 48.0% of natural gas consumption in 2012. (Source: BP Statistical Review of World Energy 2013)

World Natural Gas Demand

In 2012, world natural gas consumption increased by 2.2%. Consumption growth was below the historical average of 2.7%. Consumption growth was above average in South & Central America, Africa, and North America, where the US (+4.1%) recorded the largest increment in the world. In Asia, China (+9.9%) and Japan (+10.3%) were responsible for the next-largest growth increments. These increases were partly offset by declines in the EU (-2.3%) and the Former Soviet Union (FSU) (-2.6%). (Source: BP Statistical Review of World Energy 2013)

Globally, natural gas accounted for 23.9% of primary energy consumption. OECD consumption increased more rapidly than non-OECD consumption for the first time since 2000. In 2012, global natural gas production increased by 1.9%. The United States recorded the largest volumetric increase and remained the world's largest producer with an increase of 4.7%. Norway (+12.6%), Qatar (+7.8%), and Saudi Arabia (+11.1%) also experienced production increases, while Russia had the world's largest decline in volumetric terms (-2.7%). Global natural gas trade was weak, growing by just 0.1% in 2012. Pipeline shipments increased by 0.5%, with declines in net Russian exports (-12%) partly offset by growth in Norwegian exports (+12%). US net pipeline imports dropped by 18.8%. Global LNG trade fell for the first time on record (-0.9%): a decline in net European LNG imports (-28.2%) was offset by net increases in Asia (+22.8%). Among exporters, an increase in Qatari (+4.7%) shipments was nearly offset by a decline in Indonesia (-14.7%). LNG's share of global gas trade declined slightly to 31.7%. (Source: BP Statistical Review of World Energy 2013)

The table below shows worldwide natural gas production since 2008:

(Billion cubic meters) Region	2008	2009	2010	2011	2012
North America	800.80	807.40	821.10	866.50	896.40
Central and South America	160.40	155.90	166.60	171.50	177.30
Europe and Eurasia	1079.30	958.80	1031.20	1039.90	1035.40
Middle East	384.20	407.30	472.70	518.70	548.40
Africa	212.20	200.40	241.30	211.20	216.20
Asia Pacific	417.10	439.60	486.50	483.60	490.20
World Total	3054.00	2969.30	3192.30	3291.30	3363.90

(Source: BP Statistical Review of World Energy 2013)

The table below shows worldwide gas consumption since 2008:

(Billion cubic meters) Region	2008	2009	2010	2011	2012
North America	281.50	816.10	849.60	868.00	906.50
Central and South America	140.90	136.80	152.20	156.40	165.10
Europe and Eurasia	1136.30	1049.50	1129.60	1105.80	1083.30
Middle East	331.90	344.60	376.80	394.70	411.80
Africa	100.80	100.10	107.80	114.00	122.80
Asia Pacific	480.00	496.70	560.40	593.60	625.00
World Total	3011.50	2943.90	3176.30	3232.40	3314.40

(Source: BP Statistical Review of World Energy 2013)

The table below shows worldwide natural gas reserves as at the end of 2012:

(Trillion cubic meters) Region	As at end 2012
North America	10.80
Central and South America	7.60
Europe and Eurasia	58.40
Middle East	80.50
Africa	14.50
Asia Pacific	15.50
World Total	187.30

(Source: BP Statistical Review of World Energy 2013)

Natural Gas in India

According to a report from the MoPNG entitled “India Hydrocarbon Vision 2025”, the MoPNG estimates gas to supply the following percentages of total overall energy in India:

Year	Coal	Oil	Gas	Other
2006-2007	50.0	32.0	15.0	3.0
2010-2011	53.0	30.0	14.0	3.0
2024-2025	50.0	25.0	20.0	5.0

(Source available at: www.petroleum.nic.in/vision.doc)

In 2011, India had an estimated 1,241 million metric tons of proved natural gas reserves. In the same year, India produced an estimated 52.22 bcm of natural gas. (Source: Ministry of Petroleum and Natural Gas, Government of India)

The Government of India has adopted a multi-pronged strategy to augment gas supplies in India and bridge the gap between supply and demand in the domestic market. The strategy includes:

- a) Increasing domestic exploration and production activities;
- b) Exploiting of unconventional sources like CBM;
- c) Underground coal gasification;
- d) Implementing the Natural Gas Hydrate Program to evaluate hydrate resources and their possible commercial exploitation;
- e) Importing LNG
- f) Gas sourcing through transnational gas pipelines.

(Source: Ministry of Petroleum and Natural Gas, Infraline)

Infrastructure Development

In the Eleventh Plan, inadequate infrastructure was considered a constraint on rapid growth. The Plan emphasized the need for expansion in investment in infrastructure based on a combination of public and private investment, the latter through various forms of public-private partnerships. Since the Plan substantial progress has been made. The total investment in infrastructure, which includes roads, railways, ports, airports, electricity, telecommunications, oil and gas pipelines and irrigation has increased from approximately 5.7% of GDP to approximately 8.0% in the final year of the Plan. Investment has been particularly high in certain sectors, in particular telecommunications and oil and gas pipelines. (Source: Government of India Planning Commission, An Approach to the Twelfth Five Year Plan, October 2011)

Pipeline Distribution Network

In 2007, the MoPNG authorized five new pipelines to GAIL covering a length of over 5,500 kilometers (km).

S. No.	Pipeline	Length Km/Capacity MMSCMD	Commissioning
1	Dadri Bawana Nangal*	610 Km/31 MMSCMD	2011-12
2t	Chainsa Jhajjar Hissar**	300 Km/35 MMSCMD	2011-12
3	Jagdishpur Haldia	2,000 Km/32 MMSCMD	2013-14
4	Dabhol Bangalore	1,386 Km/16 MMSCMD	2011-12
5	Kochi Kanjirkod Bangalore	860 Km/16 MMSCMD	2012-13
	TOTAL	5,156 Km/130 MMSCMD	

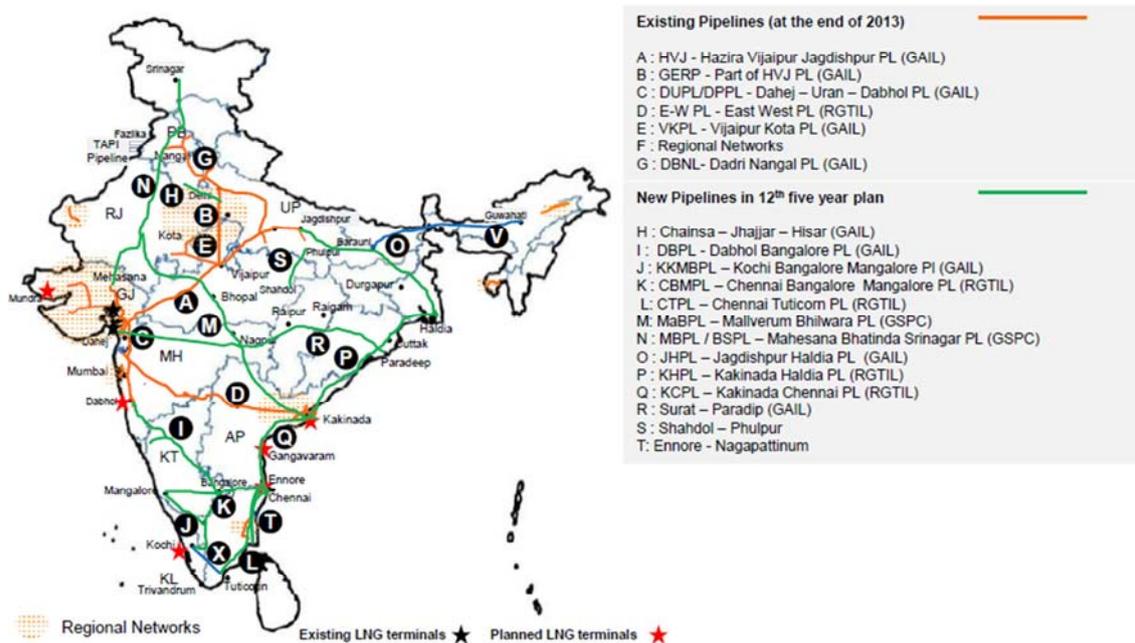
*Phase I – completed till Bawana

**Phase I – completed till Sultanpur

In addition to these, GAIL is increasing the capacities of its two existing pipelines, the Dahej-Vijaipur pipeline and the Vijaipur-Dadri pipeline. According to GAIL, all these projects are progressing well and are expected to be completed in phases by 2013-2014. When these pipelines are commissioned, the capacity of the GAIL pipeline system is expected to increase from 157 MMSCMD in 2011 to over 300 MMSCMD and cover over 14,000 Km.

(Source: GAIL, http://www.gail.nic.in/final_site/naturalgas_transmission.html.)

The following map shows current and future gas pipelines in India:



(Source: “Vision 2030” Natural Gas Infrastructure in India, Report by Industry Group for Petroleum and Natural Gas Regulatory Board)

Coal Bed Methane

CBM is a gas which is created during the formation of coal and is trapped within a coal seam by adsorption. CBM is chemically identical to other sources of natural gas. CBM is generally more than 95.0% methane and is often marketed as being “green” as it contains no sulphur compounds such as hydrogen sulphide. CBM projects follow a multi-phase development process.

Formation of Coal

Coal is formed from vegetated detritus that has decayed, been compacted, hardened, chemically altered and metamorphosed by heat and pressure over time, in a process known as coalification. Coalification starts when biomass is deposited in swamp ecosystems with anaerobic aquatic environments. Low oxygen levels prevent complete decay by bacteria and oxidation. In order to form economically viable coal deposits, large volumes of undecayed organic matter must be preserved in an environment which remains steady for prolonged periods of time. The waters feeding the swamps must remain essentially free of sediment. This requires minimal erosion in the uplands of the tributary rivers and efficient trapping of the sediments elsewhere.

A distinct upper contact with the overlying sediments is found in most coal seams, which indicates that the onset of further sediment deposition quickly destroyed the swamp ecosystem and replaced it with meandering stream and river environments during ongoing subsidence.

Formation of Methane in Coal

Methane gas is a component of coal, produced either by biogenic (by microbes) or thermogenic (by heat) routes. The methane produced during these processes is adsorbed (the chemical binding of a gas onto the surface of a solid) onto the surface of the coal and is held in place by the pressure of the water contained within the coal. Should the water pressure drop, the methane desorbs from the coal surface and is liberated from the coal.

Underground coal is subjected to compression by overlying rock (known as overburden). This results in fractures known as cleats within the coal. The cleats are formed by both tectonic stress and compaction during diagenesis. These cleats form an interconnected fracture network and this allows water and gas to flow through the coal. However, CBM companies frequently use fracturing techniques to increase the permeability of the coal and increase flow rates.

Characteristics of Coal Suitable for CBM Production

Characteristics of coal suitable for CBM production include:

- gas content,
- permeability,
- depth and thickness, and
- coal rank.

CBM Project Development

CBM projects generally follow a multi-phase development process. CBM projects typically go through the following stages of development:

- geological and other related studies;
- core hole, exploration and other related tests and studies;
- pilot project;
- phased development for production and distribution; and
- abandonment upon the end of the license period or upon depletion of the site's resources.

The location of coal reserves is well known. However, not all of these reserves are suitable for CBM development. A company will undertake an exploration program to identify coal reserves suitable for development. The company will drill a series of core wells to obtain samples of coal which will then be tested. This program should identify an area of coal that can economically produce CBM.

A full geology and geophysical analysis of the core samples will then be undertaken. This will test for coal quality, gas content, seam thickness and other factors. If the results are positive then the project will move onto the pilot stage.

The key objective for the pilot project is to test that a coal section can produce CBM economically. Production wells are drilled over a limited area of the prospect. The performance of the wells will be used to build an initial estimated production model and this model will determine the well spacing and therefore the number of wells required for full development. The pilot project also provides an opportunity to test techniques and technology. At this stage an initial reserve certification may occur. This certification can assist gas marketing activities and also help the company to secure additional capital.

Following a successful pilot project a full development of the project will start. This will normally occur in a number of stages, with each stage aiming to increase production. The phased approach also allows the company to generate revenues prior to capital expenditure in the next stage.

Once the economic production limit of CBM of the field is reached, it will then be abandoned for CBM purposes. The energy content of the coal is not adversely affected by CBM production as most of the methane is lost during mining and pulverization.

Drilling

Unlike conventional gas, which is found at depths of up to 7,000 meters, CBM is typically found at depths of up to 1,350 meters. These shallower depths make it possible to use smaller, more mobile, truck-mounted drilling rigs compared with those used for conventional gas wells. These types of rigs have much lower costs and therefore improve the project economics.

A majority of projects use vertical drilling to develop fields. These wells are drilled down and through the seam (sometimes multiple seams are penetrated if this is deemed economic). Each well has an effective radius of gas

drainage. Therefore, it is important to eventually model the well spacing to ensure that the optimal volume of gas can be accessed. It is typical for a CBM project to require hundreds of vertical wells to be drilled over its lifetime.

Hydraulic Fracturing

Hydraulic fracturing (more commonly known as “fracking”) is the technique used to increase the surface area of the coal. The fluid systems and additives used in conventional wells are generally not suitable for CBM wells. This is because coal seam reservoirs have unique properties and therefore specially developed materials need to be used.

Fluids such as water, foams and cross-linked polymers are pumped into the seam at high pressure. This causes the seam’s internal pressure to increase, resulting in an increase in the aperture of the cleats and the induction of a new or secondary fracture system. Consequently, the interconnected fracture network increases, making the coal more permeable resulting in increased gas flow rates and overall recovery factor.

Well Completion

CBM wells can utilize conventional methods of casing, cementing and perforating. However, care must be taken when casing is set and cemented across the coal seams in order to avoid permeability damage to the cleat network. Cleats are often wide enough to accept cement slurry, not just cement filtrate. Any damage caused by the slurry to the connection between the well bore and the reservoir may reduce the effectiveness of perforation and stimulation.

In-field Gas Gathering

The gas produced by a CBM well is often at low pressure. This is a key area where companies have used innovative technology to lower costs. As the gas is low in pressure, there is no need to use high pressure steel pipelines. Instead, plastic pipes can be used to transport the gas to the compressor. Once compressed, the gas enters a high pressure pipeline before being sent to market.

Environmental hazards in the production of CBM

CBM development could result in a number of environmental problems and health hazards certain of which are described below:

Disposal of water removed from CBM wells:

Water pressure holds methane in the coal bed. To release methane, this pressure must be reduced by removing water from the coal beds. As in the initial years, CBM wells mostly produce water, a large quantity of water needs to be disposed. The water thus extracted is usually discharged on the surface, injected into aquifers or used in ongoing drilling operations.

CBM in India

The Directorate General of Hydrocarbons estimates CBM resources at 4.6 tcm spread over 12 Indian states covering an area of 35,400 sqkm. CBM exploration activities have been initiated in 54.0% of the area, which is located in India’s major coal and Lignite bearing basins in the central and eastern parts of India. (*Source: 15th Energy Summit of the Indian Oil & Gas Sector, the Associated Chambers of Commerce and Industry of India with Deloitte and Assocham India*)

Four CBM rounds have been completed and the Government of India has offered 36 blocks covering 18,600 square kilometers, of which 34 blocks have been awarded including three blocks on a nomination basis (two on nomination and one through the Foreign Investment Promotion Board route). (*Source: 15th Energy Summit of the Indian Oil & Gas Sector, the Associated Chambers of Commerce and Industry of India with Deloitte and Assocham India*)

India has the fourth largest proven coal reserves in the world. This holds significant prospects for exploration and exploitation of CBM. In order to maximize CBM potential in India, the Government of India devised a CBM policy in 1997 whereby CBM is explored and exploited under the provisions of the Oil Fields (Regulation

& Development) Act 1948 (ORD Act 1948) and Petroleum & Natural Gas Rules 1959 administered by the MoPNG. (Source: Directorate General of Hydrocarbons, India 2011-12.)

In 1997, the MoPNG was made the administrative ministry for CBM, and the DGH was nominated as the nodal agency for promoting its development in the country. (Source: U.S. Department of Energy.)

The bids for CBM blocks are evaluated on technical, financial and other parameters. The weight given for each parameter is as follows:

Parameter	Weighted on scale of 100 points
Technical capability	30
Work program	35
Fiscal package	35

(Source: Notice Inviting Offers for Exploration and Production of Coalbed Methane (CBM-IV), Ministry of Petroleum and Natural Gas, April 2009.)

Under licenses granted by the MoPNG, CBM blocks are developed in four phases:

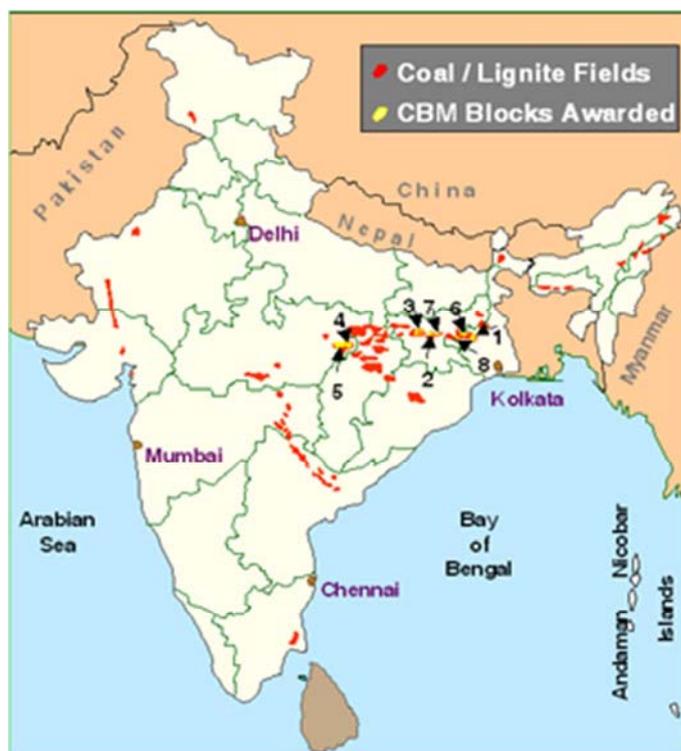
- Phase I Two years for exploration
- Phase II Three years pilot assessment
- Phase III Five years development phase
- Phase IV 25 years production phase

(Source: Notice Inviting Offers for Exploration and Production of Coalbed Methane (CBM-IV), Ministry of Petroleum and Natural Gas, April 2009.)

The Government of India has made CBM blocks available in three rounds, including:

CBM-I:

In May 2001, for the first time, the Government of India offered seven blocks in the first round of CBM bidding, out of which five blocks were awarded and contracts signed. Contracts for another three blocks awarded on nomination basis were also executed.

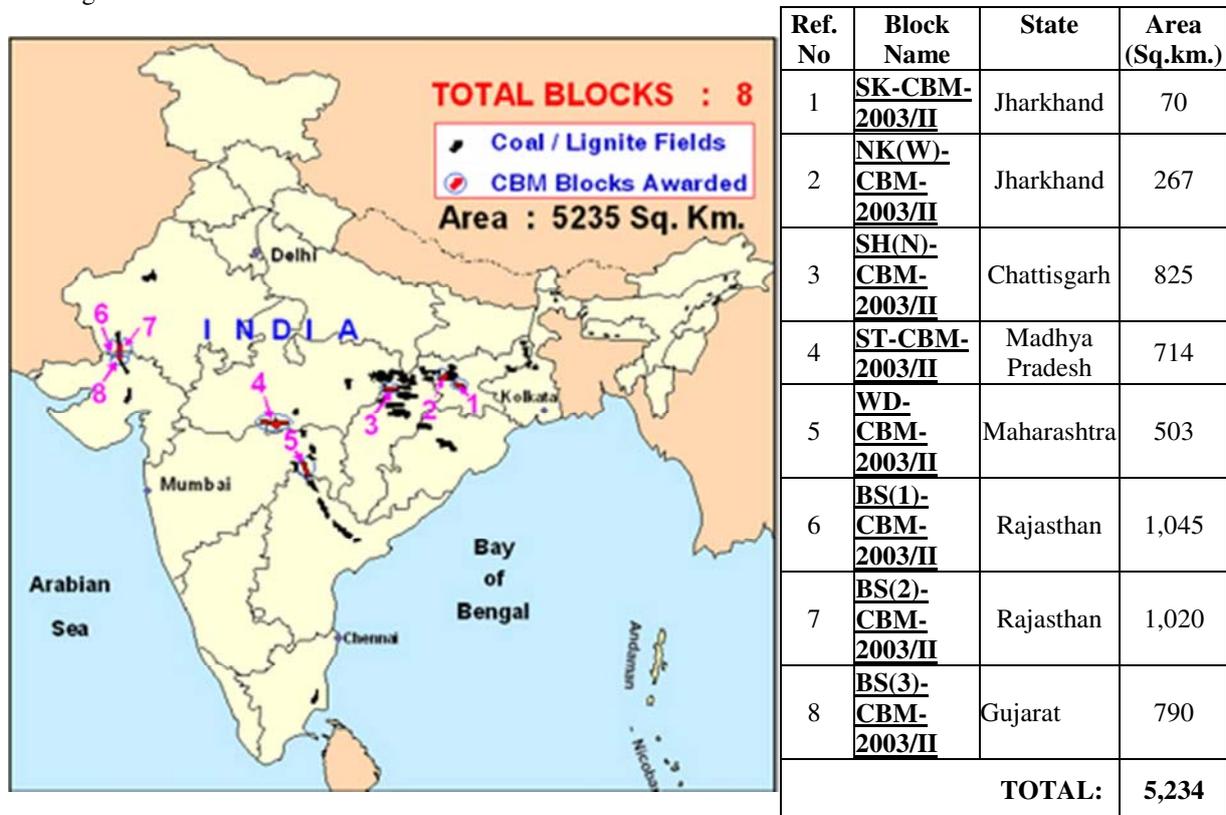


Ref.No	Block Name	State	Area (Sq.km.)
1	<u>RG(E)-CBM-2001/I</u>	West Bengal	500
2	<u>BK-CBM-2001/I</u>	Jharkhand	95
3	<u>NK-CBM-2001/I</u>	Jharkhand	340
4	<u>SP(E)-CBM-2001/I</u>	Madhya Pradesh	495
5	<u>SP(W)-CBM-2001/I</u>	Madhya Pradesh	500
6	<u>RANIGANJ (NORTH)</u>	West Bengal	350
7	<u>JHARIA</u>	Jharkhand	85
8	<u>RANIGANJ (SOUTH)</u>	West Bengal	210
TOTAL:			2,575

(Source: Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas, Government of India.)

CBM-II:

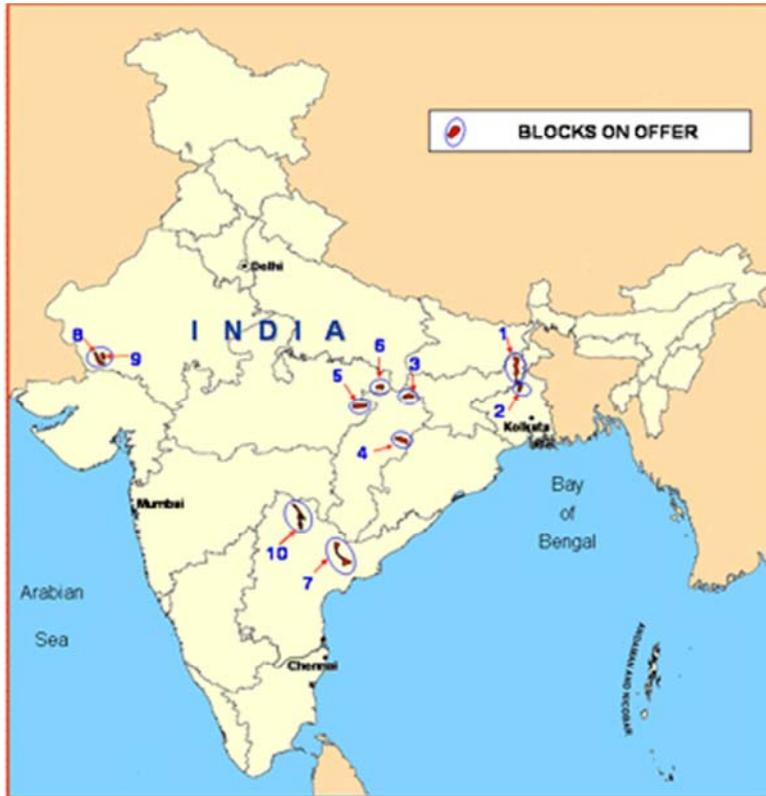
Under the second round of CBM bidding, nine blocks were offered through international competitive bidding in May 2003. A total of 14 bids were received for eight of the nine blocks offered. Contracts for these eight blocks were signed in June 2004.



(Source: Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas, Government of India)

CBM-III:

International competitive bids were solicited by the Government of India for 10 CBM blocks under the third round of CBM bidding in 2006. For the first time, foreign companies participated in the CBM-III bidding round. A total of 54 bids were received for the 10 blocks, from 26 companies including eight foreign and 18 Indian companies. Each of the 10 blocks received multiple bids. The blocks were allotted amongst four companies or consortiums, with some companies or consortiums receiving more than one block. Contracts for these 10 awarded blocks were signed in November, 2006.



Ref. No	Block Name	State	Area (Sq.km.)
1	<u>RM-CBM-2005/III</u>	Jharkhand	469
2	<u>BB-CBM-2005/III</u>	West Bengal	248
3	<u>TR-CBM-2005/III</u>	Chhattisgarh	458
4	<u>MR-CBM-2005/III</u>	Chhattisgarh	634
5	<u>SP(N)-CBM-2005/III</u>	Madhya Pradesh	609
6	<u>SR-CBM-2005/III</u>	Madhya Pradesh	330
7	<u>KG(E)-CBM-2005/III</u>	Andhra Pradesh	750
8	<u>BS(4)-CBM-2005/III</u>	Rajasthan	1,168
9	<u>BS(5)-CBM-2005/III</u>	Rajasthan	739
10	<u>GV(N)-CBM-2005/III</u>	Andhra Pradesh	386
TOTAL:			5,791

(Source: Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas, Government of India.)

CBM-IV:

International competitive bids were solicited by the Government of India for 10 CBM blocks under the fourth round of CBM bidding in 2009. These blocks cover an area of about 5,000 Sq Km and are located in the states of Jharkhand, Orissa, Madhya Pradesh, Chhattisgarh, Assam, Maharashtra and Tamil Nadu. As of the date of this Red Herring Prospectus, eight of the ten blocks were provisionally allotted amongst four companies or consortiums, with some companies or consortiums receiving more than one block.



Ref.No	Block Name	State	Area (Sq.km.)
1	<u>RM(E)- CBM- 2008/IV</u>	Jharkhand	1,128
2	<u>TL- CBM- 2008/IV</u>	Orissa	557
3	<u>IB- CBM- 2008/IV</u>	Orissa	209
4	<u>SR(W)- CBM- 2008/IV</u>	Madhya Pradesh	269
5	<u>SP(NE)- CBM- 2008/IV</u>	Madhya Pradesh and Chattisgarh	339
6	<u>ST- CBM- 2008/IV</u>	Madhya Pradesh	714
7	<u>AS- CBM- 2008/IV</u>	Assam	113
8	<u>WD(N)- CBM- 2008/IV</u>	Maharashtra	442
9	<u>WD(E)- CBM- 2008/IV</u>	Maharashtra	503
10	<u>MG- CBM- 2008/IV</u>	Tamil Nadu	766
TOTAL:			5,040

CBM BLOCKS AWARDED SO FAR

CBM BLOCKS AWARDED

SL NO.	COAL FIELD / STATE	BLOCK NAME	CONSORTIUM (PARTICIPATING INTEREST)	DATE OF SIGNING CONTRACT	AWARDED AREA (SQ. KM.)
CBM-I ROUND					
1.	RANIGANJ EAST / WEST BENGAL	RG(E)-CBM-2001/1	EOL (100)	26.07.2002	500
2.	BOKARO / JHARKHAND	BK-CBM-2001/1	ONGC (80) & IOC (20)	26.07.2002	95
3.	N. KARANPURA / JHARKHAND	NK-CBM-2001/1	ONGC (80) & IOC (20)	26.07.2002	340
4.	SOHAGPUR EAST / M.P	SP(E)-CBM-2001/1	RIL (100)	26.07.2002	495
5.	SOHAGPUR WEST / M.P	SP(W)-CBM-2001/1	RIL (100)	26.07.2002	500
TOTAL AREA :					1930
ON NOMINATION BASIS					
6.	RANIGANJ NORTH / WEST BENGAL	RANIGANJ NORTH	ONGC (74) & CIL (26)	06.02.2003	350
7.	JHARIA / JHARKHAND	JHARIA	ONGC (90) & CIL (10)	06.02.2003	85
8.	RANIGANJ SOUTH / WEST BENGAL	RANIGANJ SOUTH	GEECL (100)	31.05.2001	210
TOTAL AREA :					645
CBM-II ROUND					
9.	SOUTH KARANPURA / JHARKHAND	SK-CBM-2003/II*	ONGC (100)	06.02.2004	70
10.	NORTH KARANPURA / JHARKHAND	NK(WEST)-CBM-2003/II*	ONGC (100)	06.02.2004	267
11.	SONHAT / CHATTISGARH & M.P.	SH(NORTH)-CBM-2003/II	RIL (100)	06.02.2004	825
12.	BARMER / RAJASTHAN	BS(1)-CBM-2003/II*	RIL (100)	06.02.2004	1045
13.	BARMER / RAJASTHAN	BS(2)-CBM-2003/II*	RIL (100)	06.02.2004	1020
TOTAL AREA :					3227
CBM-III ROUND					
14.	RAJMAHAL / JHARKHAND	RM-CBM-2005/III*	ARROW(35)-GAIL(35)-EIG(15)-TATA(15)	07.11.06	469
15.	BIRBHUM / WEST BENGAL	BB-CBM-2005/III*	BPE(100)	16.11.06	248
16.	TATAPANI RAMKOLA / CHATTISGARH	TR-CBM-2005/III*	ARROW(35)-GAIL(35)-EIG(15)-TATA(15)	07.11.06	458
17.	MAND RAIGARH / CHATTISGARH	MR-CBM-2005/III*	ARROW(40)-GAIL(45)-EIG(15)	07.11.06	634
18.	SOHAGPUR / M.P.	SP(N)-CBM-2005/III	GEO(10)-REL(45)-RNPL(45)	07.11.06	609
19.	SINGRAULI / M.P.	SR(N)-CBM-2005/III	COALGAS(10)-DIL(90)	07.11.06	330
20.	KOTHAGUDEM / ANDHRA PRADESH	KG(E)-CBM-2005/III	GEO(10)-REL(45)-RNPL(45)	07.11.06	750
21.	BARMER / RAJASTHAN	BS(4)-CBM-2005/III	GEO(10)-REL(45)-RNPL(45)	07.11.06	1168
22.	BARMER / RAJASTHAN	BS(5)-CBM-2005/III	GEO(10)-REL(45)-RNPL(45)	07.11.06	739
23.	GODAVARI / ANDHRA PRADESH	GV(N)-CBM-2005/III	COALGAS(10)-DIL(40)-ADINATH(50)	07.11.06	386
TOTAL AREA :					5791
CBM-IV ROUND					
24.	RAJ MAHAL / JHARKHAND	RM(E)-CBM-2008/IV	ESSAR OIL LIMITED (100)	29.07.10	1128
25.	TALCHIR / ORISSA	TL-CBM-2008/IV	ESSAR OIL LIMITED (100)	29.07.10	557
26.	IB VALLEY / ORISSA	IB-CBM-2008/IV	ESSAR OIL LIMITED(100)	29.07.10	209
27.	SOHAGPUR / MP & CHHATTISGARH	SP(NE)-CBM-2008/IV	ESSAR OIL LIMITED (100)	29.07.10	339
28.	SATPURA / MADHYA PRADESH	ST-CBM-2008/IV	DART ENERGY(80)-TATA POWER(20)	29.07.10	714
29.	NORTH EAST / ASSAM	AS-CBM-2008/IV	DART ENERGY(60)-OILINDIA(40)	29.07.10	113
30.	MANNARGUDI / TAMIL NADU	MG-CBM-2008/IV	GEECL (100)	29.07.10	667
TOTAL AREA :					3727
RELINQUISHED CBM-II BLOCKS					
1.	SATPURA / M.P.	ST-CBM-2003/II	ONGC (100)	06.02.2004	714
2.	WARDHA / MAHARASHTRA	WD-CBM-2003/II	ONGC (100)	06.02.2004	503
3.	BARMER-SANCHOR / GUJARAT	BS(3)-CBM-2003/II	ONGC(70)&GSPCL(30)	06.02.2004	790
* : Relinquishment proposed by Operator Note : Name of Arrow Energy has been changed to Dart Energy					

(Source: Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas, Government of India.)

OUR BUSINESS

Overview

We are the first company to commercially produce natural gas from coal seams, commonly known as coal bed methane (“CBM”), in India. We focus on the exploration, development, production, distribution and sale of CBM. Our operational asset is a 100.0% participating interest in a license area, the Raniganj (South) block in West Bengal, for which we hold exploration, development and production rights until 2036. Additionally, we also hold exploration, development and production rights in the Mannargudi block in Tamil Nadu until 2046, subject to certain conditions discussed in “—Our Blocks—Mannargudi Block” and we have recently been awarded a 25.0% participating interest in the Raniganj (North) block along with ONGC.

We produce CBM from the Raniganj (South) block, which has an estimated original gas-in-place of 2.40 tcf and net proved reserves (“1P”), proved and probable reserves (“2P”) and proved, probable and possible reserves (“3P”) of 46.9 bcf, 121.8 bcf and 242.2 bcf, respectively, as of February 28, 2013, according to the Resource and Reserve Assessment.

For the Fiscal Years 2013, 2012 and 2011, we produced 88.02 mmscm, 70.04 mmscm and 41.36 mmscm, and sold 75.75 mmscm, 56.56 mmscm and 30.12 mmscm, of CBM (including CNG for automobiles), respectively. As of March 31, 2013, we had contracts and memoranda of understanding with aggregate commitments by customers to purchase up to 1.13 mmcmd of CBM, as compared to production of 88.02 mmscm (0.24 mmcmd) of CBM for the Fiscal Year 2013.

In July 2007, we began producing CBM commercially at the Raniganj (South) block and, in July 2012, we completed drilling 100 wells and constructing the distribution infrastructure, including gas gathering stations, and underground MDPE pipelines connecting the wells, such gas gathering stations and the central gathering station and steel pipeline connecting our customers’ operations. In 2012, we received approval for drilling an additional 200 wells, at a pace of over 40 wells drilled each year, and expanding our logistics operations and pipeline network, which we expect to complete by the Fiscal Year 2017.

In total, our existing operations at the Raniganj (South) block, as of July 31, 2013, included 153 drilled wells, including 137 that are producing and dewatering, a dedicated steel pipeline network of over 110 kilometers, MDPE pipelines of over 119 kilometers, two gas gathering stations, one central gathering station and seven compressed natural gas (“CNG”) dispenser outlets, providing us with infrastructure that allows us to distribute CBM by pipeline to Kulti and along the Asansol-Raniganj-Durgapur industrial belt and CNG to regional fueling stations.

As of August 31, 2013, we supplied CBM directly to 31 industrial customers through our network of dedicated pipelines, as well as through truck mounted cascades, and to automobile customers through seven CNG fueling stations, one owned by us and six by two state-owned petroleum companies.

We have recently been awarded a 25.0% participating interest in the Raniganj (North) Block which we won through a competitive bidding process. This award is subject to the execution of a farm-in related and joint operatorship agreement with ONGC (along with its consortium) and the approval from the Government of India. The Raniganj (North) Block is adjacent to our Raniganj (South) block. According to the DGH, the original-gas-in-place in the Raniganj (North) block is 1.5 TCF as of February 6, 2003.

For the Mannargudi block, we have entered into the contract for exploration and production with the Government of India (the “Mannargudi CBM Contract”) and received petroleum exploration licenses from the Government of Tamil Nadu. We currently have a conflict of interest with ONGC in relation to the Mannargudi block which is pending before the relevant authorities. See “Risk Factors — Petroleum and natural gas interests of Oil and Natural Gas Corporation Limited (“ONGC”) conflict with our rights with respect to the Mannargudi block that was allocated to us, which may negatively affect our business and prospects.” on page 19.

In December 2005, we listed GDRs on the London Stock Exchange’s Alternative Investment Market (“AIM”). In May 2010, our GDRs were admitted to the standard list on the official list of the UK Listing Authority and for trading on the main market of the London Stock Exchange and ceased to trade on the AIM market.

For the Fiscal Years 2013 and 2012, our total revenue was ₹ 1,606.65 million and ₹ 1,160.48 million, respectively. We had a restated profit after tax of ₹ 358.49 million for the Fiscal Year 2013 and had a restated loss after tax of ₹ 55.96 million for the Fiscal Year 2012.

Our Competitive Strengths

We believe that the following competitive strengths will enable us to compete successfully in our industry:

Established CBM Company in India

We are an established and fully integrated CBM company in India and the first company to commercially produce CBM in India. We were awarded the Raniganj (South) block on a nomination basis in May 2001 as part of the first round of CBM blocks awarded in India. Prior to this, in December 1993, we entered into a memorandum of understanding and license agreement with Coal India Limited (“CIL”) that rendered us eligible for such nomination. We first produced gas commercially at the Raniganj (South) block in July 2007, becoming the first company to commercially produce CBM in India.

As an established CBM company in India, we are one of the few companies in India that has established reserves, an extensive exploration and development program, commercial production for CBM and a secured market for natural gas off-take. We believe that our experience in exploring and developing CBM at the Raniganj (South) block for over a decade has provided us with a number of competitive advantages in implementing our growth strategy, achieving operational efficiencies and growing our customer base. For example, we believe that this experience allows us to reduce the time and costs associated with our upstream, midstream and downstream activities and to establish achievable objectives in our current and future development plans. This experience has also allowed us to establish long-term relationships with, and, in certain instances, secure minimum guaranteed off-take commitments from, customers in the region. In addition, we believe that this experience helps us to select and bid for CBM and other blocks in future bidding rounds or be awarded participating interests by other companies such as for the Raniganj (North) block.

Established Reserves and Commercially Producing CBM

We are one of the few CBM companies in India that have established reserves, an extensive exploration and development program and commercial production for CBM. The Raniganj (South) block has an estimated original gas-in-place of 2.40 tcf, and net 1P, 2P and 3P reserves of 46.9 bcf, 121.8 bcf and 242.2 bcf, respectively, as of February 28, 2013, according to the Resource and Reserve Assessment.

Our established reserves base is supported by our extensive exploration and development program, which, as of July 31, 2013, had 153 wells drilled. This established reserves base and exploration and development program provide us the opportunity to continue to increase CBM production. For the Fiscal Years 2013, 2012 and 2011, we produced 88.02 mmscm, 70.04 mmscm and 41.36 mmscm of CBM, respectively.

Revenue Sharing in CBM Contract for Raniganj (South) Block

CBM contracts in India have a revenue sharing mechanism, as compared to contracts for conventional oil and gas blocks, which generally have a profit sharing mechanism with cost recovery. For example, the revenue sharing mechanism requires us to pay a royalty and production level payment at an aggregate rate of 12.5% for CBM produced from the Raniganj (South) block, split between a royalty to the Government of West Bengal (10.0%) and a production level payment to the Government of India (2.5%). See “—Key Features of Our CBM Contracts and Mining Licenses—Raniganj (South) Block.” Our royalty and production level payments for the CBM Contract for the Raniganj (South) block (the “Raniganj CBM Contract”) are subject to a minimum net realization of \$6.79/mmbtu, on which such payments are computed at the well head; however, we are permitted to price the CBM above or below this price. We believe that this revenue sharing mechanism provides us with several advantages over producers of conventional natural gas in India, which are subject to a profit sharing mechanism with cost recovery.

Large Market for CBM Off-take Connected through Dedicated Distribution Infrastructure

The Raniganj (South) block is situated near, and connected through dedicated gas distribution infrastructure to, the Asansol-Raniganj-Durgapur industrial belt, and is located approximately 200 kilometers from Kolkata. As of July 31, 2013, our dedicated gas distribution infrastructure included 110 kilometers of pipeline connecting the

Raniganj (South) block to the Asansol-Raniganj-Durgapur belt, which includes Kulti, Raniganj, and Durgapur, and our customers' operations. These cities have industrial activity with substantial natural gas demand, including steel plants and the carbon black, steel rolling mills, glass, chemical and food industries.

Proximity to these markets has allowed us to secure contracts and memoranda of understanding with aggregate commitments from customers to purchase up to 1.13 mmscmd of CBM, as of March 31, 2013. By comparison, we produced 88.02 mmscm (0.24 mmscmd) of CBM for the Fiscal Year 2013, providing us with considerable opportunity to increase production and sale of CBM.

Experienced Senior Management and Consultant Team

We believe that we benefit from the experience and continued efforts of our senior management and consultant team. Our senior management has an average of over 25 years of experience in the management and growth of companies in the oil and gas industry. In particular, we rely on the expertise and experience of our Chairman and Managing Director, Mr. Yogendra Kumar Modi, and our President and Chief Operating Officer, Mr. Prashant Modi. Further, a number of other members of our senior management have broad experience in the oil and gas industry, including appointments to national and international bodies related to the energy industry, which enables us to effectively operate our business. In addition, we engage international contractors such as Halliburton Offshore Services Inc. ("Halliburton"), with vast experience in the industry, to manage our drilling and well completion activities and international consultants, ARI to prepare reserve estimates and to recommend production operations.

Ownership of Two Drilling Rigs and Four Work Over Rigs

We own two drilling rigs and four work over rigs. Owning these rigs allows us control over our drilling and maintenance schedules and allows us to deploy rigs as required, without being subject to lack of availability or fluctuations in rental fees from third party providers. We are able to set our own drilling timetables irrespective of the availability of, or price to lease, rigs.

Our Strategies

We intend to pursue the following principal strategies to become a leading CBM producer in India:

Fully Develop the Raniganj (South) Block

We intend to fully develop the Raniganj (South) block through exploration and development pursuant to our development plan which involves drilling an additional 200 wells, at a pace of drilling and fracturing 40 wells each year, and expanding our logistics operations and pipeline network, all of which we expect to complete by the Fiscal Year 2017. As of July 31, 2013, we have drilled 153 wells. We are permitted to operate the Raniganj (South) block until 2036 and believe that this exploration and development plan will allow us to maximize the amount of CBM that we produce and sell.

Through our contractor, Halliburton, we also engage in directional drilling and coil tube fracturing in the Raniganj (South) block. When effective, directional drilling increases the recovery rates and extends the production life at wells in the Raniganj (South) block, while coil tube fracturing shortens the time required to fracture wells.

Focus on Developing Dedicated Infrastructure

We will continue to focus on developing dedicated infrastructure for the Raniganj (South) block. For example, we plan to expand our dedicated steel spur pipeline network by an additional 15 kilometers from Bamunara to Panagarh and to construct a 4" dedicated steel spur pipeline to Jamuria industrial area and additional gas gathering stations as required by our ramp-up in production. We plan to use these spur lines to connect to, and secure off-take and supply agreements with, ceramic, glass, sponge iron and other manufacturers in the region.

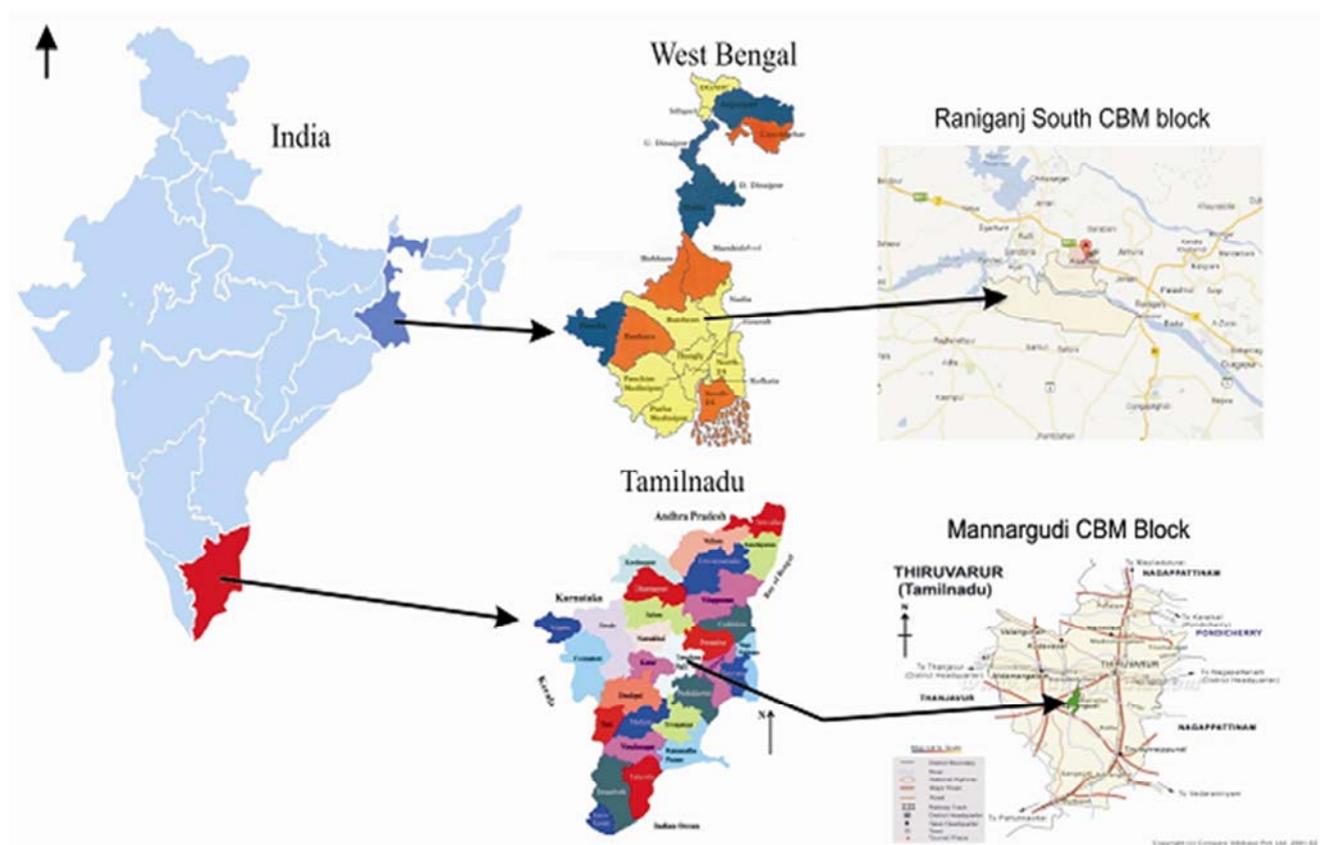
Increase Our License Area in India through Acquisitions and Bidding

We intend to increase our license area in India by acquiring existing CBM assets, and by bidding in international tenders for CBM blocks in India. We believe that our track record in successfully exploring and developing CBM blocks for over a decade, and as the first Indian company to commercially produce CBM, will continue to

give us an advantage in selecting, and bidding for or acquiring, non-conventional gas projects. Additionally, we have been awarded a 25.0% participating interest in the Raniganj (North) Block which we won through a competitive bidding process. According to the DGH, the original-gas-in-place in the Raniganj (North) block was 1.5 TCF as of February 6, 2003.

Details of Our Blocks

We have entered into CBM contracts with respect to two CBM blocks in India, (i) the Raniganj (South) block in the Damodar Valley, West Bengal, which is producing and undergoing further exploration and development, and (ii) the Mannargudi block in the Tiruvarur and Thanjavur districts, Tamil Nadu, for which we are awaiting consent to establish from the Pollution Control Board of Tamil Nadu to commence exploration and development. Additionally, we have been awarded a 25.0% participating interest in the Raniganj (North) Block which we won through a competitive bidding process. A map showing the geographic location of the Raniganj (South) and the Mannargudi blocks is set out below:



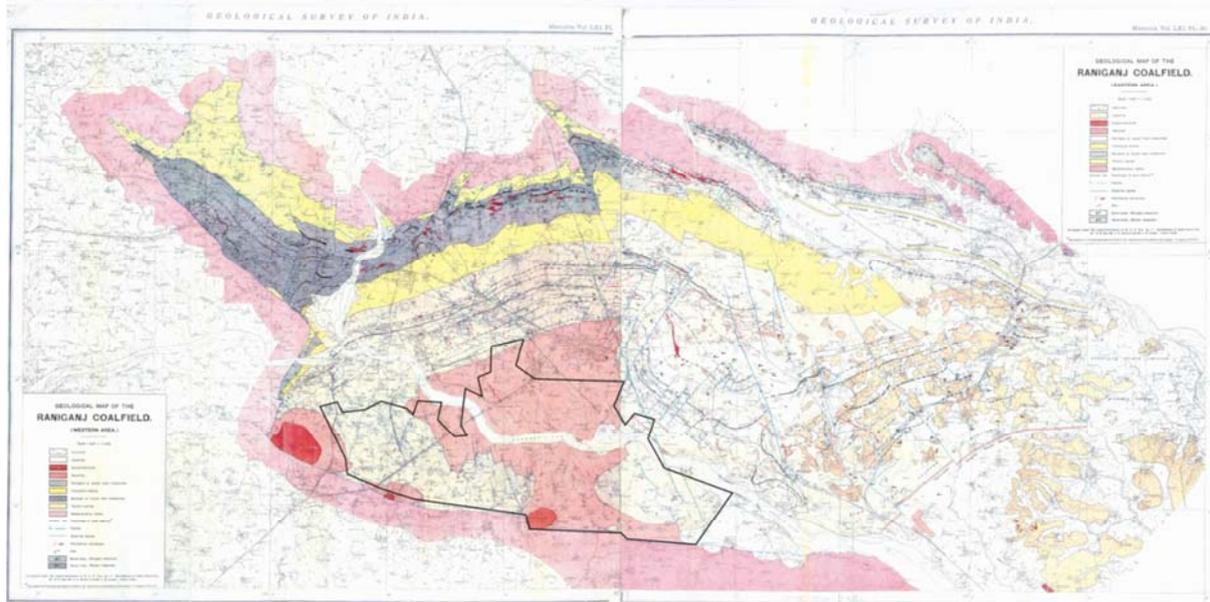
Raniganj (South) block

We have conducted exploration and development activities at the Raniganj (South) block since 1993. Between 1993 and 2001, we carried out preliminary exploration activities in this block, pursuant to a license agreement with CIL for the exploration and development of CBM in the Raniganj (South) block. Following the transfer of CBM administration in India from the Ministry of Coal to the MoPNG, we entered into the Raniganj CBM Contract with the MoPNG on May 31, 2001 to explore, develop, produce and distribute CBM reserves in the block until 2036, subject to meeting various milestones. See “—Key Features of Our CBM Contracts, Licenses and Leases—Raniganj (South) Block.” Subsequently, in November 2001, we executed a formal deed for our petroleum exploration license with the Government of West Bengal. On September 4, 2008, we obtained a grant-in-order for the mining lease from the Government of West Bengal, valid for an initial period of 20 years and extendable, by permission of the Government of West Bengal, for an additional period of 10 years. This grant-in-order is subject to the execution of a formal mining lease deed with the Government of West Bengal, which is currently pending. For further details regarding the grant-in-order for the petroleum mining lease see “History and Corporate Structure - Material Agreements and Contracts” beginning on page 142. Also see “Risk Factors—While we have been granted a petroleum mining lease for CBM mining and extraction in the

Raniganj (South) block by the government of West Bengal, the formal mining lease required to be executed in terms of the grant has not yet been executed by us. If we are compelled to execute the mining lease in a form that is not acceptable to us, our ability to extract CBM during the period of the grant may be adversely affected, which could in turn result in a material adverse effect on our business, prospects and results of operations.”

The Raniganj (South) block covers an area of 210.0 square kilometers in the Raniganj coalfield, which is located in an industrial belt near Asansol, West Bengal, approximately 200.0 kilometers north of Kolkata, West Bengal.

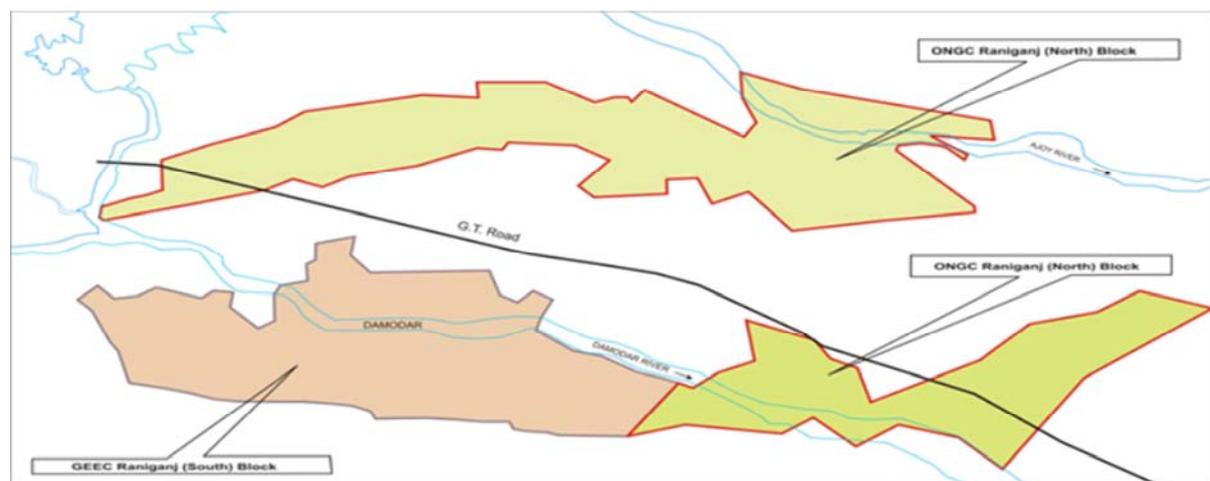
A geological map of the Raniganj coalfields, including the Raniganj (South) block, is set out below:



Raniganj (North) Block

We have recently been awarded a 25.0% participating interest in the Raniganj (North) Block which we won through a competitive bidding process. This award is subject to the execution of a farm-in related and joint operatorship agreement with ONGC (along with its consortium) and the approval from the Government of India. The Raniganj (North) Block is adjacent to our Raniganj (South) block. According to the DGH, the original-gas-in-place in the Raniganj (North) block was 1.5 TCF as of February 6, 2003.

A geographical map of the Raniganj (North) Block is set out below:



Mannargudi Block

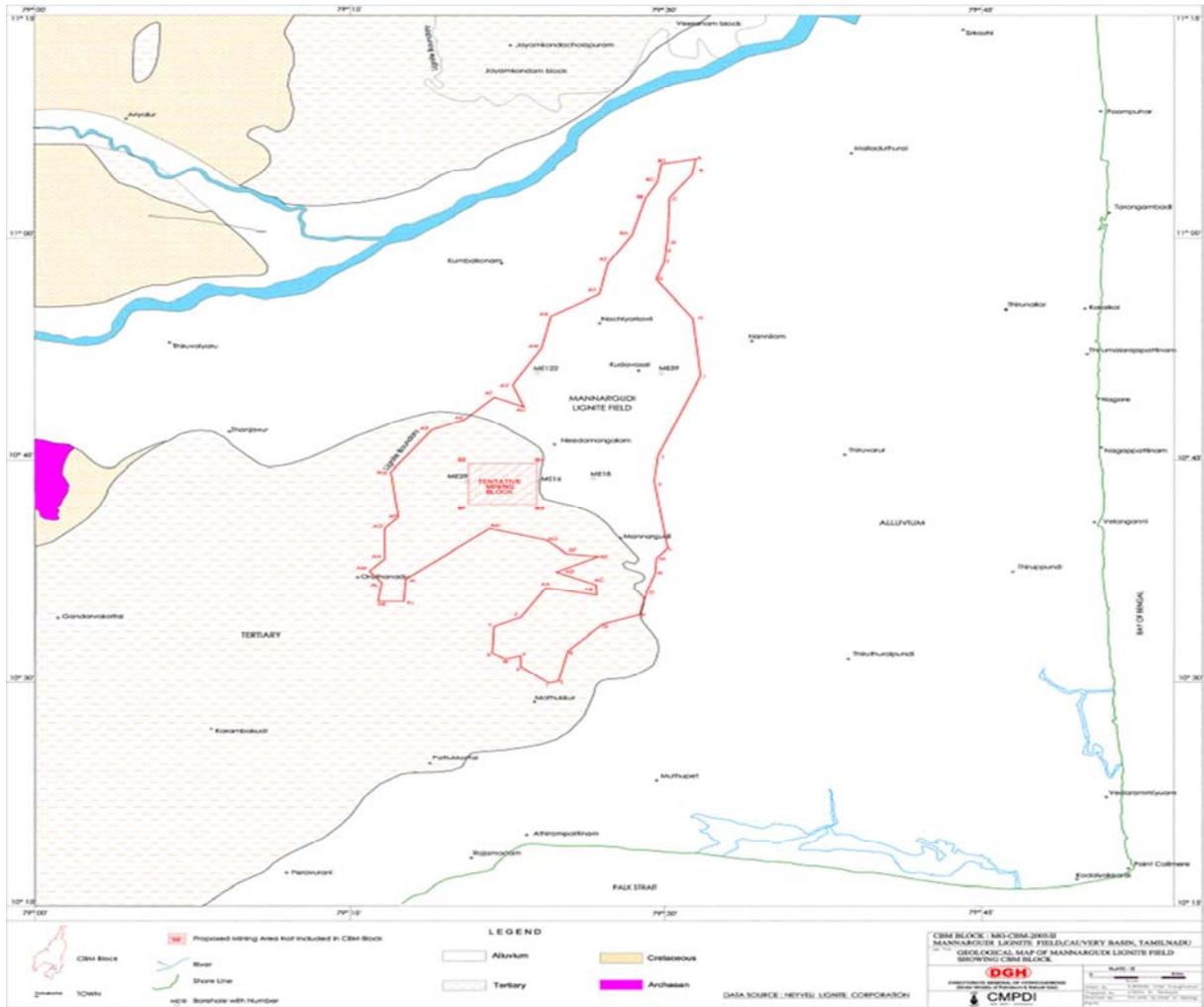
The Government of India awarded us the Mannargudi block in the fourth round of CBM block bidding in India in June 2010. We subsequently entered into the Mannargudi CBM Contract with the Government of India on

July 29, 2010, and received petroleum exploration licenses for the two districts containing the Mannargudi block from the Government of Tamil Nadu on September 13, 2011 and November 4, 2011, respectively. We have received environmental clearance from the MoEF for exploration, testing of wells and commercial exploitation of CBM in Thiruvarur and Thanjavur districts, Tamil Nadu for the entire area of the block and are awaiting the consents to establish under the Air Act and the Water Act from the Pollution Control Board of Tamil Nadu for both districts. We were recently served with a show cause notice by the MoEF demanding why the environmental clearance should not be revoked, to which we have suitably responded. Please see “Risk Factors—We must obtain and retain governmental permits and approvals for our drilling operations and the construction of our pipelines, which can be a costly and time consuming process and may result in restrictions on our operations ” on page 29 for details. We currently have a conflict of interest with ONGC in relation to the Mannargudi block which is pending before the relevant authorities. See “Risk Factors— Petroleum and natural gas interests of Oil and Natural Gas Corporation Limited (“ONGC”) conflict with our rights with respect to the Mannargudi block that was allocated to us, which may negatively affect our business and prospects” for details.

Collectively, the petroleum exploration licenses and the Mannargudi CBM Contract give us the sole right to carry out exploration, pilot assessment and market assessment until 2016 as well as production and development until 2046, subject to meeting certain conditions. See “—Key Features of Our CBM Contracts, Licenses and Leases—Mannargudi Block.” The first two years are designated as the exploration phase, in which we will assess geological data, drill 50 core holes and drill two test wells. The three years thereafter are designated as the pilot assessment, market survey and commitment phase, in which we will engage a third party to prepare a market feasibility report for the Mannargudi block. Upon completion of the pilot assessment phase and market survey and commitment phase, we will submit a development plan to the DGH. See “—Key Features of our CBM Contracts, Licenses and Leases—Mannargudi Block” and “History and Certain Corporate Matters—Material Agreements and Contracts” on pages 125 and 142, respectively.

The Mannagurdi block covers an effective area of 667.0 square kilometers in the Mannargudi lignite field, which is located on the border of the Thanjavur and Thiruvarur districts. The northern limit of the area can be approached by state highway from Kumbakonam town and the western limit of the block is approachable from Thanjavur.

A geological map of the Mannargudi lignite field, including the Mannargudi block, is set out below:



Estimated Original Gas-in-place

The estimated original gas-in-place of the resources of the Raniganj (South) block is 2.40 tcf, as of February 28, 2013, according to the Resource and Reserve Assessment.

The estimated original gas-in-place of the resources of the Mannargudi block is 0.98 tcf, as of April 9, 2009, the date we received the bid documentation for the block, according to the DGH. The estimated original-gas-in-place in the Raniganj (North) block was 1.5 TCF according to the DGH as of February 6, 2003.

CBM Reserves – Raniganj (South) Block

The Raniganj (South) block has an estimated original gas-in-place of 2.40 tcf and our gross and net 1P, 2P and 3P reserves and our best estimate contingent resources are set out below, as of February 28, 2013, according to the Resource and Reserve Assessment:

	Proved (1P)	Proved and Probable (2P)	Proved, Probable and Possible (3P)	Best Estimate Contingent Resources* (2C)
CBM (Billion Cubic Feet)				
Gross	53.6	139.3	276.8	178.6
Net	46.9	121.8	242.2	156.3

Note: Net reserves in the table above are presented net of royalties and production level payments.

* Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. Additionally, "Best Estimate" should have a 50% probability of actually being recovered.

Gross reserves are those quantities of petroleum anticipated, as of a given date, to be commercially recoverable by applying development projections. To determine gross and net 1P, 2P and 3P reserves, ARI calculated recovery efficiencies to be 30.0%, 50.0% and 70.0% for the low, best and high estimates of recovery factors, respectively, which were applied to existing and planned well locations, with an economic model establishing commerciality cut-offs. Net reserves are gross reserves less the portion of the reserves attributable to royalties and production level payments. See “Resource and Reserve Assessment Reports” on page 2.

The reserves data represents only estimates, which are often different from the quantity of CBM that is ultimately recovered. Certain risks and uncertainties associated with estimating 1P, 2P and 3P reserves are discussed further in “Risk Factors” and elsewhere herein. Please see “Risk Factors — Original gas-in-place and resources data are only estimates and are inherently uncertain, and the actual amounts may differ from these estimates.” on page 20.

CBM Production – Raniganj (South) Block

The following table sets forth our production volume, sales volume and average selling price per scm for the periods indicated:

	Fiscal Year		
	2011	2012	2013
Operating Data			
Production volume (mmscm)	41.36	70.04	88.02
Sales volume (mmscm) ⁽¹⁾	30.12	56.56	75.75
Average selling price per scm (₹) ⁽²⁾	19.70	19.15	20.85

Note:

- (1) Sales volume of CBM also includes sales volume of CNG for automobiles.
- (2) Average selling price per SCM is calculated on an “as sold” basis by dividing sale of gas, less excise duty, by sales volume for the period presented.

Key Features of Our CBM Contracts, Licenses and Leases

Raniganj (South) Block

Pursuant to the Raniganj CBM Contract, we hold a 100.0% participating interest in the Raniganj (South) block and have the right to exploit, develop and produce CBM within the 210 square kilometers of the block until 2036, subject to meeting certain milestones. The license and exploration period includes a three year pilot assessment phase and a two year market survey and commitment phase, followed by a five year development phase and a 25 year production phase. We are required to complete a minimum work program, which includes programs formulated and agreed to in the Raniganj CBM Contract relating to carrying out CBM operations on the block. Furthermore, as described in the Raniganj CBM Contract, we were required to pay a signing bonus of US\$0.3 million to the MoPNG, which was adjusted against a signature bonus of ₹ 10.0 million paid by us to CIL in 1994. For further details see the section titled “Outstanding Litigation and Material Developments” on page 240. In addition to signing the Raniganj CBM Contract, in November 2001, we executed a formal deed for our petroleum exploration license with the Government of West Bengal to carry out prospecting and exploration operations. Pursuant to the petroleum exploration license, the Government of West Bengal granted us a grant-in-order for the petroleum mining lease on September 4, 2008. For further details regarding the grant-in-order for the petroleum mining lease see the chapter titled “History and Corporate Structure – Material Agreements and Contracts” beginning on page 142. The grant-in-order for the petroleum mining lease is valid for 20 years, and may be extended by the Government of West Bengal for an additional 10 years.

Pursuant to the Raniganj CBM Contract and the petroleum exploration license we must pay a royalty at the rate of 10.0% of the *ad valorem* sale value at the well head to the Government of West Bengal on the production of CBM. The Government of West Bengal has the option to take CBM in kind in lieu of royalty payments from us. Further, besides the annual rental and other charges and taxes, we will pay monthly production level payments to the Government of India at a rate of 2.5% of the *ad valorem* sale value at the well head of the CBM produced that month. Our royalty and production level payments are subject to payment based on a minimum price of \$6.79/mmbtu at the well head. For further details regarding the terms and conditions of the Raniganj CBM

Contract see the chapter titled “History and Corporate Structure – Material Agreements and Contracts” beginning on page 142.

Mannargudi Block

Pursuant to the Mannargudi CBM Contract, we hold a 100.0% participating interest in the Mannargudi block and have the right to exploit, develop and produce CBM within the 667 square kilometers of the block until 2016, which may be renewed until 2046 as discussed below. We have received two petroleum exploration licenses from the Government of Tamil Nadu to carry out exploration and development operations. These licenses cover the portions of the Mannargudi block that are in Thanjavur and Thiruvarur, and were executed on September 13, 2011 and November 4, 2011, respectively. We may renew these licenses for two one-year periods with the approval of the Government of Tamil Nadu, and on, or prior to, the expiration of these licenses, we may apply to the Government of Tamil Nadu for a petroleum mining lease. Pursuant to the Mannargudi CBM Contract, we have the sole right, subject to satisfying various requirements and milestones in the Mannargudi CBM Contract and the licenses, to apply to the Government of Tamil Nadu for the petroleum mining lease, which has a 20 year term and can be extended for 10 years.

The Mannargudi CBM Contract provides for a five year exploration and pilot assessment phase and market survey and commitment phase, followed by a five year development phase and a 25 year production phase. We are required to complete a minimum work program, which includes programs formulated and agreed to in the contract relating to carrying out CBM operations on the block. During the five year exploration and pilot assessment phase and market survey and commitment phase, we are also required to prepare and submit a techno feasibility report and perform a commercial assessment to determine whether commercial production is viable in the block. If we determine commercial production is viable, we are required to, among other things, (i) pay a commercial bonus of US\$0.3 million to the MoPNG, (ii) prepare and submit a development plan, approved by a steering committee appointed by the MoPNG and us, to the DGH, (iii) apply for a petroleum mining lease and (iv) relinquish 20.0% of the contract area, subject to negotiation with the Government of India. We are also required to conduct two environmental studies: the first in two phases, prior to commencing any seismographic or other survey work and prior to drilling operations in the exploration phase and pilot assessment phase, and the second prior to commencing the development phase.

Pursuant to the Mannargudi CBM Contract and the exploration and development licenses, once we commence commercial production of CBM from the block, we must pay a royalty at the rate of 10.0% of the *ad valorem* sale value at the well head to the Government of Tamil Nadu on the production of CBM. The Government of Tamil Nadu has the option to take CBM in kind in lieu of royalty payments from us. Further, besides the annual rental and other charges and taxes, the Government of India is entitled to take and receive 25.0% for production up to 0.5 mmscfd, 35.0% for 2.0 mmscfd and above, and a percentage increasing linearly by production between such amounts, of the CBM that we produce and save from the Mannargudi block, depending on the level of daily production in the relevant month. Our royalty and production level payments are subject to payment based on a minimum price that the Government of India will set at the time we commence commercial sales of CBM from Mannargudi. For further details regarding the terms and conditions of the exploration and development licenses, see “Government and Other Approvals” and “History And Corporate Structure” on page 270 and 138, respectively.

Drilling Development Plan – Raniganj (South) Block

By July 2012 we completed drilling 100 wells, constructing two gas gathering stations and laying underground MDPE pipeline connecting the wells to the gas gathering stations in the Raniganj (South) Block.

In July 2012, we began drilling an additional 200 wells of up to 1,200 meters depth, in around 120 to 160 acres spacing, at a pace of over 40 wells drilled each year. Once well completion activities and hydraulic fracturing of these wells are completed, we will construct additional production and operational facilities, including a separator at each well, dedicated spur lines, gas gathering stations and a compression facility, as required.

We have a dedicated team of employees focused solely on acquiring the land needed to set up each well. A HDPE lined reserve pit is constructed at each location to store circulation materials produced during the operation of the well. This pit helps prevent environmental damage by eliminating the discharge of liquids off the drilling pad.

To limit the possibility of environmental damage, the following procedures are in place:

- the size of the drilling pad is as small as practical to reduce the amount of surface area being disturbed, and
- temporary reserve pits are created.

We currently drill wells in clusters of five to increase efficiency in our drilling operations. We have also begun to engage in directional drilling through a contract with Halliburton dated October 11, 2012, which allows us to drill additional wells from existing drilling pads.

Of the 210 square kilometers surface area of the Raniganj (South) block, 77.1 square kilometers are developed, or spaced or assignable to wells that are producing or capable of production. The status of our drilling program is set out below as of the periods indicated:

	July 31, 2013
Producing and Dewatering Wells	137
Wells Under Development	16
Total	153

Production Process

Drilling

When considering potential sites for exploratory drilling, our geology team evaluates the sites based on the following parameters:

- coal depth and thickness;
- coal seam continuity;
- sorption time;
- gas content and permeability;
- influence of geological structures; and
- reservoir simulation for in-fill and support wells.

At the initial stages of the drilling, the core wells and exploratory wells are drilled to obtain information about coal depth, coal thickness, gas content, permeability and the other parameters. Our geology team constructs two and three dimensional geological models to understand the reservoir geometry, stress conditions and pattern of faults and fractures. Based on these models, we identify additional locations for drilling. We typically drill wells in clusters of up to five to increase efficiency in our drilling operations.

Once the well begins producing CBM, we incorporate production data into the geological models, helping us to identify the locations for, and plan, in-fill and support wells to further improve recovery. We then conduct ground surveys using GPS to identify locations to drill in-fill and support wells. We then negotiate with owners of the lands covering these locations, and execute a formal agreement with the owner, which we register with the relevant registrars, after which we begin development activities.

Water production and disposal

As an integral step in the CBM drilling and production process, water is removed from coal seams. Currently, the water removed from our drilling and production is used in our drilling operations as well as local inhabitants for irrigation. We test the water each month and submit a report to the MoEF and the West Bengal Pollution Control Board. We will expand our water disposal facilities and operations as the number of wells in the dewatering stage increases.

Fracturing

Fracturing of each well is carried out after the well is drilled to its total depth. The steps to complete fracturing include:

- drilling a 17½ inch diameter hole for the conductor casing up to 20 meters, then lowering a 14 inch casing;
- drilling a 12 1/4 inch diameter hole for the surface casing up to the Panchet-Raniganj formation, which is approximately 250 meters below the surface, then fixing and cementing a 9 5/8 inch diameter casing;
- drilling a 7 7/8 inch diameter hole for the production casing up to 1,350 meters, running an open hole log, then fixing and cementing a 5 1/2 inch diameter casing;
- running a cement bond log;
- perforating the seams, starting with the deepest coal zone seam, and fracturing; and
- cleaning the well, then installing a pump to begin dewatering and production.

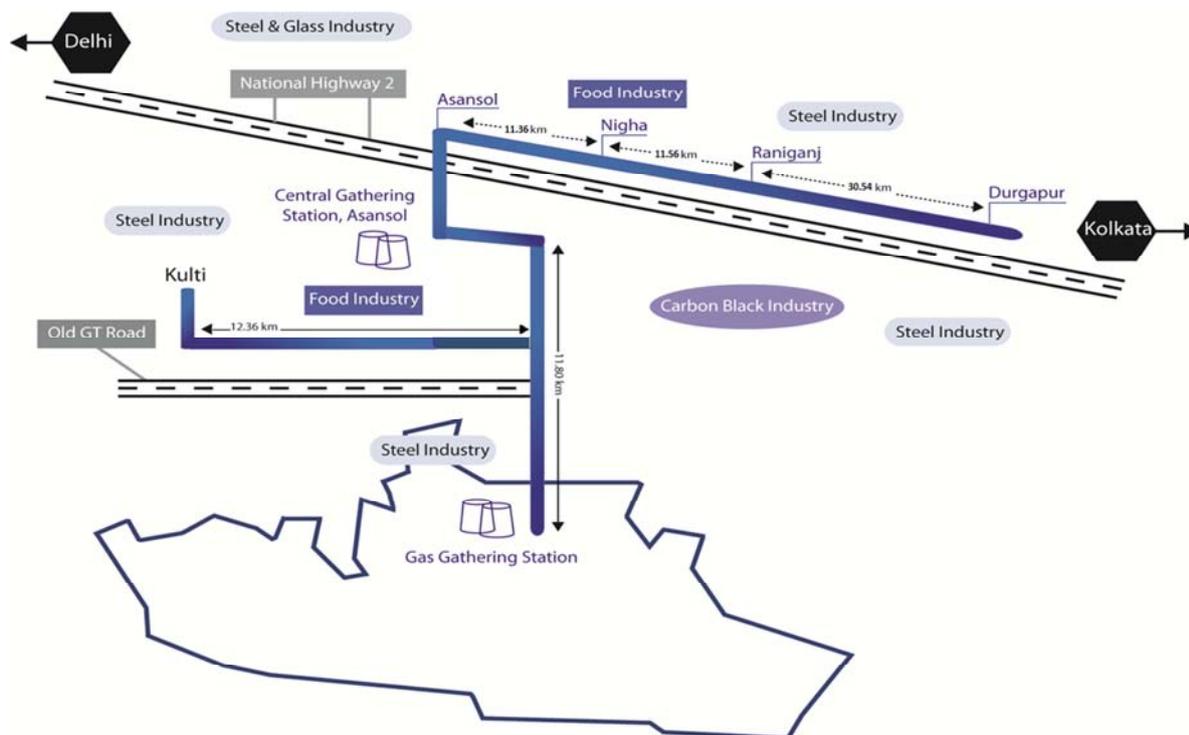
Processing and Distribution at the Raniganj (South) Block

The raw extracted gas undergoes primary water separation at the well head. The raw gas then flows through our network of underground intra-field MDPE flow lines into a two-phase vertical group separator, and then into two gas gathering stations, which have a total compression capacity of 31.95 mmscfd. We currently have 119 kilometers of underground intra-field flow lines, which will be extended as more wells become operational pursuant to our development plan of drilling 200 wells by the Fiscal Year 2017.

At the gas gathering stations, raw gas is further dried and processed through a gas compression system and gas treatment facility. The gas compression system compresses the gas in a single stage as well as a two-stage compressor. The gas then flows through a gas treatment facility, which consists of a surge vessel system and dehydration unit. The surge vessel system eliminates liquid water droplets and other condensate from the gas and then transports the gas to the dehydration unit to remove water molecules. The gas we currently produce, but do not sell, is flared off at our gas gathering stations because CBM cannot be stored once extracted from the coal seam or used captive to operate compression pumps for our pipelines. Each gas gathering station has a flare gas system, which disposes of flammable, toxic or corrosive vapor discharges. The gas is then distributed from the gas gathering stations through a 11.8 kilometer 12” dedicated steel pipeline connecting the gas gathering stations to the central gathering station in Asansol or a 12.4 kilometer 12” dedicated steel pipeline directly to Kulti.

From the central gathering station, gas is transported through a 53.5 kilometer 12” dedicated steel pipeline along the Asansol-Raniganj-Durgapur industrial belt. Our customers are connected to these pipelines through additional 4” steel spur pipelines. The gas is passed through a metering and regulating skid at the customer’s facilities. Gas at the central gathering station is alternatively converted into CNG for transportation to customers by cascade-mounted trucks and supplied to customers through a delivery terminal which uses pressure reduction valves to control the pressure as per the customers requirement. We lease the cascade-mounted trucks operated by third party service providers, to reach customers in more remote locations.

A diagram of our distribution infrastructure is set out below:



Equipment

We own two drilling rigs and four work over rigs. We also use other equipment, owned by our contractors, including, in material part, two work over rigs, one cementing unit, one hydraulic fracturing unit and one logging unit.

Sales and Marketing

As of August 31, 2013, we supplied CBM directly to 31 industrial customers through our network of dedicated pipelines and truck mounted cascades. We supply CNG directly to customers through seven CNG fuelling stations, one owned and operated by us and six by two state-owned petroleum companies, and directly to customers from our central gathering stations, representing 1.5%, 1.4% and 2.0% of gas sold for the Fiscal Years 2013, 2012 and 2011, respectively. As of March 31, 2013, we had contracts and memoranda of understanding with aggregate commitments by customers to purchase up to 1.087 mmscmd of CBM.

Customer Base

We sell CBM to industrial customers through our network of pipelines and truck mounted cascades. Our industrial customers include the carbon black, steel rolling mills, glass, chemical and food industries.

We sell CNG directly to customers from our central gathering station. We sell CNG indirectly to customers through seven CNG fueling stations, one owned and operated by us, and six owned and operated by two state-owned petroleum companies, pursuant to franchise agreements. These stations are located in Asansol, Raniganj and Durgapur.

We identify potential customers for CBM by surveying businesses that use natural gas and are located along our network of pipelines and in areas within reach of extensions to this network. We then prepare a feasibility report to evaluate the costs and benefits of a potential investment. We meet with potential customers to discuss the benefits of using CBM in their existing operations, or of constructing new projects using CBM as fuel or feedstock. For CNG, we evaluate the viability of CNG demand and installation of CNG facilities at various locations, and then approach oil marketing companies with an offer to supply CNG.

We typically sell CBM through mid-term and long-term contracts with our customers. Our mid-term contracts are contracts that are typically between one and five years and our long term contracts are between 23 and 25 years. Under the terms of our contracts, we are typically required to deliver contracted quantities of gas at an

agreed delivery point to the buyer on a “take-or-pay basis” (firm commitment basis) or “reasonable endeavors basis.” Under our “take or pay basis” contracts, we are entitled to receive payment for the amount of gas that the customer takes delivery of or alternatively the “minimum guaranteed offtake” volume of gas regardless of whether the buyer takes the delivered gas. Under our “reasonable endeavors basis” contracts, we are entitled to receive payment only for the quantities actually off-taken at the delivery point, however, we are not liable for our inability to deliver the contracted quantities of gas to the buyer under such contracts. Our contracts also include standard terms, such as liquidated damages in the event we are unable to deliver CBM to the buyer, principles of allocation of gas at the delivery point, pressure and temperature at which the gas is to be delivered and maintenance of a revolving letter of credit by the buyer in our favor, among other things.

Sales to our 10 largest customers represented approximately 81.1%, 81.6% and 89.4% of our revenue from operations for the Fiscal Years 2013, 2012 and 2011, respectively.

The following table sets forth our customers that contributed to more than 10.0% of our total revenue for the periods indicated for the Fiscal Years 2013 and 2012:

Customer		Fiscal Year 2013	
		Revenues	Percentage of Total Revenues
		(₹ in millions)	%
1.	Phillips Carbon Black Limited	348.43	22.1
2.	Shree Parasnath Re-rolling Mills	218.12	13.8
3.	SRMB Srijan Limited	172.02	10.9

Customer		Fiscal Year 2012	
		Revenues	Percentage of Total Revenues
		(₹ in millions)	%
1.	Phillips Carbon Black Limited	329.16	30.4
2.	Shree Parasnath Re-rolling Mills	201.84	18.6

Pricing

The prices we charge for CBM are generally based on prevailing market prices, and are subject to a revenue share royalty pricing mechanism and a minimum net realization on which the royalties are computed. We are, however, permitted to price the CBM we sell above or below this price.

For the Raniganj (South) block, the revenue share royalty pricing mechanism requires us to pay a royalty at a total rate of 12.5%, which is split between the Government of West Bengal (10.0%) and the Government of India (2.5%). Royalty payments on CBM from the Raniganj (South) block are subject to on a minimum net realization of \$6.79/mmbtu. See “—Key Features of Our CBM Contracts and Mining Licenses—Raniganj (South Block)” on page 125.

For the Mannargudi block, the revenue share royalty pricing mechanism requires us to pay a total rate of between 35.0% and 45.0%, which is split between the Government of Tamil Nadu (10.0%) and the Government of India (between 25.0% and 35.0%). The Government of India will determine the minimum net realization for royalty payments for CBM from the Mannargudi block once we apply immediately prior to commencing commercial production from the block.

To track the amount of CBM that we transport through pipelines to our industrial customers, CNG we supply through truck mounted cascades to third-party CNG fueling stations and directly to customers from our central gathering station, we use a standard metering system at each spur line.

Third Party Service Providers

We outsource all of our drilling, hydraulic fracturing and related activities on the Raniganj (South) block to three third party contractors, Halliburton, Mitchell Drilling India Private Limited (“Mitchell”) and Towell Drilling & Oilfield Services LLC (“Towell”). We also outsource the operation and maintenance of the central gathering station, gas gathering stations and construction of MDPE pipeline and 4” and 12” steel pipeline.

The following table sets forth our contracts with third party contractors for drilling and hydraulic fracturing activities, and the expiration dates of each contract.

Contractor	Service	Expiration Date
Halliburton	Directional drilling	November 30, 2014*
Halliburton	Cementing	August 31, 2014
Halliburton	Coil tubing and hydraulic fracturing	-#
Mitchell	Geophysical logging, perforation	June 30, 2015
Towell	Crew members for drilling	April 1, 2015

Note:

*Expiration dates for this contracts are the earlier of the date specified above and the completion of activities specified below.

Expiration date for this contracts was the later of June 15, 2013 and the completion of activities specified below.

We typically select these international contractors through direct negotiations, with selection based on the contractors' experience, equipment, price and track record in our operations.

We entered into a contract with Halliburton to perform cementing services on May 29, 2010, which has since been extended to continue until August 31, 2014. Under the contract as extended, Halliburton provides personnel and is responsible for equipment repairs, insurance and maintenance to perform cementing services for our existing and new wells at the Raniganj (South) block in accordance with our minimum work program. We pay Halliburton an upfront amount on signing the contract and each extension thereto, charges and revised job charges for specific tasks performed, a mobilization charge and a demobilization charge.

We entered into a contract with Halliburton to perform directional drilling services on October 11, 2011, which has since been extended to expire on the earlier of completing 50, and at our discretion, 10 additional, wells on the Raniganj (South) block, or November 30, 2014. Under the contract, Halliburton provides personnel and is responsible for equipment repairs, insurance and maintenance to perform directional drilling. We pay Halliburton per day, which increases if the drilling uses air instead of mud.

We entered into a contract with Halliburton on August 20, 2009 which was subsequently amended by an addendum dated June 15, 2010 to provide fracturing services, to expire on the later of June 15, 2013, or the completion of 3,000 fracturing jobs. Under the contract, Halliburton provides personnel and is responsible for equipment repairs, insurance and maintenance to perform hydraulic fracturing services, including acidizing and mini frac, and coil tube fracturing. We pay Halliburton an amount for each job, which increases depending on the type of job and substance used for fracturing, apart from a one-time mobilization charge and demobilization charge.

We entered into a contract with Mitchell to provide geophysical open hole, cased hole wireline logging and perforation services on January 23, 2008, which has since been extended to June 30, 2015. Under the contract, Mitchell provides personnel and is responsible for equipment repairs, insurance and maintenance to perform these services. We pay Mitchell a monthly rental fee and rates specified on the basis of job performed or duty assumed.

We entered into a contract with Towell to provide experienced manpower for drilling operations on March 31, 2012, which will expire on April 1, 2015. Under this contract, Towell is responsible for equipment repairs, insurance and maintenance to perform drilling services.

Competition

We compete principally with liquid fuel providers, including providers of commercial LPG, furnace oil, petrol, diesel and coal gasifiers, particularly Essar Oil. Initially, we compete to draw customers from these fuel sources to natural gas. To do so, we will highlight the efficient uses of natural gas, the costs savings associated with switching to natural gas and the fact that using natural gas is a cleaner, more environmentally-friendly alternative to traditional fuels.

Employees

Our employees are responsible for a variety of operations and technical and corporate functions of our business. Our operations and technical employees are responsible for supervising third party contractors responsible for our drilling, hydraulic fracturing and related activities, operation and maintenance of the gas gathering stations

and central gathering station, monitoring and maintaining instruments at our wells and pipelines, operating and maintaining the CNG fueling station that we own and technical support

The number of our employees by function is set out below, as of July 31, 2013:

Department	Number
Operations/Technical	85
Administrative, Human Resources, Legal, Land Acquisition and Others	40
Accounting and Finance	18
Business Development	1
Information Technology	4
Logistics	7
Total	155

All of our employees are located at our Corporate Office in Gurgaon and our Registered Office in Asansol, and at, or near, our CBM blocks and related facilities. Our senior management and employees overseeing management, financial, administrative and reporting functions are located in our Corporate Office in Gurgaon.

Our employees are not covered by any collective bargaining agreements. We have not experienced any strikes, work stoppages, labor disputes or actions by or with our employees, and we consider our relationship with our employees to be satisfactory.

Additionally, we have 24 direct consultants and contract workers for security, casual staff across our operation.

Environment, Health and Safety

We are committed to complying with international environment, health and safety standards and applicable health, safety and environmental regulations in our operations.

We have implemented and are certified by TUV Nord Cert GmbH for ISO 14001:2004 (Environment Management System), OHSAS 18001:2007 (Occupational Health & Safety Assessment Series 18001) and ISO 9001:2008 (Quality Management System).

We are committed to adhering to corporate QHSE policy and safe working practices in the implementation of our projects.

Health, safety and environmental accountability for each employee is ensured through supervision, incorporating safe work practices as standard operating procedures, and the philosophy that safety is an integral part of the our business process. Regular training is carried out to provide and update knowledge of the employees, contractors, customers and sub-contractors at each stage of our operations to prevent pollution and accidents.

We have a trained emergency response team in place to address any issues at our facilities. We stage periodic mock drills to ensure emergency preparedness and periodically assess our levels of pollution, noise and waste emissions to ensure compliance with limits stipulated by the Pollution Control Board of West Bengal and the Government of India.

Insurance

We maintain insurance coverage for our directors and officers, machinery and pipelines and aspects of our operations through policies issued by insurers including The Oriental Insurance Company Limited, United India Insurance Company Limited and IFFCO – Tokio General Insurance Company Limited.

Our insurance coverage includes the following insurance policies:

- director and officer liability;
- machinery break down for equipment including diesel generator sets, transformers and pumps;
- pipeline policy for fires and earthquakes; and

- public liability policy covering hazardous substance exposure due to war, radioactivity and other accidents.

Pursuant to our agreements with them, our third party contractors are responsible for their workman's, accident and personal liability for their own employees, as well as comprehensive general liability insurance for their activities, except that, pursuant to our contract for directional drilling with Mitchell, we share the payment of premiums with Mitchell.

We believe our level of insurance coverage is consistent with that of other oil and gas companies in India.

Properties

Our registered office is located at M-10, ADDA Industrial Estate, Asansol 713 350, West Bengal, India, on 2 acres of land which we leased from Asansol Durgapur Development Authority, pursuant to a lease deed dated August 3, 2007. The tenure of the lease deed for a period of 60 years from July 6, 2006. Our 5,700 square feet corporate office is located at Signature Tower-A, 14th Floor, South City, NH-8, Gurgaon 122 001, Haryana, India, which we leased from YKM Holdings Private Limited, one of our Promoters, pursuant to a lease deed dated April 20, 2006 for a period of 36 months and extension for the same period of 36 months on March 30, 2009 and March 26, 2012.

Further, we have 1,339 square feet of office space at Trinity, 226/1, A.J.C. Bose Road, Suit No. 3-G, Kolkata-700020 which we have taken on license agreement from Mr. Sanjay Kumar Sultania and Mrs. Samiksha Sultania for a period of 36 months from December 16, 2011 to December 15, 2014.

REGULATIONS AND POLICIES

The following is an overview of the important laws and regulations, which are relevant to our business and related sectors. The regulations set out below are not exhaustive and are only intended to provide general information. The following is neither designed nor intended to be a substitute for professional legal advice. Taxation statutes such as the I.T. Act, Central Sales Tax Act, 1956 and applicable local sales tax statutes, labour regulations such as the Contract Labour (Regulation and Abolition) Act, 1970, Employees' Provident Fund and Miscellaneous Act, 1952 and other miscellaneous regulations and statutes such as the Trade Marks Act, 1999 and land ceiling laws apply to us as they do to any other company. For details of government approvals obtained by us in compliance with these regulations, see the chapter titled "Government and Other Approvals" on page 270. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Regulation of Exploration and Production

Under Article 297 of the Constitution of India, jurisdiction over petroleum and natural gas occurring in their natural state in India, is vested in the Union of India. MoPNG is the principal administrator of exploration and production of oil and natural gas in India. MoPNG is responsible for administering the exploration, production, distribution, marketing and pricing of petroleum resources, including crude oil and natural gas, and is also responsible for planning, development and regulation of oil field services.

The Directorate General of Hydrocarbons ("DGH") was established under the aegis of MoPNG in 1993, with the objective of promoting sound management of Indian petroleum and natural gas resources, with regard to the environment, safety, technological and economic aspects. Other bodies under the control of MoPNG include the (a) Oil Industry Development Board, which provides financial and other assistance for development of the oil industry; and (b) Centre for High Technology, which serves as a nodal data-gathering agency with respect to technological matters. In addition, the Directorate General of Mines Safety issues directions in respect of onshore petroleum mining installations.

Oilfields (Regulation and Development) Act, 1948 ("Oilfields Act")

Oil and natural gas exploration activities are governed by the Oilfields Act which provides for regulation of oilfields and development of mineral fuel oil resources. "Oilfields" are defined as areas where any operation for obtaining natural gas and petroleum, crude oil, refined oil, partially refined oil and any petroleum products in liquid or solid state, is to be or is being carried on. The Oilfields Act vests GoI with the authority to make rules for development and conservation of mineral oils, to amend the terms of the PELs and PMLs and to levy royalty, fees or charges on extraction of mineral oil from the areas under the PMLs.

On September 1, 2006, GoI designated DGH as the authority to exercise powers and functions of GoI with a view to promote sound management of hydrocarbon resources in India. Accordingly, DGH, *inter alia* (a) reviews and monitors exploration programs and development plans for commercial discoveries of hydrocarbon reserves proposed by a licensee or lessee; (b) reviews management of petroleum reservoirs by a licensee or a lessee; (c) asks for and maintains geo-scientific data, reports and information from a licensee or a lessee; (d) reviews reserves discovered by a licensee or lessee in accordance with generally accepted international petroleum industry practices; (e) lays down norms for declaration or announcement of discoveries by a licensee or a lessee; and (f) monitors oil and gas production and payment of royalties, cess or other charges due to GoI. In the event the GoI executes a PSC, the DGH shall discharge its duties in accordance with and in a manner that is consistent with such production sharing contract ("PSC").

Royalty

The Oilfields Act provides for payment of royalties in respect of any mineral oil and natural gas mined, quarried, excavated or collected from the leased area. GoI may increase the rate of royalty payable for production of crude oil and natural gas up to the limits prescribed by the Oilfields Act by issuing a notification, without amending the Oilfields Act. It can also increase the prescribed limits by amending the Oilfield Act by an act of Parliament. Under the Oilfields Act royalty on natural gas is payable as at a rate as prescribed in the schedule of the Oilfields Act. Royalty is payable at the rate 10% for natural gas extraction in both onshore and offshore areas.

Oil Mines Regulations, 1984 (“Oil Mine Regulations”)

Under the Oil Mine Regulations, no mine shall be opened or worked without a duly appointed manager and a safety officer. Further, one or more installation managers are required to be appointed to hold charge of the different installations at every mine. The owner, agent or manager of a mine is required to provide notice of events including opening, closure and accidents, to the Chief Inspector and to the Regional Inspector designated under the Oil Mine Regulations. The owner, agent or manager is also required to submit quarterly returns to the Chief Inspector and the Regional Inspector, and annual returns to the District Magistrate and to the Chief Inspector, in the prescribed form, as well as, among other things, a key plan showing the area in which operations for mining of petroleum and ancillary operations are carried on, a surface plan showing the location of all wells including abandoned wells, railways, power transmission lines, public roads, or other permanent structures not belonging to the owner, rivers and water courses within the mining areas. A new pipeline or any significant alteration can be carried out in any existing pipeline only with the prior approval of the Regional Inspector and in accordance with such conditions as he may specify. The application for permission shall be in the prescribed form, and a copy thereof shall also be sent to the Chief Inspector and the District Magistrate, accompanied by copies of a plan of the area where the pipeline is proposed to be laid showing the extent of land and route over which right of use (“ROU”) has been established.

Petroleum and Natural Gas Rules, 1959 (“PNG Rules”)

The PNG Rules, notified by GoI in pursuance of its authority under the Oilfields Act, provides the framework for grant of PELs and PMLs. The PNG Rules prohibit prospecting or exploitation of any oil or natural gas unless a license or lease has been granted under the PNG Rules. A petroleum exploration license (“PEL”) and production mining lease (“PML”) entitle the licensee to an exclusive right to a lease for extracting oil and gas from the contract area. PELs and PMLs are granted by MoPNG for offshore areas, and by the relevant state governments, with prior approval of GoI, for onshore areas.

GoI amended the PNG Rules in 2006 to provide that a licensee or lessee is required to provide to GoI or its designated agency, being the DGH, all data obtained or to be obtained as a result of petroleum operations under the license or lease, including geological, geophysical, geochemical, petrophysical, engineering, well logs, maps, magnetic tapes, cores, cuttings and production data, as well as all interpretive and derivative data, including reports, analysis, interpretations and evaluations prepared in respect of petroleum operations. Such data shall be GoI’s property, provided that the licensee or lessee shall have the right to make use of such data free of cost, for the purposes of petroleum operations under the license or lease. GoI has the right to disclose to the public all non-proprietary data without consent of the licensee or lessee, and all proprietary data with the consent of the licensee or lessee. GoI is the sole authority to determine proprietary nature of the concerned data.

Pipelines

Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962 (“Pipelines Act”)

The Pipelines Act provides the framework governing the acquisition of right of user in land for laying pipelines for the transportation of petroleum and minerals and other matters connected therewith. This law is limited to the acquisition procedure, restrictions on use of land and compensation payable to the persons interested in the land. Right of acquisition of the user may be subject to such conditions as may be deemed fit by GoI in the public interest.

Environmental Regulations

The Environmental Protection Act, 1986 (“Environment Protection Act”), Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”) and the Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”) provide for the prevention, control and abatement of pollution. Pollution Control Boards (“PCBs”) have been constituted in all the States in India to exercise the authority provided under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain approvals of the relevant State PCBs for emissions and discharge of effluents into the environment. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (“Hazardous Waste Rules”) include waste oil and oil emulsions under the definition of hazardous wastes and impose an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such hazardous wastes properly including proper collection, treatment, storage and disposal. Every person engaged in generating, processing, treating, packaging, storing, transporting or otherwise dealing with hazardous waste is required to obtain an approval from the PCB.

Guidelines on Pricing and Commercial Utilization of Coal Bed Methane

The DGH issued guidelines dated June 15, 2011 (notification no. O-32011/89/09-ONG.I) on pricing and commercial utilization of CBM gas (the “CBM Guidelines”). The Empowered Group of Ministers constituted to take a decision on the commercial utilization of natural gas and decided that gas be utilised in order of priority. With the expected increase in commercial production of CBM gas, the CBM Guidelines have been enacted to ensure compliance with gas pricing and utilization norms as per governmental policy by CBM operators (“Operators”).

In terms of the CBM Guidelines, the pricing of CBM gas is subject to Government approval, in accordance with the provisions of Article 18 of the CBM contract signed by the Company and the Government (“Article 18”). The CBM Guidelines *inter alia* also provide (i) obtaining Steering Committee’s approval for recommendation of delivery point for CBM block; (ii) Operators to inform MOPNG (and concurrently other administrative Ministries), at the time of taking investment decision for production, the quantity, location, time – frame and other conditions of expected availability of CBM gas, to ensure utilization of CBM gas for priority sectors; and (iii) Operators to select customers of CBM gas from the proposals received from relevant administrative Ministries and the state governments on the basis of the GUP. Further, the Operator is required to (i) furnish information, amongst others, including delivery points, prospective consumers’ details, prevailing gas prices to DGH for approval of the CBM gas price; (ii) discover the market determined gas price among identified priority sectors /customers on the basis of arms length principles in accordance with Article 18; and (iii) call for bids from identified priority sectors / customers for CBM gas price at delivery point. The contractor’s proposal for the price of CBM will be suitably approved / suitably modified by the Government taking into account *inter alia* the price of alternative fuels, price of dominant indigenous gas in the region at the relevant delivery point and the delivered price of dominant indigenous gas to the identified customers of CBM gas.

It has also been prescribed that where the peak CBM production during the project’s lifetime is to exceed 0.5 mmscmd, the Government’s prevailing policy in relation to utilization and pricing needs to be followed by the CBM operators for such cases.

Essential Commodities Act, 1955 (“EC Act”)

The EC Act vests GoI with the authority to issue notifications for controlling the production, supply and distribution of certain essential commodities, which include petroleum and petroleum products.

Explosives Act, 1884 (the “Explosives Act”)

Under the Explosives Act, the Government has the power to regulate the manufacture, possession, use, sale, transport and importation of explosives and grant of license for the same activities. The Government may prohibit the manufacture, possession or importation of especially dangerous explosives. Any contravention of the Explosives Act or rules made under it, being the Explosives Rules, 1983, may lead to an arrest without warrant and imprisonment for three years, including a fine which may extend up to ₹ 5,000.

Trade Marks Act, 1999

The Indian law on trademarks is enshrined in the Trade Marks Act, 1999. Under the existing legislation, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style and so forth. The trademark once applied for, is advertised in the trademarks journal, oppositions, if any are invited and after satisfactory adjudications of the same, a certificate of registration is issued. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fee.

Companies Act, 2013

The Companies Act, 2013 (the “2013 Act”) -has been notified by the Government of India on August 30, 2013 (the “Notification”). Under the Notification, Section 1 of the 2013 Act has come into effect and the remaining provisions of the 2013 Act have come and shall come into force on such date/s as the Central Government may notify. Section 1 of the 2013 Act deals with the commencement and application of the 2013 Act, and amongst others, sets out the types of companies to which the 2013 Act applies. Further the Ministry of Corporate Affairs

has by its notification dated September 12, 2013 (“September 12 Notification”) notified 98 sections of the 2013 Act to come into force from September 12, 2013. The Government of India has reserved for itself the power to notify different provisions of the Act at different points of time. The substantial operative part of the legislation will be in the rules, which is yet to be notified. The 2013 Act seeks to overhaul the Companies Act 1956 so as to make it more adaptable to the changing circumstances and make it comprehensive.

Further, the sections of the 2013 Act that has been notified under the September 12 Notification amongst others includes the provisions in relation to private and public companies, prospectuses, refunds of share application money, civil and criminal liability for misstatements in a prospectus, allotment of securities, buyback of securities, capital redemption reserve account, calling of extra ordinary general meeting, appointment of directors, prohibition of insider trading, foreign companies and offences under the 2013 Act.

Additionally, section 465 (yet to be notified) of the 2013 Act provides for repeals and savings where under anything done or any action taken or purported to have been done or taken, including any rule, notification, inspection, order or notice made or issued or any appointment or declaration made or any operation undertaken or any direction given or any proceeding taken or any penalty, punishment, forfeiture or fine imposed under the repealed enactments shall, insofar as it is not inconsistent with the provisions of 2013 Act, be deemed to have been done or taken under the corresponding provisions of the 2013 Act.

Under 2013 Act every company having net worth of ₹ 500 crore or more, or turnover of ₹ 1000 crore or more or a net profit of ₹ 5 crore or more during any financial year shall formulate a corporate social responsibility policy. Further, the board of every such company shall ensure that the company spends, in every financial year, at least two % of the average net profits of the company made during the three immediately preceding financial years in pursuance of its corporate social responsibility policy.

Foreign Investment Regime

Foreign investment in India is governed primarily by the provisions of the Foreign Exchange Management Act and the rules, regulations and notifications there under, as issued by the RBI from time to time, and the policy prescribed by the Department of Industrial Policy and Promotion, which provides for whether or not approval of the FIPB is required for activities to be carried out by foreigners in India. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. As laid down by the FEMA Regulations, no prior consents and approvals is required from the RBI, for FDI under the “automatic route” within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. At present, foreign investment in companies engaged in petroleum and natural gas business fall under the RBI automatic approval route for FDI/NRI investment upto 100%.

For information on the regulatory approvals obtained by and applied for by our Company, see the chapter titled “*Government and other Approvals*” on page 270.

HISTORY AND CORPORATE STRUCTURE

Brief History of our Company

Our Company was incorporated as “Modi Mckenzie Methane Limited” on May 29, 1992 under the Companies Act. Our Company received the certificate for commencement of business on January 8, 1993 from the RoC, Delhi. A shareholders’ agreement dated July 19, 1993 was entered into among Mr. Yogendra Kumar Modi and Mckenzie India Energy Corporation B.V. with respect to exploration, exploitation, production of methane gas and associated energy sources in India and conversion and marketing thereof to be carried out through our Company. The said shareholders’ agreement was subsequently terminated with effect from August 19, 1998 upon Mckenzie India Energy Corporation B.V. transferring its entire shareholding in our Company to Ogden Energy India (CBM) Limited (“Ogden”).

Ogden, Bokel Investments Limited (which later merged with our Promoter, YKM Holdings Private Limited) and our Company entered into a shareholders agreement dated August 10, 1998 which was subsequently terminated with respect to Ogden on March 15, 2005 upon Ogden transferring its entire shareholding to YKM Holdings International Limited.

The name of our Company was changed to “Great Eastern Energy Corporation Limited”, pursuant to a special resolution of the shareholders of our Company at an EGM held on January 21, 1996. The fresh certificate of incorporation consequent upon the change of name was granted on February 2, 1996 by the RoC, Delhi.

Further, pursuant to a special resolution of the shareholders of our Company at an EGM on April 10, 1998, our Company was converted to a private company under Section 31(1) of the Companies Act and the name was changed to “Great Eastern Energy Corporation Private Limited”. The fresh certificate of incorporation consequent to change of name was issued on June 16, 1998 by the RoC, Delhi. However, since more than 25% of the then paid-up share capital of our Company by virtue of section 43(1) of the Companies Act, was held by a public company, namely Bokel Investments Limited, our Company was considered a deemed public company and the status of our Company was converted into a public company by way of an amendment in the certificate of incorporation granted to our Company on June 16, 1998 and the name was changed back to “Great Eastern Energy Corporation Limited”.

Our Company was incorporated in order to undertake the business of, inter alia drilling, producing, buying, selling, distributing, exporting, disposing off and dealing in methane gas, natural gas, coke, tar and all other conventional and non-conventional energy products resulting from the production of gas and to carry on all the business that are usually or may be conveniently carried on by gas companies. For further details in relation to our business including description of our activities, growth, profits, technology, market, managerial competence, standing with reference to our prominent competitors, our major suppliers and customers, see the chapters titled “Our Business”, “Industry Overview” and “Our Management” on page 118, 103 and 147 respectively.

Changes in the Registered Office

At the time of incorporation, our registered office was situated at 18, Community Centre, New Friends Colony, New Delhi 110 065, India. For the sake of administrative convenience our Company has effected the following changes in our registered office.

Sr. No.	Date of authorisation	New address
1.	Board resolution dated January 24, 1994	8 th Floor, Hemkunt Chambers, 89, Nehru Place, New Delhi 110 019, India
2.	Board resolution dated March 1, 1995	210, Okhla Industrial Estate, Phase III, New Delhi 110 020, India
3.	Shareholders resolution dated August 17, 2001	Flat No. 14, third floor, ‘Kohinoor’, 105, Park Street, Kolkata 700 016
4.	Board resolution dated March 4, 2003	1D, ‘Ballyhigh’, First Floor, 1D, Ballygunge Park Road, Kolkata 700 019
5.	Shareholders’ resolution dated September 8, 2008	G.T. Road, Fatehpur, P.O. Sitarampur, Asansol 713 359, West Bengal, India
6.	Board resolution dated January 25, 2010	M10, ADDA Industrial Area, Asansol, Bardhaman, West Bengal, India

Shareholders

As on the date of this Draft Red Herring Prospectus, the total number of members of our Company is nine, including Deutsche Bank Trust Company Americas who holds Equity Shares in trust on behalf of all the GDR holders of our Company. For further details of our shareholders, see the chapter titled “Capital Structure” on page 67.

Major Events and Milestones

Month and year	Events
December, 1992	Approval from the GoI for exploration and development of CBM.
December, 1993	Memorandum of understanding with Coal India Limited for production and development of CBM.
May, 2001	Production Sharing Contract with the GoI with respect to the Raniganj (South) Block.
November, 2001	Entered into a petroleum exploration license with the Government of West Bengal, pursuant to which we have been granted license to prospect and exploit for CBM in the area of Raniganj (South) in Burdwan, Purulia and Bankura districts of West Bengal.
December, 2005	Listing of GDRs on the Alternative Investment Market of the London Stock Exchange.
July, 2007	First Indian company to commence the commercial sale of CBM.
October, 2007	Signed a franchise agreement with Indian Oil Corporation Limited to supply natural gas.
September, 2008	Grant of Petroleum Mining Lease by the Government of West Bengal.
February, 2010	Signed a franchise agreement with Bharat Petroleum Corporation Limited to supply CNG.
May, 2010	The GDRs were admitted for trading on the main market of the London Stock Exchange and ceased trading on the Alternative Investment Market.
July, 2010	Production Sharing Contract with the GoI with respect to the Mannargudi Block.
May, 2013	Awarded a 25.0% participating interest in the Raniganj (North) Block along with ONGC

Awards and Accreditations

(a) Awards

Year	Awards
2012	Awarded the ‘Best Entity in the Area of Corporate Social Responsibility’ at the ET Bengal Corporate Awards

(b) Accreditations

Certifying Authority	Certification Details	Certificate Number	Validity
TUV NORD CERT GmBH	Management system as per DIN EN ISO 9001: 2008 for exploration, production and distribution of coal bed methane gas	44 100 114410-E3	October 11, 2014
TUV NORD CERT GmBH	Management system as per BS OHSAS 18001: 2007 for exploration, production and distribution of coal bed methane gas	44 116 111390	September 13, 2014
TUV NORD CERT GmBH	Management system as per ISO 14001: 2004 for exploration, production and distribution of coal bed methane gas	44 104 114410-E3	October 11, 2014

Time and Cost Overrun

In respect of projects undertaken by our Company since its incorporation, other than a cost overrun of approximately ₹ 660 million incurred for Phase -1 of the drilling, fracturing and completion of wells at Raniganj (South) Block, there have been no time and cost overruns.

Capital raising through equity and debt

On December 13, 2005, our Company placed 18,803,504 GDRs representing 94,017,520 equity shares of ₹ 1 each (each GDR representing five equity shares of ₹ 1 each of our Company) on AIM. Further on September 13, 2006, our Company made a sponsored issue of 57,418,843 GDRs representing 287,094,215 equity shares of ₹ 1 each. The face value of equity shares of our Company was consolidated into face value of ₹ 10 each through a shareholders resolution dated July 3, 2009 with effect from July 31, 2009, whereby two GDRs came to represent one Equity Share. The GDRs were listed on the AIM upto May 27, 2010, and upon admission of the GDRs to the standard list on the official list of the UK Listing Authority and admission to trading on the London Stock Exchange's Main Market for listed securities. For further details in relation to listing of our Company on AIM and subsequent admission to trading on the Main Market, see chapter titled "Capital Structure- Issuance of GDRs" on page 68.

For further details in relation to our capital raising activities through equity and debt, see the chapters titled "Capital Structure", "Financial Indebtedness" and "Annexure VII - Restated Statement of Long Term Borrowings" in the chapter "Financial Statements" on pages 67, 237 and 205 respectively.

Defaults or rescheduling of borrowing

Our Company has not defaulted or rescheduled our borrowings. Furthermore, none of our loans taken from banks and financial institutions have been converted into equity in the past.

Strikes and Lock-outs

There have been no strikes or lock-outs in our Company since inception.

Changes in the activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years.

Scheme of Arrangement, acquisitions of business undertakings and revaluations of assets

Our Company has not been involved in any scheme of arrangement or acquisition of any business undertaking in the last five years. Our Company has not revalued our assets in the past five years.

Main Objects

The main objects of our Company as contained in the Memorandum are:

1. To drill, produce, buy, sell, distribute, export, dispose of and deal in methane gas, natural gas, coke, tar and all other conventional and non-conventional energy products resulting from the production of gas and to carry on all the business that are usually or may be conveniently carried on by gas companies.
2. To supply gas for lighting, heating, generated power or any other purpose whatsoever.
3. To purchase, construct, take on lease or otherwise acquire mines, minerals, ore, gas, easements, rights, privileges, real estate and to open, work, explore, develop and maintain the deposits, mines, minerals and other properties and works of the company.
4. To prospect, explore, develop, maintain and carry on operations on all or any lands, gas or water wells, mines or mining rights, minerals, ores, works or other properties from time to time in the possession of the company, to erect all necessary or convenient refineries, mills, machinery, laboratories, workshops.

5. To carry on the business of generation and suppliers of electricity, steam, whether for the purpose of light, heat, generated power, industrial or other purposes, and generally to manufacture, mortgage, work, maintain and carry out all necessary cables, wires, accumulators, and apparatus connected with the generation, transmission, distribution, supplying accumulation and utilization of electricity and to use the surplus generation of electricity arising out of optimum utilization of facilities in other that these projects achieve the desired results.

Amendments to the Memorandum

Since incorporation, the following changes have been made to the Memorandum:

Date	Nature of Amendment
June 29, 1993	Clause V of the Memorandum was amended whereby the initial authorized share capital of our Company was increased from ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each to ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each.
January 21, 1996	Clause I of the Memorandum was amended whereby the name of our Company was changed from “Modi McKenzie Methane Limited” to “Great Eastern Energy Corporation Limited”.
September 23, 1996	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was further increased from ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each to ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each.
April 10, 1998	Clause I of the Memorandum was amended whereby the name of our Company was changed from “Great Eastern Energy Corporation Limited” to “Great Eastern Energy Corporation Private Limited”.
April 28, 1998	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was further increased from ₹ 75,000,000 divided into 7,500,000 equity shares of ₹ 10 each to ₹ 120,000,000 divided into 12,000,000 equity shares of ₹ 10 each.
June 16, 1998	Clause I of the Memorandum was amended whereby the name of our Company was changed from “Great Eastern Energy Corporation Private Limited” to “Great Eastern Energy Corporation Limited”.
August 17, 2001	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was further increased from ₹ 120,000,000 divided into 12,000,000 equity shares of ₹ 10 each to ₹ 250,000,000 divided into 25,000,000 equity shares of ₹ 10 each.
August 17, 2001	Clause II of the Memorandum was amended whereby the registered office of our Company was shifted from New Delhi to the State of West Bengal.
July 31, 2003	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was further increased from ₹ 250,000,000 divided into 25,000,000 equity shares of ₹ 10 each to ₹ 350,000,000 divided into 35,000,000 equity shares of ₹ 10 each.
September 30, 2004	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was changed from ₹ 350,000,000 divided into 35,000,000 equity shares of ₹ 10 each to ₹ 350,000,000 divided into 350,000,000 equity shares of ₹ 1 each.
September 30, 2004	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was further increased from ₹ 350,000,000 divided into 350,000,000 equity shares of ₹ 1 each to ₹ 500,000,000 divided into 500,000,000 equity shares of ₹ 1 each.
March 12, 2005	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was further increased from ₹ 500,000,000 divided into 500,000,000 equity shares of ₹ 1 each to ₹ 550,000,000 divided into 550,000,000 equity shares of ₹ 1 each.
July 15, 2006	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was further increased from ₹ 550,000,000 divided into 550,000,000 equity shares of ₹ 1 each to ₹ 650,000,000 divided into 650,000,000 equity shares of ₹ 1 each.
July 3, 2009	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was changed from ₹ 650,000,000 divided into 650,000,000 equity shares of ₹ 1 each to ₹ 650,000,000 divided into 65,000,000 equity shares of ₹ 10

Date	Nature of Amendment
	each.
March 26, 2013	Clause V of the Memorandum was amended whereby the authorized share capital of our Company was further increased from ₹ 650,000,000 divided into 65,000,000 equity shares of ₹ 10 each to ₹ 700,000,000 divided into 70,000,000 equity shares of ₹ 10 each

Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no subsidiaries of our Company.

Joint Ventures

As on the date of this Draft Red Herring Prospectus, there are no joint ventures of our Company.

Selling Shareholder

The Selling Shareholder has not been debarred from accessing the capital market under any order or directions made by SEBI.

Other Confirmations

Except the injunctions/restraint orders as described in the chapter titled “*Outstanding Litigations and Material Developments*” on page 240 our Company is not operating under any other injunction or restraining order.

Strategic and Financial Partners

Our Company currently does not have any strategic or financial partners.

Material Agreements and Contracts

Other than as disclosed below, our Company is not a party to any material agreements which have not been entered into in the ordinary course of business.

1. Contracts for Exploration and Production of Coal Bed Methane between the Government of India and our Company

1.1 Raniganj (South) Block

Our Company has entered into a contract dated May 31, 2001 with the President of India, acting through the Joint Secretary, Ministry of Petroleum and Natural Gas, pursuant to which our Company has been granted a license to carry out CBM operations on a contract area of 210 sq. kms. in the Raniganj (South) Block in the state of West Bengal (the “**Raniganj CBM Contract**”).

Term of the contract: The contract is valid up to 2036. The total license and exploration period includes a three year pilot assessment phase and a two year market survey and commitment phase, followed by a five year development phase and a 25 year production phase.

Fee and Royalty: A fixed one-time lump sum signing bonus of US\$ 0.3 million was paid by our Company to the MoPNG, which was adjusted against a signature bonus of ₹ 10.0 million paid by our Company to CIL. Royalty at the rate of 10% ad-valorem sale value at the well-head shall be paid by our Company to the state government on the production of CBM. Further production level payment at the rate of 2.5% is made to the Government of India. Our Company has filed a statement of claim dated April 24, 2006, for arbitration proceedings against the Union of India before the arbitration panel in relation to the signature bonus. For further details, on the above litigations, see the chapter titled “*Outstanding Litigations and Material Developments*” on page 240.

Detailed below are the salient terms and conditions of the Raniganj CBM Contract:

Our Company has 100% participating interest in the blocks. Pursuant to the contracts, our Company has the right to (i) carry out CBM operations in the area; (ii) use, free of charge, such quantities of CBM produced as is

required for conducting CBM operations; and (iii) lay pipelines, build roads, construct bridges, installations and communication and infrastructure facilities for the conduct of CBM operations.

Our Company shall be the operator for the CBM operations in the contract areas, and no change in ownership shall be effected without the consent of the GoI on the recommendation of the steering committee and no such consent shall be unreasonably withheld. Our Company is also required to notify the GoI of any change in its status, shareholding or relationship with any guarantor of our Company, where such change would have an impact on the performance and obligations under these contracts.

Relinquishment: The first relinquishment shall take place after completion of the market surveys and commitment phase and our Company shall retain only the producing and producible areas and relinquish 20% of the original contract area. The relinquishment provisions are negotiable and are to be finalised and agreed to between our Company and the Government as per the terms of the contracts. The second and final relinquishment shall take place at the end of the development phase and our Company shall retain only producing areas and relinquish the balance area held by it.

CBM Mining Lease: Post completion of the pilot assessment phase and market survey and commitment phase and upon submission of a development plan, our Company is required to apply to the state government for grant of a mining lease in respect to the producing and producible areas. The term of the lease shall be 30 years (the combined period of the development and production phases). The license shall be granted for an initial period of 20 years and may be extended by the state government thereafter.

Sale of CBM: The Indian domestic market shall have the first call on the utilisation of the CBM produced. Our Company shall have the freedom to sell the CBM at market determined prices in the domestic market.

Termination of contract: The GoI may terminate these contracts, upon giving 90 days' notice to our Company, in case of circumstances inter alia if our Company has intentionally extracted or authorised extraction of any mineral other than CBM or without the authority of the GoI, if our Company has knowingly submitted any false statement to the GoI which was a material consideration in the award of this contract, in case of bankruptcy or liquidation of our Company or if our Company has failed to comply with the terms and conditions of these contracts.

The Government amongst others has reserved the right to itself, to grant CBM license, on such terms and conditions as the Government may specify for this purpose or to grant to others the right to prospect for and mine minerals or substances other than CBM which will include Natural Gas of various types such as biogenic and thermogeorigin within the Raniganj CBM Contract area; provided, however that if after the effective date, our Company or others are issued rights, or the Government proceeds directly to prospect for and mine in the Raniganj CBM Contract area any minerals or substances other than CBM or coal which will include natural gas of various types such as biogenic and thermognic origin, our Company shall use its best efforts to avoid obstruction to or interference with such operations within the Raniganj CBM Contract area and the third parties and/or Government, as the case may be, shall use best efforts to ensure that operations carried out do not obstruct or unduly interfere with CBM operations or mining of coal in the Raniganj CBM Contract area. However, if mining of coal is in progress, our Company shall sign an access agreement with the Government (which will include Ministry of Coal and Ministry of Petroleum and Natural Gas as party to the agreement); an interaction agreement with mining operator entitled to conduct coal operations, within sixty days or such longer period as may be agreed to the parties of signing of the Raniganj CBM Contract area.

1.2 Mannargudi Block

Our Company has entered into a contract dated July 29, 2010 with the President of India, acting through the Joint Secretary, Ministry of Petroleum and Natural Gas, pursuant to which our Company has been granted license to carry out CBM operations on a contract area of 667 sq. kms. in the Mannargudi Block in the state of Tamil Nadu (the “**Mannargudi CBM Contract**”).

Term of the contract: The contract is valid up to 2046. The exploration phase shall be for a period of two years, which can be extended by a period of six months in certain instances. The pilot assessment phase and market survey and commitment phase shall be for a period of three years on completion of the exploration phase in the event our Company does not terminate the Mannargudi CBM Contract or exit after the exploration phase according to its terms, followed by a five year development phase and a 25 year production phase. During the five year pilot exploration and assessment phase and market survey and commitment phase, our Company is

required to prepare and submit a techno-feasibility report and perform a commercial assessment to determine whether commercial production is viable in the block.

Fee and Royalty: A fixed one-time lump sum commercial bonus of US\$ 0.3 million is payable by our Company to the MoPNG after commercial assessment of CBM reserves as per the terms of the Mannargudi CBM Contract. Royalty at the rate of 10% ad-valorem sale value at the well-head shall be paid by our Company to the state government on the production of CBM. Further, the Government of India is entitled to take and receive 25.0% for production up to 0.5 mmscfd, 35.0% for 2.0 mmscfd and above, and a percentage increasing linearly by production between such amounts, of the CBM that we produce and save from the Mannargudi Block, depending on the level of daily production in the relevant month. Our royalty and production level payments are subject to payment based on a minimum price that the Government of India will set at the time we commence commercial sales of CBM from Mannargudi.

Detailed below are the salient terms and conditions of the Mannargudi CBM Contract:

Our Company has 100% participating interest in the blocks. Pursuant to the contracts, our Company has the right to (i) carry out CBM operations in the area; (ii) use, free of charge, such quantities of CBM produced as is required for conducting CBM operations; and (iii) lay pipelines, build roads, construct bridges, installations and communication and infrastructure facilities for the conduct of CBM operations.

Our Company shall be the operator for the CBM operations in the contract areas, and no change in ownership shall be effected without the consent of the GoI on the recommendation of the steering committee and no such consent shall be unreasonably withheld. Our Company is also required to notify the GoI of any change in its status, shareholding or relationship with any guarantor of our Company, where such change would have an impact on the performance and obligations under these contracts.

Relinquishment: The first relinquishment shall take place after completion of the market surveys and commitment phase and our Company shall retain only the producing and producible areas and relinquish 20% of the original contract area. The relinquishment provisions are negotiable and are to be finalised and agreed to between our Company and the Government as per the terms of the contracts. The second and final relinquishment shall take place at the end of the development phase and our Company shall retain only producing and producible areas and relinquish the balance area held by it.

CBM Mining Lease: Post completion of the pilot assessment phase and market survey and commitment phase and upon submission of a development plan, our Company is required to apply to the state government for grant of a mining lease in respect to the producing and producible areas. The term of the lease shall be 30 years (the combined period of the development and production phases). The license shall be granted for an initial period of 20 years and may be extended by the state government thereafter.

Sale of CBM: The Indian domestic market shall have the first call on the utilisation of the CBM produced. Our Company shall have the freedom to sell the CBM at market determined prices in the domestic market.

Termination of contract: The GoI may terminate these contracts, upon giving 90 days' notice to our Company, in case of circumstances inter alia if our Company has intentionally extracted or authorised extraction of any mineral other than CBM or without the authority of the GoI, if our Company has knowingly submitted any false statement to the GoI which was a material consideration in the award of this contract, in case of bankruptcy or liquidation of our Company or if our Company has failed to comply with the terms and conditions of these contracts.

The Government amongst others has reserved the right to itself, to grant CBM license, on such terms and conditions as the Government may specify for this purpose or to grant to others the right to prospect for and mine minerals or substances other than CBM which will include Natural Gas of various types such as biogenic and thermogeorigin within the Mannargudi CBM Contract area; provided, however that if after the effective date, our Company or others are issued rights, or the Government proceeds directly to prospect for and mine in the Mannargudi CBM Contract area any minerals or substances other than CBM or coal which will include natural gas of various types such as biogenic and thermognic origin, our Company shall use its best efforts to avoid obstruction to or interference with such operations within the Mannargudi CBM Contract area and the third parties and/or Government, as the case may be, shall use best efforts to ensure that operations carried out do not obstruct or unduly interfere with CBM operations or mining of coal in the Mannargudi CBM Contract area. However, if mining of coal is in progress, our Company shall sign an access agreement with the

Government (which will include Ministry of Coal and Ministry of Petroleum and Natural Gas as party to the agreement); an interaction agreement with mining operator entitled to conduct coal operations, within sixty days or such longer period as may be agreed to the parties of signing of the Mannargudi CBM Contract.

For further details in relation to the commercial terms of the Raniganj CBM Contract and the Mannargudi CBM Contract, see the chapter titled “*Our Business*” on page 118.

Further the Ministry of Environment & Forests issued a show cause notice bearing number F. No. J – 11011/615/2010 – IA II (I) dated July 8, 2013 to our Company (“Notice”) under section 5 of the Environment (Protection) Act, 1986, requiring our Company to show cause within 15 days of the receipt of the Notice as to why the environmental clearance accorded to our Company on September 12, 2012 (“Environmental Clearance”) for exploration of the Mannargudi CBM block, in district Thiruvarur & Thanjavur, Tamilnadu should not be revoked. Our Company replied vide letter dated July 18, 2013 denying all the allegations made in the Notice and stated that our Company has not started any activity in the Mannargudi CBM block as the Tamil Nadu Pollution Control Board has not yet granted the Consent to Establish to our Company. For further details in relation to the Notice, see the chapter titled “*Outstanding Litigations and Material Developments*” on page 240.

Petroleum Exploration Licenses

2. Petroleum Exploration License and mining lease between the Government of West Bengal and our Company with respect to the Raniganj (South) Block

Our Company has entered into a petroleum exploration license dated November 9, 2001 (and valid for five years from November 9, 2001) with the Government of West Bengal, pursuant to which we have been granted license to prospect and exploit for CBM in the area of Raniganj (South) in Burdwan, Purulia and Bankura districts of West Bengal, in accordance with the Petroleum and Natural Gas Rules, 1959 (“**PNG Rules**”). Our Company has leased area totalling 210 square kilometres.

The state government of West Bengal with the approval of the Central Government has granted our Company sole right and license to carry out the following activities including:

- a. entering upon the specified parcels of land and carrying out drilling operations, prospecting operations for CBM for commercially exploiting, marketing, distributing and selling the CBM;
- b. carrying away the entire quantity of the CBM produced in the course of prospecting operations in the lands on payment of royalty; and
- c. make use of any roads, drains or water courses on the land for purposes necessary for effectively carrying out prospecting operations and for the workmen employed.

Our Company is required to obtain a mining lease in respect of the producing and producible areas and no commercial sale will be made before obtaining appropriate mining lease from the state government. If, before the determination or renewal of the licenses, our Company applies for the mining lease over the lands, the period of these petroleum exploration licenses shall be extended over the lands until the mining lease is granted. The state government of West Bengal, Commerce and Industries Department, Mines Branch has vide letter dated September 4, 2008 bearing reference no. 480-CI/O/Coal /016/02/MI Pt. issued a grant of petroleum mining lease for a period of 20 years from September 4, 2008. As a condition to the grant of the lease, a lease deed was to be executed between the parties setting out certain additional terms and conditions. Our Company pays a prescribed annual licensee fee. Our Company also pays royalty at the rate of 10% ad-valorem sale value at the well-head to the state government.

If our Company fails to fulfil or contravene any of the terms and conditions of the licenses or fails to use the land covered by it for the purposes for which it has been granted, the state government may, with the prior approval of the Central Government, where it is satisfied that the breach cannot be remedied in a period of 30 days, forfeit whole or part of the license fee and cancel the license.

3. Petroleum Exploration Licenses between the Governor of Tamil Nadu and our Company with respect to the Mannargudi Block

Our Company has entered into indentures dated September 13, 2011 and November 4, 2011 with the Governor of Tamil Nadu, pursuant to which we have been granted licenses to prospect for petroleum and natural gas in the areas of Thiruvarur and Thanjavur respectively, in accordance with the Petroleum and Natural Gas Rules, 1959 (“**PNG Rules**”). Our Company has leased area totalling 392.944 square kilometres in Thiruvarur and 274.056 square kilometres in Thanjavur, totalling 667 square kilometres in the Mannargudi Block.

The licenses are valid for a period of four years from the date of the grant. Subject to compliance with the covenants of the licenses during the period granted, the state government of Tamil Nadu with the approval of the Central Government may grant two renewals of one year each or decline to grant even one renewal without assigning any reason. On or before the determination or renewal of this license, our Company shall have exclusive right to a mining lease for petroleum and/or natural gas and if, before the determination or renewal of the licenses, our Company applies for the mining lease over the lands, the period of these petroleum exploration licenses shall be extended over the lands until the mining lease is granted. Our Company pays a prescribed annual licensee fee and will pay royalty at the rate of 10% ad-valorem sale value at the well-head to the state government on the production of CBM.

OUR MANAGEMENT

Under the Articles of Association, our Company shall not have less than three and not more than 12 directors. Our Company currently has seven Directors, of which one is an executive Director and six are non-executive Directors of which five are independent Directors.

Our Board

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name and other particulars	Age (years)	DIN	Nationality	Other Directorships
<p>Mr. Yogendra Kumar Modi</p> <p>33, Shivji Marg, Rangpuri, New Delhi 110 037, India.</p> <p>Chairman and Managing Director Executive Director</p> <p><i>Occupation:</i> Industrialist</p> <p><i>Term:</i> Five years from December 20, 2009 to December 19, 2014</p>	65	00016666	Indian	<ol style="list-style-type: none"> 1. Great Eastern Energy Gas Private Limited 2. Great Eastern Energy City Gas Private Limited 3. Modi Telecommunications Limited 4. YKM Holdings International Limited 5. YKM Holdings Private Limited
<p>Mr. Paul Sebastian Zuckerman</p> <p>105, Grosvenor Road, London SW1V 3LG, United Kingdom.</p> <p>Independent Director</p> <p><i>Occupation:</i> Businessman</p> <p><i>Term:</i> Liable to retire by rotation</p>	68	00112255	British	<ol style="list-style-type: none"> 1. Tech Mahindra Limited 2. JM Financial Limited 3. ArcelorMittal Brasil S.A 4. Art Fund Services Limited 5. Westminster Garden Properties Limited 6. Burnham Overy Boathouse Limited 7. Westgate Hall Nominees Plc. 8. Zuckerman & Associates Limited 9. JM Financial Institutional Securities Private Limited
<p>Mr. Pejavar Murari</p> <p>No. 2, Gilchrist Avenue, Off. Harrington Road, Chetpet, Chennai 600 031, Tamil Nadu, India.</p> <p>Independent Director</p> <p><i>Occupation:</i> Retired professional</p> <p><i>Term:</i> Liable to retire by rotation</p>	79	00020437	Indian	<ol style="list-style-type: none"> 1. Aban Offshore Limited 2. HEG Limited 3. Xpro India Limited 4. Bajaj Auto Limited 5. Aditya Birla Nuvo Limited 6. Adayar Gate Hotel Limited 7. Idea Cellular Limited 8. Bajaj Holdings & Investment Limited 9. Fortis Malar Hospitals Limited 10. Pantaloons Fashion and Retail Limited
<p>Mr. Kashi Nath Memani</p> <p>177C, Lane W-7, Western Avenue, Sainik Farms, New Delhi 110 062, India.</p> <p>Independent Director</p>	74	00020696	Indian	<ol style="list-style-type: none"> 1. DLF Limited 2. Emami Limited 3. HT Media Limited 4. ICICI Venture Funds Management Company Limited 5. Aegon Religare Life Insurance

Name and other particulars	Age (years)	DIN	Nationality	Other Directorships
<p><i>Occupation:</i> Retired Professional</p> <p><i>Term:</i> Liable to retire by rotation</p>				<p>Company Limited</p> <p>6. National Engineering Industries Limited</p> <p>7. KNM Advisory Private Limited</p> <p>8. Spice Mobility Limited</p> <p>9. JK Lakshmi Cement Limited</p> <p>10. Chambal Fertilisers and Chemical Limited</p> <p>11. Invest India</p> <p>12. S. Global Holdings Pte Limited</p>
<p>Mr. Haigreve Khaitan</p> <p>1104, Sterling Seaface, Dr. Annie Besant Road, Worli, Mumbai 400 018, Maharashtra, India.</p> <p>Non-Executive Director</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> Liable to retire by rotation</p>	43	00005290	Indian	<p>1. Ambuja Cements Limited</p> <p>2. Bajaj Corp Limited</p> <p>3. Ceat Limited</p> <p>4. Firstsource Solutions Limited</p> <p>5. Harrisons Malayalam Limited</p> <p>6. Inox Leisure Limited</p> <p>7. Jindal Steel & Power Limited</p> <p>8. National Engineering Industries Limited</p> <p>9. Sterlite Technologies Limited</p> <p>10. The West Coast Paper Mills Limited</p> <p>11. Torrent Pharmaceuticals Limited</p> <p>12. Xpro India Limited</p> <p>13. AVTEC Limited</p> <p>14. Vinar Systems Private Limited</p> <p>15. Bharat Fritz Werner Limited</p>
<p>Mr. Gurvirendra Singh Talwar</p> <p>19, Phillimore Place, Kensington, London, W87BY, United Kingdom.</p> <p>Independent Director</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Liable to retire by rotation</p>	65	00559460	Indian	<p>1. Sabre Capital Worldwide (Mauritius) Limited</p> <p>2. Power Overseas Private Limited</p> <p>3. DLF Limited</p> <p>4. Herminda Builders & Developers (P) Limited</p> <p>5. Madhukar Housing & Development Company</p> <p>6. Sambhav Housing & Development Company</p> <p>7. Udyan Housing & Development Company</p> <p>8. Sketch Investment Private Limited</p> <p>9. Desent Promoters and Developers Private Limited</p> <p>10. Antriksh Properties Private Limited</p> <p>11. Sudarshan Estates Private Limited</p> <p>12. Asahi India Glass Limited</p> <p>13. Skills Academy Private Limited</p> <p>14. Ishtar Retail Private Limited</p> <p>15. Sabre Investment Advisor India Private Limited</p>
<p>Mr. Ashok Kumar Jha</p>	66	00170745	Indian	<p>1. Setco Automotive Limited</p>

Name and other particulars	Age (years)	DIN	Nationality	Other Directorships
D6/24, 2 nd Floor, Vasant Vihar, New Delhi 110 057, India. Independent Director <i>Occupation:</i> Service <i>Term:</i> Liable to retire by rotation				2. Nuziveedu Seeds Limited 3. IFCI Limited 4. XPRO India Limited

Brief Profile of our Directors:

Mr. Yogendra Kumar Modi, the Chairman, Managing Director and CEO of our Company has been associated with our Company since its incorporation on May 29, 1992. He holds a bachelor's degree in textiles from the University of Punjab. He founded our Company and has over 20 years of experience in the oil and gas industry. He is a member of the Dean's Council at John F. Kennedy School of Government, Harvard University, USA. He is a prominent industry spokesman and has held offices in many national level business bodies, including the FICCI as its president in 2004 and the International Chamber of Commerce (India) as its president in 2005-06. He is also a member of the governing body of International Labour Organization, Geneva.

Mr. Paul Sebastian Zuckerman, has been associated with our Company since November 2005. He holds masters in arts from the University of Cambridge and a doctorate in philosophy from the University of Reading. He is a former investment banker who is the chairman of Zuckerman & Associates Limited, an organization specialising in start-up companies. He has spent 15 years with S.G. Warburg & Co. Limited. He has served as an executive director of S.G. Warburg & Co. Limited and Vice Chairman of S.G. Warburg International, as the Deputy Chairman of Garban – Intercapital PLC, and was associated with Caspian Securities Limited for a period of three years. He is on the board of many companies, including ArcelorMittal group companies in Brazil and JM Financial Limited. He has approximately 40 years of experience in the field of finance.

Mr. Pejavar Murari, has been associated with our Company since July 2004. He holds a master's degree in economics from Madras University. He qualified the state civil services and the Indian administrative services in 1955 and 1957 respectively. He has served as a civil servant for 37 years and has been a member of various public bodies including committees within the Department of Atomic Energy, and the Ministry of Heavy Industries and Public Enterprises, GoI. He has undertaken many special projects for the GoI and has chaired numerous high level commissions & committees. He has also been the chairman of a committee set up by the Ministry of Home Affairs, GoI on centre-state relations.

Mr. Kashi Nath Memani, has been associated with our Company since October 2004. He is member of the Institute of Chartered Accountants of India. He was a member of the National Advisory Committee on Accounting Standards, the Accounting Standards Board of the Institute of Chartered Accountants of India. He was also the chairman of the American Chamber of Commerce in India, and is the former president of PHD Chamber of Commerce & Industry. For two consecutive years, he was a member of the External Audit Committee of the International Monetary Fund. Presently, he is a member of the Executive Committees of Chambers of Commerce. He was also the chairman of the Quality Review Board set up by the Ministry of Corporate Affairs, GoI. He has approximately 52 years of experience in the field of finance and specializes in, *inter alia*, business and corporate advisory, foreign taxation and financial consultancy and is consulted on the corporate matters by several domestic and foreign companies.

Mr. Haigreve Khaitan, has been associated with our Company since February 2006. He is a lawyer by profession and is a partner of Khaitan & Co., Advocates, established in 1911. He has obtained his law degree from University of Calcutta and started practicing as lawyer since 1995. He has approximately 17 years of experience in the field of commercial and corporate laws, securities laws, mergers and acquisitions, tax laws, restructuring, foreign collaboration, licensing and financing.

Mr. Gurvirendra Singh Talwar, has been associated with our Company since June 2009. He holds a bachelors' degree in economics from St. Stephen's College, University of Delhi. He is the founding chairman and managing partner of Sabre Capital worldwide, a private equity and investment company. He was

previously chairman of Centurion Bank of Punjab in India and non-executive Director Fortis Group (Belgium and Netherlands), Schlumberger Limited and Pearson PLC. Mr. Talwar is the former governor of the Indian School of Business, and the London Business School and is the patron of the Stop Organised Abuse Board of the National Society for Prevention of Cruelty to Children. Prior to joining our Company on June 5, 2009, he has worked for Standard Chartered PLC as group chief executive and for Citigroup in various positions including as its executive vice president. He has approximately 40 years of experience in the banking and finance sector.

Mr. Ashok Kumar Jha, has been associated with our Company since March 2010. He was an Indian Administrative Services officer of the 1969 batch. He was Finance Secretary to Government of India. Prior to that he was the Secretary in the Department of Economic Affairs and was the chairman of MCX Stock Exchange.

Remuneration details of our Directors:

Chairman, Managing Director and CEO

Mr. Yogendra Kumar Modi

Pursuant to a resolution of our shareholders passed at an extraordinary general meeting on January 4, 2013 and as approved by the remuneration committee and the Board meeting dated December 1, 2012, Mr. Yogendra Kumar Modi is entitled to the following remuneration:

- a) Basic Salary: ₹ 1.34 million per month.
- b) House Rent Allowance: Rent-free accommodation or House Rent Allowance equal to 60% of the basic salary.
- c) Provident Fund: Company's contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and rules framed thereunder, subject to the limit not taxable under the Income Tax Act.
- d) Pension/Superannuation Fund: Company's contribution to the Pension/Superannuation Fund, subject to the limit not taxable under the Income Tax Act.
- e) Gratuity: Gratuity for half month's salary for each completed year of service.
- f) Leave Encashment: Encashment of a maximum 30 days earned leaves for each completed year of continuous service at the end of the tenure, in accordance with the Income Tax Act.
- g) Leave Travel Concession: Leave travel concession for self and family once in a year subject to a ceiling of one month's salary in a year or two months' salary over a period of two years.
- h) Medical Benefits: Reimbursement of medical expenses actually incurred for self and family subject to a ceiling of ₹ 15,000 per year.
- i) Club Fees: Admission or membership fees of two clubs on actual basis subject to one month's basic salary in a year.
- j) Car: Our Company shall provide a car with driver for the official usage.
- k) Telephone: Our Company shall provide the telephone facilities for the official purposes.
- l) Entertainment Expenses: Reimbursement of entertainment expenses actually incurred on official purposes, subject to an annual ceiling of one month's basic salary.

In Fiscal 2013, Mr. Yogendra Kumar Modi was paid an aggregate remuneration of ₹ 22,630,311.

Non-executive and Independent Directors

Pursuant to a resolution of our Board dated July 5, 2010, Mr. Paul Sebastian Zuckerman is entitled to a remuneration of ₹ 50,000 per annum.

Further, pursuant to a resolution of our Board dated July 26, 2005, the non-executive Directors are entitled to a sitting fee of ₹ 20,000, along with out of pocket expenses for attending each meeting of the Board or any committee of the Board.

Further, our Company received approval dated May 4, 2011 from Central Government under section 309 (4) and 310 of the Companies Act for payment of total remuneration of ₹ 3,616,500 per annum to Mr. Paul Sebastian Zuckerman for a period of 5 years w.e.f. November 7, 2010 to November 6, 2015.

In Fiscal 2013, Mr. Paul Sebastian Zuckerman was paid a total remuneration of ₹ 3,616,500. Our shareholders, pursuant to a resolution, passed at an extraordinary general meeting on January 4, 2013 have approved commission not exceeding 1% of the Net Profit (calculated in accordance with the Companies Act, 1956) of our Company to all the Non- Executive Directors of our Company effective Fiscal 2013 onwards. The apportionment and scale of such commission amongst the Non- Executive Directors of our Company shall be decided by the Board of Directors of our Company.

Sitting fee paid to Directors

The sitting fee, excluding service tax, paid to our Directors for Fiscal 2013 is as follows:

Sr. No.	Name of Directors	Sitting fees paid for Fiscal 2013 (in ₹)
1.	Mr. Kashi Nath Memani	200,000
2.	Mr. Pejavar Murari	80,000
3.	Mr. Gurvirendra Singh Talwar	80,000
4.	Mr. Haigreve Khaitan	60,000
5.	Mr. Ashok Kumar Jha	220,000
	Total	640,000

Details of service contracts

Other than the entitlement described above, there are no service contracts between our Company and our Directors (including our non-executive and/or independent Directors) which provide for benefits upon termination of employment.

Bonus or Profit Sharing Plan for the Directors

Other than the ESOP 2008, the details of which are disclosed in the chapter titled “*Capital Structure*” on page 67, there is no bonus or profit sharing plan for the Directors of our Company.

Contingent and Deferred Compensation payable to Directors

None of our Directors have received or are entitled to any contingent or deferred compensation.

Shareholding of Directors in our Company

Under the Articles of Association of our Company, the Directors are not required to hold any qualification shares. For details of shareholding of the Directors in our Company see the chapter titled “*Capital Structure*” on page 67.

Relationships between Directors

None of our Directors are related to each other.

Interest of Directors

Mr. Haigreve Khaitan, is a partner of Khaitan & Co, Advocates which is providing legal services to our Company on a case to case basis for which it receives fees for the services rendered. Khaitan & Co is appointed as Domestic Legal Counsel to our Company in relation to the Issue.

All the Directors, including independent Directors, may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them under the Articles of Association and the executive Directors are also interested to the extent of remuneration paid to them for services rendered as officers or employees of our Company.

The Directors, including independent Directors, may also be regarded as interested in the Equity Shares held by them, including those held through GDRs, if any, or that may be subscribed by and Allotted to the companies, firms and trusts, in which they are interested as directors, members, partners or trustees and to the extent of options under the ESOP 2008 which they currently hold or may hold in future. The Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. For details regarding the shareholding/GDR holding of our Directors in our Company, see the chapter titled “*Capital Structure – Notes to Capital Structure*” on page 68.

Our Directors do not have any interest in any property acquired by our Company within two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, except that our Corporate Office which has been leased to us by YKM Holdings Private Limited (wherein our Director Mr. Yogendra Kumar Modi is a director) pursuant to a lease agreement dated April 20, 2006. The lease agreement was amended on March 26, 2012 to extend the lease for a further period of 36 months for a rent of ₹ 0.66 million per month (including service tax) subject to an increase every year at the rate of 5% and maintenance charges of ₹ 0.11 million per month. For further details, see the chapter titled “*Financial Statements*” on page 171.

Further our Directors do not have any interest in any transaction for construction of building or supply of machinery relating to our Company.

Except as stated above, the Directors other than the Promoter, i.e. Mr. Yogendra Kumar Modi, do not have any other interest in our business or in the promotion of our Company.

Directorships of our Directors in Listed Companies

The Directors of our Company are not, and for a period of five years prior to the date of this Draft Red Herring Prospectus, have not been on the board of any listed company whose shares have been / were suspended from being traded on the BSE or the NSE.

Further, none of our Directors have been or are directors on the board of listed companies which have been/were delisted from any stock exchange(s).

For details of our directors associated with securities market, see the chapter titled “*Other Regulatory and Statutory Disclosures*” on page 279.

Changes in our Board during the last three years

There have been no changes in our Board during the last three years

Borrowing Powers of the Directors in our Company

Pursuant to a resolution of the shareholders of our Company passed in the AGM dated June 9, 2011, the Board has been authorized to borrow sums of money for the purpose of our Company with or without security upon such terms and conditions as the Board may think fit which, together with the moneys borrowed by the company (apart from the temporary loans obtained or to be obtained from our Company’s banker in the ordinary course of business), may exceed the aggregate of the paid up capital of our Company and its free reserves provided that the total amount of such borrowing shall not exceed the amount of ₹ 8,000 million at any time.

Corporate Governance

The provisions of the listing agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the Listing Agreement in respect of corporate governance including constitution of the board of directors and committees thereof.

Committees of the Board

The details of the committees of the Board are as follows:

Audit Committee

The Audit Committee was constituted by the Board pursuant to its resolution dated March 31, 2001 and the scope of the committee was reconstituted pursuant to the Board resolution dated April 26, 2010 in accordance with the Listing Agreement. The scope of the committee was further reconstituted pursuant to the Board's resolution dated June 7, 2013.

The constitution of the Audit Committee is as follows.

Name of the Directors	Executive/Non-executive/Independent
Mr. Kashi Nath Memani (Chairman)	Independent Director
Mr. Paul Sebastian Zuckerman	Independent Director
Mr. Pejavar Murari	Independent Director
Mr. Ashok Kumar Jha	Independent Director

The terms of reference of the Audit Committee include:

1. Oversight of 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 the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management of our Company, 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 the 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 the Board for approval;
6. 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 purposes other than

those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
8. 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;
9. Discussion with internal auditors any significant findings and follow up there on;
10. 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;
11. Discussion with 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;
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
13. To review the functioning of the whistle blower mechanism, in case the same is existing;
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
15. To investigate any activity within its terms of reference;
16. To seek information from any employee;
17. To obtain outside legal or other professional advice;
18. To secure attendance of outsiders with relevant expertise, if it considers necessary;
19. Mandatorily review the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management; and
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses.
 - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
20. Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To be informed with regard to the following information:
 - a. A statement in summary form of transactions with related parties in the ordinary course of business.
 - b. Details of material individual transactions with related parties, which are not in the normal course of business.

- c. Details of material individual transactions with related parties or others, which are not on arm's length basis along with management's justification for the same.
- d. If applicable, on an annual basis, statement certified by the statutory auditors, detailing the use of funds raised through public issues, right issues, preferential issues for purposes other than those stated in the offer document/prospectus/notice.
- e. To review the financial statements, in particular, the investments made by the unlisted subsidiary companies

Remuneration Committee/Compensation Committee

The Board, pursuant to its resolution dated December 20, 2004 constituted the Remuneration Committee. The Remuneration Committee was thereafter renamed as the Remuneration Committee/Compensation Committee and the scope of the committee was revised by the Board's resolution dated August 6, 2008 in accordance with the Listing Agreement. Further the committee was reconstituted pursuant to Board's resolution dated December 10, 2008.

The constitution of the Remuneration Committee/Compensation Committee is as follows.

Name of the Directors	Executive/Non-executive/Independent
Mr. Pejavar Murari (Chairman)	Independent Director
Mr. Kashi Nath Memani	Independent Director
Mr. Haigreve Khaitan	Non-executive Director

The terms of reference of the Remuneration Committee/Compensation Committee include:

1. Framing Company's policy on specific remuneration packages for executive Directors including pension rights and any compensation payment;
2. Framing suitable policies and systems to ensure that there is no violation, by an employee of our Company of any applicable laws in India or overseas, including:
 - a) The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
 - b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 1995.
3. Performing such functions as are required to be performed by the Remuneration Committee/Compensation Committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended;
4. Undertaking such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the committee.

Shareholders/Investors Grievance Committee

The Shareholders/Investors Grievance Committee was constituted by the Board by their resolution dated August 6, 2008. The Shareholders/Investors Grievance Committee is responsible for the redressal of investor grievances.

The constitution of the Shareholders/Investors Grievance Committee is as follows:

Name of the Directors	Executive/Non-executive/Independent
Mr. Pejavar Murari (Chairman)	Independent Director
Mr. Kashi Nath Memani	Independent Director
Mr. Yogendra Kumar Modi	Executive Director

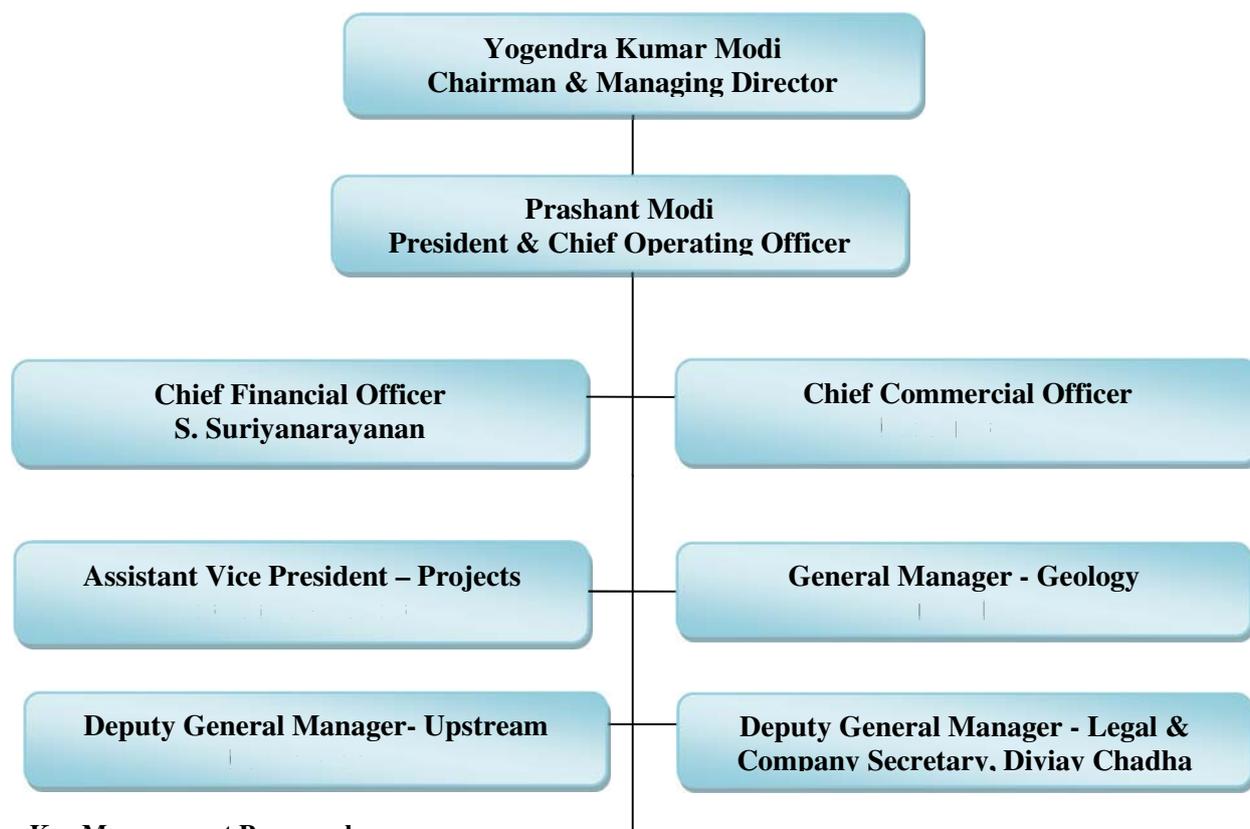
The terms of reference of the Shareholders/Investors Grievance Committee are to redress the grievances and complaints of the shareholders/investors, in relation to, inter alia, the following:

- a) Non-receipt of the Equity Shares after transfer;
- b) Non-receipt of the annual report, balance sheet etc.;
- c) Non-receipt of declared dividends;
- d) Complaints of investors routed by SEBI or Stock Exchanges;
- e) Affixing of common seal on share certificates and maintain safe custody of common seal;
- f) Sub-division/ consolidation of share certificates;
- g) Approval and registration of transfers or transmission of shares, as the case may be;
- h) Issue of duplicate share certificates in lieu of lost share certificates;
- i) Request relating dematerialisation and rematerialisation of shares;
- j) Electronic clearing service for dividend payment;
- k) Amounts transferable to the Investor Education and Protection Fund;
- l) Profile of investors; and
- m) Other matters related to or arising out of shareholders/investors services.

Other Committees

In addition to the committees mentioned above, our Company has constituted a Share Transfer Committee to *inter alia* redress issues related to share transfer, a Finance Committee for *inter alia* overseeing routine financial and/or related matters and an IPO Committee for the purposes of the Issue.

Management Organisational Structure



Key Management Personnel

The details of our key management personnel (other than the Whole Time Directors), as of the date of this Draft Red Herring Prospectus are provided hereinbelow.

Mr. Prashant Modi, aged 40 years, is the President and Chief Operating Officer of our Company. He has been associated with our Company and our Group Companies since 1996. He is responsible for day-to-day operations of our Company. He holds a bachelors' degree in business administration from the Boston University. He has also undertaken executive education courses in strategic finance for smaller businesses and launching new ventures from Harvard Business School, USA. He is a Chairman of the task force committee on unconventional hydrocarbon resources of the FICCI. The remuneration paid to him for Fiscal 2013 was ₹ 13.37 million.

Mr. S. Suriyanarayanan, aged 52 years, is the Chief Financial Officer of our Company. He is responsible for framing of financial policies and managing the financial affairs of our Company. He holds a bachelor's degree in commerce from the Madras University. He is an associate member of the Institute of Chartered Accountants of India. He joined our Company as Chief Financial Officer on September 17, 2008. Prior to joining our Company he has worked in Gujarat Gas Company Limited, Cairn India Limited, BG India, Whirlpool of India Limited, DCL Polyesters Limited, Sterlite Industries (India) Limited and Triveni Structurals Limited. The remuneration paid to him for Fiscal 2013 was ₹ 21.66 million.

Mr. Arun Nevatia, aged 56 years, is the Chief Commercial Officer of our Company. He is responsible for negotiating, approving and overseeing the various commercial contracts entered into by our Company in its day-to-day business. He holds a bachelors' degree in commerce from the Punjab University and is a qualified fellow chartered accountant from the Institute of Chartered Accountants of India. He has a vast experience of over 25 years in the industry. He has been associated with the Y.K. Modi group of companies since 1991 and joined our Company as the Chief Commercial Officer on May 1, 2008. Further, he has been associated with our Company as the Vice President (Corporate Finance) since May 2000. He has served as the chief financial officer of Dunlop India Limited, Rossell Industries Limited. The remuneration paid to him for Fiscal 2013 was ₹ 4.02 million.

Mr. Suvankar Ganguly, aged 49 years, is the Assistant Vice President (Projects) in our Company. He holds a bachelors' degree in engineering (mechanical) from Mangalore University. He has about 25 years of experience in the field of mechanical engineering. Prior to joining our Company on April 1, 2013, he was employed with Bengal Aerotropolies Projects Limited. He joined our Company on April 1, 2013 and hence no remuneration was paid to him for Fiscal 2013.

Dr. N.D. Mitra, aged 76 years, is a consultant and is designated as General Manager - Geology for our CBM operations in Raniganj (South) Block. He advises our Company in relation to analysis of coal seams, production profile of existing wells etc. He holds a doctorate in geology from the University of Calcutta. He has been acting as a consultant to our Company since January 15, 2007 and was re-appointed on January 27, 2009 for a term of five years ending on January 31, 2014. He has approximately 50 years of experience as a geologist. Prior to joining our Company he has worked as a geologist in the Atomic Mineral Division of the Department of Atomic Energy and the Geological Survey of India. He was awarded the National Minerals Award from the Ministry of Steel and Mines for his joint contribution with a group in the field of geological exploration in 1972 and the Coggin Brown Gold Medal for contribution in coal geology by the Mining, Geological and Metallurgical Institute of India in 1970. The remuneration paid to him for Fiscal 2013 was ₹ 1.20 million.

Mr. Anoop Gupta, aged 39 years, is the Deputy General Manager (Upstream) in our Company. He is responsible for drilling, fracturing, completion of wells and responsible for production of CBM in our Company. He holds a bachelor's degree in engineering (petroleum) from the University of Pune. Prior to joining our Company on August 7, 2008 he was employed by Reliance Industries Limited. The remuneration paid to him for Fiscal 2013 was ₹ 3.78 million.

Mr. Diviy Chadha, aged 32 years, is the Deputy General Manager – Legal and Company Secretary of our Company. He is a member of the Institute of Company Secretaries of India. He holds a bachelors' degree in commerce from university of Delhi. He has about 9 years of experience in the field of compliance with corporate laws. Prior to joining our Company on March 3, 2011, he was employed by JHS Svendgaard Laboratories Limited and Koutons Retails India Limited. The remuneration paid to him for Fiscal 2013 was ₹ 1.39 million.

Except Dr. N.D. Mitra, who is a consultant and Mr. Suvankar Ganguly, who joined on April 1, 2013 and is hence on probation all the other Key Management Personnel mentioned above are permanent employees of our Company.

Details of Service Contracts of our Key Management Personnel

Except with Dr. N.D. Mitra, our Company has not entered into any service contracts with the above mentioned Key Management Personnel which provide for termination or retirement benefits. However, the appointment letters issued by our Company contain certain key terms and conditions of service which are common to all our Key Management Personnel (except Dr. N.D. Mitra who is a consultant) which are as follows:

- They are covered under contributory Provident Fund and Family Pension Funds as per rules and are also entitled to gratuity as per the rules of our Company which is presently, half a month's salary for every completed year of service.
- If at any time an employee remains absent without prior intimation or authorization or overstay leave for a period of ten consecutive days it would be deemed to be a case of voluntary abandonment of services without the requirement of our Company serving a notice of termination.

There is a probation period of six months during which either side can terminate the services by giving one month's notice or one month's salary (cost to company) in lieu of notice. Except Mr. Suvankar Ganguly, who joined on April 1, 2013 and is hence on probation, currently none of the Key Management Personnel are under the probation period.

Our Company has entered into a consultancy agreement dated January 15, 2007 with Mr. N.D. Mitra for advice on all aspects of geology for its block and other technical matters. The agreement has been extended until January 31, 2014.

Interest of Key Management Personnel

None of our Key Management Personnel have any interest in our Company except to the extent of remuneration, benefits, stock options and grants and shareholding as disclosed in the chapter titled “*Capital Structure*” on page 67, and reimbursement of expenses incurred by them in the ordinary course of business. None of our Key Management Personnel have been appointed pursuant to any arrangement or understanding with our Company’s major shareholders, customers or suppliers or others.

Shareholding of the Key Management Personnel

Other than Prashant Modi, who holds 10 Equity Shares, no other Key Management Personnel hold any Equity Shares as on the date of this DRHP.

Changes in our Key Management Personnel

The changes in our Key Management Personnel during the last three years are as follows:

Name	Date of Change	Reason for change
Mr. Diviy Chadha	March 3, 2011	Appointment
Mr. B.Nath	March 31, 2011	Resignation
Mr. S Ramamurthy	October 30, 2011	Resignation
Mr. Suvankar Ganguly	April 1, 2013	Appointment
Mr. Kshounish Dutta	June 06, 2013	Resignation

Bonus or Profit Sharing Plan for the Key Management Personnel

Other than the ESOP 2008, the details of which haven disclosed in the chapter titled “*Capital Structure*” on page 67, there is no bonus or profit sharing plan for the Key Management Personnel of our Company.

Scheme of Employee Stock Option or Employee Stock Purchase

For details of scheme of employee stock option or employee stock purchase in our Company, see the chapter titled “*Capital Structure*” on page 67.

Payment of Benefit to Officers of our Company (Non-Salary Related)

No amount or benefit has been paid or given to any officer of our Company within the two preceding years from the date of this Draft Red Herring Prospectus or is intended to be paid, other than in the ordinary course of their employment and other than the options granted to them under our ESOP and the Equity Shares to be allotted to them on exercise of options from time to time.

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer’s employment in our Company or superannuation.

Loans taken by Directors / Key Management Personnel

As on date of this Draft Red Herring Prospectus, none of our Directors and Key Management Personnel have taken any loan from our Company.

Arrangements and Understanding with Major Shareholders

None of our Key Management Personnel or Directors have been appointed pursuant to any arrangement and/or understanding with our major shareholders, customers, suppliers or others.

Nature of Family Relationship between the Key Management Personnel

Except for our Promoter, Chairman and Managing Director, Mr. Yogendra Kumar Modi who is the father of Mr. Prashant Modi none of our Key Management Personnel are related to each other or any Director.

Prohibition on Forward Dealing in Equity Shares and other Securities of the Company by Directors and/or Key Managerial Personnel

Under the 2013 Act, Directors and key managerial personnel (as defined under the 2013 Act) are prohibited from undertaking any forward contracts for the buying and selling of the Equity Shares and other securities of the Company, its associates and holding company.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The following are our Promoters:

1. Mr. Yogendra Kumar Modi; and
2. YKM Holdings Private Limited.

For details of the build-up of our Promoters' shareholding in our Company, see the chapter titled "*Capital Structure – Notes to Capital Structure*" beginning on page 68.

1. Mr. Yogendra Kumar Modi



Yogendra Kumar Modi, aged 65 years, is the Chairman, Managing Director and CEO of our Company. His driving license number is P09052002255603. His Indian voter identification card number is NRX2676153. For further details, see the chapters titled "*Our Management - Our Board*" and "*History and Corporate Structure*" on page 147 and 138.

2. YKM Holdings Private Limited ("YKMHPL")

YKM Holdings Private Limited was incorporated on April 3, 1990 as Modi Enterprises Private Limited under registration no. 04-13574 with the Registrar of Companies, Gujarat. The name of the company was changed to YKM Holdings Private Limited on March 21, 1995 by way of fresh certificate of incorporation issued by the Registrar of Companies, Gujarat. The registered office of the company was originally situated at 4, B.E., Resham Bhawan, Lal Darwaja, Surat, Gujarat, India. Subsequently, the registered office of the company was shifted to 2281, Near Raipur Gate, Ahmedabad, Gujarat with effect from February 16, 1994. Further, pursuant to the order dated April 20, 1995 of the Company Law Board, Bombay, the registered office of the company was shifted to New Delhi and was situated at 210, Okhla Industrial Estate, Okhla Phase-III, New Delhi 110 020, India. The registered office of the company was thereafter shifted to 33, Shivji Marg, Rangpuri, New Delhi 110 037, India with effect from May 18, 2001 and to 14th Floor, Signature Towers-A, NH-8, South City, Gurgaon, Haryana, India with effect from April 20, 2007.

Prayog T-Pac Industries Limited, Dear Securities Private Limited, Yog Securities Private Limited and Momentum Investment Private Limited were merged with YKM Holdings Private Limited pursuant to the provisions of the scheme of amalgamation as approved by the order dated August 31, 2001 of the High Court of Delhi in Company Petition number 450 of 2001.

Pursuant to a scheme of merger of YKM Investment Limited, Trend-Setter Securities & Credits Private Limited, Bokel Investments Limited and Fame Securities & Credits Private Limited with YKM Holdings Private Limited as approved by the order dated February 29, 2008 of the High Court of Punjab and Haryana, Chandigarh in Company Petition number 153 of 2007, the above mentioned companies transferred their entire business and whole of undertakings to YKM Holdings Private Limited.

Promoter: Mr. Yogendra Kumar Modi

In 1994, the management of YKM Holdings Private Limited was transferred from the group of companies and entities promoted by Dr. K.N. Modi to his son Mr. Yogendra Kumar Modi pursuant to a memorandum of family settlement dated March 16, 1995 effective retrospectively from January 9, 1994 entered into amongst Mr. Yogendra Kumar Modi, Dr. K.N. Modi, Mr. Mahendra Kumar Modi and Mr. Devendra Kumar Modi.

CIN: U31504HR1991PTC036885

The main objects of the company are to carry on the business of manufacturers, buyers, sellers, importers, exporters and agents for all kinds of electric lamps and other objects ancillary to the main objects include investments.

Other than the appointment of Mr. Prashant Modi on the board of directors of YKMHPL on August 29, 2011, there has been no change in the control or management of YKMHPL in the last three years. YKMHPL has not made any public or rights issue in the preceding three years, and the equity shares of YKMHPL are not listed on any recognised stock exchange in India.

Promoter

Mr. Yogendra Kumar Modi is the promoter of YKMHPL. For further details in relation to Mr. Yogendra Kumar Modi see the chapter titled “*Our Management*” on page 147.

Board of Directors

The board of directors of YKMHPL currently comprises Mr. Yogendra Kumar Modi, Mrs. Asha Modi, and Mr. Prashant Modi.

Shareholding Pattern

The shareholding pattern of YKMHPL as on date of this DRHP is as follows:

Equity share capital

Sr. No.	Name of the Shareholder	No. of equity shares of ₹ 100 each	Percentage of paid-up capital
1.	Mr. Yogendra Kumar Modi	63,867	27.68
2.	Mrs. Asha Modi	64,601	27.99
3.	Prashant Modi Trust	62,032	26.88
4.	YKM Holdings Trust	40,273	17.45
	Total	230,773	100.00

Preference share capital

Sr. No.	Name of the Shareholder	No. of Preference Shares of ₹ 15 each	Percentage of paid-up capital
1.	Mr. Yogendra Kumar Modi	1,000	100.00

Other Undertakings and Confirmations

Our Company undertakes that the details of the PAN, passport number, bank account numbers, Company Registration Number and the address of the relevant registrar of companies, wherever applicable, in relation to our Promoters will be submitted to the Stock Exchanges at the time of submission of this DRHP with the Stock Exchanges.

Disassociation by our Promoters in the Last Three Years

Our Promoters have not disassociated with any companies in the last three years.

Interest of Promoters

Interest of Promoters in the promotion of our Company

Except as disclosed in the chapters titled “*Financial Statements – Statements of Related Parties and Related Party Transactions*”, “*Our Management*” and “*Our Promoters and Promoter Group*” on pages 216, 147 and 161 respectively and to the extent of their shareholding or GDR holding in our Company, our Promoters do not have any other interest in our Company or in the promotion of our Company. For further details of the Equity Shares and GDRs held by our Promoters, see chapter titled “*Capital Structure*” on page 67.

Interest of Promoters in any property acquired by our Company

The Promoters do not have any interest in any property acquired by our Company within two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, except our Corporate Office which has been leased to us by YKM Holdings Private Limited pursuant to a lease agreement dated April 20, 2006. The lease agreement was amended on March 26, 2012 to extend the lease for a further period of 36 months for a rent of ₹ 0.66 million per month (including service tax) subject to an increase every year at the rate of 5% and maintenance charges of ₹ 0.11 million per month. For further details, see the chapter titled “*Financial Statements*” on page 171.

Further our Promoters do not have any interest in any transaction in acquisition of land, construction of building or supply of machinery relating to our Company.

Interest of Promoters in our Company other than as Promoters

Except for the payment of ₹ 22.63 million by our Company to Mr. Yogendra Kumar Modi in Fiscal 2013 and except as mentioned in this section and the chapters titled “*Our Business*”, “*History and Corporate Structure*”, “*Financial Indebtedness*” and chapter titled “*Financial Statements- Statements of Related Parties and Related Party Transactions*” on pages 118, 138, 237 and 216, respectively, our Promoters do not have any interest in our Company other than as promoters. For further details regarding the payment of ₹ 22.63 million to Mr. Yogendra Kumar Modi see chapter titled “*Our Management*” on page 147.

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

Except as provided in the chapter titled “*Financial Statements – Statements of Related Parties and Related Party Transactions*” on page 216, and remuneration paid to Mr. Yogendra Kumar Modi in his capacity as the Chairman and Managing Director of our Company, there has been no payment of any amount or benefits paid or given to our Promoters during the two years preceding the date of this Draft Red Herring Prospectus. For further details regarding the remuneration payable to Mr. Yogendra Kumar Modi, see the chapter titled “*Our Management – Remuneration Details of our Directors*” on page 150. Further no amount or benefit is intended to be paid or given to our Promoters.

Promoter Group

In addition to our Promoters named above, the following natural persons and companies form part of our Promoter Group.

(a) Natural Persons

The natural persons who are part of our Promoter Group (by virtue of being the immediate relatives of Mr. Yogendra Kumar Modi) are as follows:

Sr. No.	Name	Relation with Mr. Yogendra Kumar Modi
1.	Mrs. Asha Modi	Wife
2.	Mr. Prashant Modi	Son
3.	Mrs. Anupama Mukarji	Daughter
4.	Ms. Prarthana Modi	Daughter
5.	Ms. Manju Saraf	Sister
6.	Ms. Anju Poddar	Sister
7.	Ms. Sharda Poddar	Sister-in-law
8.	Ms. Krishna Nevatia	Sister-in-law
9.	Ms. Sushila Poddar	Sister-in-law
10.	Ms. Usha Rajgharia	Sister-in-law

Mr. Yogendra Kumar Modi has entered into a memorandum of family settlement dated March 16, 1995 with retrospective effect from January 9, 1994 with his father Dr. K.N Modi and brothers Mr. Mahendra Kumar Modi and Mr. Devendra Kumar Modi. Pursuant to the family settlement agreement Mr. Yogendra Kumar Modi ceased to have any interest in the companies managed by Dr. K.N. Modi, Mr. Mahendra Kumar Modi and Mr. Devendra Kumar Modi and vice versa. Therefore, in the list of the Promoter Group individuals above, Mr.

Mahendra Kumar Modi and Mr. Devendra Kumar Modi have not been mentioned. Dr. K.N. Modi has since passed away.

(b) Corporate entities forming part of the Promoter Group

The companies that form part of our Promoter Group are as follows:

Sr. No.	Name
1.	Great Eastern Energy City Gas Private Limited
2.	Great Eastern Energy Gas Private Limited
3.	Modi Telecommunications Limited
4.	Prarthana Art Photography Private Limited
5.	YKM Holdings International Limited

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

Except as provided in the chapter titled “*Financial Statements – Statements of Related Parties and Related Party Transactions*” on page 216, there has been no payment of any amount or benefits paid or given to our Promoter Group during the last two years prior to the date of this Draft Red Herring Prospectus. Further no amount or benefit is intended to be paid or given to our Promoter Group.

OUR GROUP COMPANIES

Besides YKMHPL, the following companies and trusts are promoted by our Promoters (“Group Companies”):

Sr. No.	Name
1.	Great Eastern Energy City Gas Private Limited
2.	Great Eastern Energy Gas Private Limited
3.	Modi Telecommunications Limited
4.	Prarthana Art Photography Private Limited
5.	YKM Holdings International Limited
6.	YKM Holdings Trust
7.	Prashant Modi Trust

Details of the Group Companies

1. Great Eastern Energy City Gas Private Limited (“GEECGPL”)

Corporate information

GEECGPL was incorporated under the Companies Act on May 1, 2008 and has its registered office at M10, ADDA Industrial Estate, Bardhaman, Asansol 713 305. GEECGPL is authorised to engage in the business of *inter alia*, storage, supply, sale, distribution and marketing of CBM gas as fuel for domestic, commercial, industrial transportation and automotive sector.

Interest of our Promoters

Mr. Yogendra Kumar Modi is a director in, and holds 50% of the equity share capital of GEECGPL.

Financial information

The brief financial information of GEECGPL based on its audited financial statements for the Fiscals 2013, 2012 and 2011 is as follows:

(₹ in million, except per share data)

	Fiscal 2013	Fiscal 2012	Fiscal 2011
Equity capital	0.1	0.1	0.1
Reserves and surplus (excluding revaluation)	(0.10)	(0.09)	(0.07)
Sales/Turnover	0.00	0.00	0.00
Profit/(Loss) after tax	(0.02)	(0.02)	(0.02)
Earnings per share (₹) (Basic)	(1.56)	(1.80)	(1.83)
Earnings per share (₹) (Diluted)	(1.56)	(1.80)	(1.83)
Net asset value per share (₹)	(0.18)	1.37	3.17

2. Great Eastern Energy Gas Private Limited (“GEEGPL”)

Corporate information

GEEGPL was incorporated under the Companies Act on May 14, 2008 and has its registered office at Signature Towers-A, 14th Floor, South City, NH-8, Gurgaon 122 001, Haryana, India. GEEGPL is authorised to engage in the business of *inter alia*, storage, supply, sale, distribution and marketing of CBM gas as fuel for domestic, commercial, industrial transportation and automotive sector.

Interest of our Promoters

Mr. Yogendra Kumar Modi is a director in, and holds 50% of the equity share capital of GEEGPL.

Financial information

The brief financial information of GEEGPL based on its audited financial statements for the Fiscals 2013, 2012 and 2011 is as follows:

(₹ in million, except per share data)

	Fiscal 2013	Fiscal 2012	Fiscal 2011
Equity capital	0.1	0.1	0.1
Reserves and surplus (excluding revaluation)	(0.08)	(0.07)	(0.05)
Sales/Turnover	0.002	0.004	0.003
Profit/(Loss) after tax	(0.01)	(0.01)	(0.01)
Earnings per share (₹) (Basic)	(1.28)	(1.12)	(1.04)
Earnings per share (₹) (Diluted)	(1.28)	(1.12)	(1.04)
Net asset value per share (₹)	2.13	3.41	4.53

3. Modi Telecommunications Limited (“MTL”)

Corporate information

MTL was incorporated under the Companies Act on March 30, 1992 and has its registered office at Signature Towers-A, 14th Floor, South City, NH-8, Gurgaon 122 001, Haryana, India. MTL is authorised to engage in the business of *inter alia*, telephone, telegraph, cable and wireless communications.

Interest of our Promoters

Mr. Yogendra Kumar Modi is a director of MTL and our Promoters together hold 60.86% of the equity share capital of MTL.

Financial information

The brief financial information of MTL based on its audited financial statements for the Fiscals 2013, 2012 and 2011 is as follows:

(₹ in million, except per share data)

	Fiscal 2013	Fiscal 2012	Fiscal 2011
Equity capital	330.60	330.60	330.60
Reserves and surplus (excluding revaluation)	(721.25)	(710.63)	(699.94)
Sales/Turnover	0.07	0.07	0.05
Profit/(Loss) after tax	(10.62)	(10.69)	(10.90)
Earnings per share (₹) (Basic)	(0.32)	(0.32)	(0.33)
Earnings per share (₹) (Diluted)	(0.32)	(0.32)	(0.33)
Net asset value per share (₹)	(11.81)	(11.50)	(11.17)

4. Prarthana Art Photography Private Limited (“Prarthana Art”)

Corporate information

Prarthana Art was incorporated under the Companies Act on July 12, 2010 and has its registered office at Signature Towers-A, 14th Floor, South City, NH-8, Gurgaon 122 001, Haryana, India. Prarthana Art is authorised to engage in the business of *inter alia*, photography (both still and video) and preparing paintings for the purpose of sale to business houses, exhibitions and art galleries.

Interest of our Promoters

Our Promoters do not have any direct interest in Prarthana Art. However, Mrs. Asha Modi and Ms. Prarthana Modi, wife and daughter, respectively of Mr. Yogendra Kumar Modi, are directors in Prarthana Art and together hold 100% of the equity share capital of Prarthana Art.

Financial information

The brief financial information of Prarthana Art based on its audited financial statements for the Fiscals 2013, 2012 and 2011 is as follows:

(₹ in million, except per share data)

	Fiscal 2013	Fiscal 2012	Fiscal 2011
Equity capital	0.1	0.1	0.1
Reserves and surplus (excluding revaluation)	(0.33)	(0.28)	(0.09)
Sales/Turnover	0.13	0.05	0.43
Profit/(Loss) after tax	(0.05)	(0.19)	(0.09)
Earnings per share (₹) (Basic)	(5.40)	(18.78)	(9.14)
Earnings per share (₹) (Diluted)	(5.40)	(18.78)	(9.14)
Net asset value per share (₹)	(23.31)	(17.91)	0.86

5. YKM Holdings International Limited (“YKMHIL”)

Corporate information

YKMHIL was incorporated on March 7, 2005 under the International Business Companies Act, 1996 of Saint Vincent and Grenadines and has its registered office at Trust House, 112 Bonafide Street, Kingston, Saint Vincent and Grenadines. YKMHIL is authorised to engage in all businesses not forbidden by the International Business Companies Act, 1996, including commercial, financial, lending, borrowing, trading, of all kinds, to produce, acquire, develop, manage, let, lease, rent, broke, sell or otherwise dispose of any kind of goods, including but not restricted to real estate, intellectual property rights, and ships.

Interest of our Promoters

Mr. Yogendra Kumar Modi holds 36.9% of the equity share capital of YKMHIL.

Financial information

The brief financial information of YKMHIL based on its audited financial statements for the Fiscals 2013, 2012 and 2011 is as follows:

(₹ in million, except per share data)

	Fiscal 2013	Fiscal 2012	Fiscal 2011
Equity capital	175.99	172.36	151.56
Profit and loss account	3,290.81	3,272.52	2,254.88
Income	19.31	673.72	897.20
Profit/(Loss) for the year	(2.70)	661.50	881.01
Earnings per share (Basic)	(69.58)	22,810.31	30,379.66
Earnings per share (Diluted)	(69.58)	22,810.31	30,379.66
Net asset value per share	87,214.98	118,789.01	82,980.80

6. YKM Holdings Trust (“YHT”)

YHT is a private trust having its place of business at Signature Towers-A, 14th Floor, South City, NH-8, Gurgaon 122 001, Haryana, India. YHT was established on October 3, 2008 pursuant to a trust deed between YKMHPL, as the settler and Mr. Y.K. Modi and Mrs. Asha Modi, the trustees. YHT was formed to hold certain shares of YKMHPL pursuant to a scheme of arrangement sanctioned by the Punjab and Haryana High Court on February 29, 2008.

Interest of our Promoters

YKMHPL is the beneficiary of YHT. Mr. Yogendra Kumar Modi is one of the trustees of YHT.

7. Prashant Modi Trust (“PMT”)

PMT is a private trust having its place of business at 33, Shivji Marg, Rangpuri, New Delhi - 110037. PMT was established on April 17, 2013 pursuant to a trust deed between Mr. Y.K. Modi, the settler and Mr. Y.K. Modi and Mrs. Asha Modi, the trustees. PMT was formed *inter alia* to receive and acquire income, rent, sale proceeds, dividend, interest, donations, gifts, contributions, or other amounts or funds, movable or immovable properties of any kind whatsoever and to hold/accumulate the same.

Interest of our Promoters

Mr. Y.K. Modi is one of the trustees of PMT.

Disassociation by our Promoters

Our Promoters have not disassociated themselves from any companies or firms during the three years preceding the date of this Draft Red Herring Prospectus.

Nature and extent of the interest of the Group Companies in our Company

(a) *In the promotion of our Company*

None of the Group Companies have any interest in the promotion of our Company.

(b) *In the properties acquired by our Company within the two years of the date of filing this Draft Red Herring Prospectus or proposed to be acquired by our Company*

None of the Group Companies have any interest in the properties acquired by our Company within the two years of the date of filing this Draft Red Herring Prospectus or proposed to be acquired by our Company.

(c) *In transactions for acquisition of land, construction of building and supply of machinery*

None of the Group Companies have any interest in our Company in relation to transactions for acquisition of land, construction of building and supply of machinery.

Common pursuits between the Group Companies and our Company

Except Great Eastern Energy City Gas Private Limited and Great Eastern Energy Gas Private Limited, none of our Group Companies are engaged in the same line of business or have any common pursuits as our Company.

Related business transactions within the Group Companies and its significance on the financial performance of our Company

For details, please see the chapter titled “*Financial Statements- Statements of Related Parties and Related Party Transactions*” on page 216.

Sale/purchase between Group Companies (exceeding 10% in aggregate of the total sales or purchases of our Company)

For details, please see the chapter titled “*Financial Statements- Statements of Related Parties and Related Party Transactions*” on page 216.

Business interest of Group Companies in our Company

For details, please see the chapter titled “*Financial Statements- Statements of Related Parties and Related Party Transactions*” on page 216.

Defunct Group Companies

The Registrar of Companies, West Bengal vide notices (under section 560(3) of the Companies Act, 1956) bearing number MCA/RoC-Kolkata/sec 560/2012/00139, MCA/RoC-Kolkata/sec 560/2012/00140, MCA/RoC-

Kolkata/sec 560/2012/00138 and MCA/RoC-Kolkata/sec 560/2012/00137 all dated March 6, 2012 and with effect from April 10, 2012 has struck off from the register the names of Great Eastern Energy Infrastructure Private Limited, Great Eastern CBM Gas Private Limited, Great Eastern Natural Gas Private Limited and Great Eastern Energy Marketing Private Limited and the said companies are dissolved. Except as stated above, none of the Group Companies are defunct and no application has been made to the registrar of companies for striking off the name of any of the Group Companies during the five years preceding the date of this Draft Red Herring Prospectus.

Sick Group Companies

None of our Group Companies have become sick companies under the Sick Industrial Companies (Special Provisions) Act, 1985 and no winding up proceedings have been initiated against them.

Litigation

For details relating to the material legal proceedings involving our Group Companies, see the chapter titled "*Outstanding Litigations and Material Developments*" on page 240.

Public issue or rights issue

None of the Group Companies have made any public or rights issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Other Confirmations

Our Group Companies have further confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Additionally, none of our Group Companies have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, general financial conditions, capital requirements, results of operations, restrictive covenants under the loan or financing arrangements, etc.

Our Company has not declared any dividends since its incorporation.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

The Board of Directors
Great Eastern Energy Corporation Limited
Signature Towers-A,
14th Floor, South City,
NH-8, Gurgaon
Dear Sirs,

- (1) We have examined the attached financial information of Great Eastern Energy Corporation Limited ('the Company'), comprising Restated Summary Statements of Assets and Liabilities; Restated Summary Statement of Profit and Loss; and Restated Summary Statement of Cash Flows and other financial information explained in paragraph 3 (e) below, as approved by the board of directors of the Company, prepared in terms of requirements of Paragraph B, Part II of Schedule II to the Companies Act, 1956 ('the Act'); the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date ('SEBI Regulations'); and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 25 July 2013, in connection with the proposed issue of equity shares of the Company.
- (2) The above financial information has been extracted by the management from the financial statements of the Company for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013. We have audited the financial statements of the Company for the financial years ended 31 March 2011; 31 March 2012 and 31 March 2013. The audits for the financial years ended 31 March 2009; and 31 March 2010 were conducted by the then auditors of the Company, Price Waterhouse, Chartered Accountants and accordingly, reliance has been placed on the financial statements audited by them. Accordingly, our examination of the restated financial information of the Company for these financial years ended 31 March 2009; and 31 March 2010 are based solely on the financial statements audited by them.
- (3) In accordance with the requirements of Paragraph B of Part II of Schedule II to the Act; SEBI Regulations; and the (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India ('ICAI'), as amended from time to time; and in terms of our engagement as agreed with you, we further report that:
 - (a) The Restated Summary Statements of Assets and Liabilities of the Company as at 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as set out in Annexure I to this report, are after making adjustments and regroupings to the audited financial statements of the Company as at 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013 as, in our opinion, were appropriate and more fully described in the notes appearing in Note 3 of Annexure IV to this report. As a result of these adjustments and regroupings, the amounts reported in the above-mentioned statements are not necessarily the same as those appearing in the financial statements for the relevant financial years. For the financial years ended 31 March 2009; and 31 March 2010 reliance has been placed by us on the financial statements audited by Price Waterhouse, Chartered Accountants.
 - (b) The Restated Summary Statements of Profit and Loss of the Company for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as set out in Annexure II to this report, are after making adjustments and regroupings to the audited financial statements of the Company for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013 as, in our opinion, were appropriate and more fully described in the notes appearing in Note 3 of Annexure IV to this report. As a result of these adjustments and regroupings, the amounts reported in the above-mentioned statements are not necessarily the same as those appearing in the financial statements for the relevant financial years. For the financial years ended 31 March 2009; and 31 March 2010, reliance has been placed by us on the financial statements audited by Price Waterhouse, Chartered Accountants.

- (c) The Restated Summary Statements of Cash Flows of the Company, for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as set out in Annexure III to this report, are after making adjustments and regroupings to the audited financial statements of the Company for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013 as, in our opinion, were appropriate and more fully described in the notes appearing in Note 3 of Annexure IV to this report. As a result of these adjustments, the amounts reported in the above-mentioned statements are not necessarily the same as those appearing in the financial statements for the relevant financial years. For the financial years ended 31 March 2009; and 31 March 2010, reliance has been placed by us on the financial statements audited by Price Waterhouse, Chartered Accountants.
- (d) Based on the above and also as per the reliance placed on the financial statements audited by the previous auditors, Price Waterhouse, Chartered Accountants, for the financial years ended 31 March 2009; and 31 March 2010, we are of the opinion that the restated financial information, prepared by the management of the Company and approved by its Board of Directors, has been made after incorporating the following:
- i. the impact of correction of accounting policies / changes in accounting policies has been adjusted with retrospective effect in the respective financial years to which they relate, to reflect the same accounting treatment as per changed / corrected accounting policy for all the reporting periods;
 - ii. material amounts relating to previous years have been adjusted in the restated financial information in the respective financial years to which they relate;
 - iii. qualifications/emphasis of matter in the auditors' reports on the financial statements of the Company for each of the years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012 and 31 March 2013, which do not require any adjustments to the Restated Financial Statements as disclosed in Note 3.2 of Annexure IV; and
 - iv. there are no extraordinary items, which need to be disclosed separately in the restated financial information in the respective financial years.
- (e) We have also examined the following other financial information set out in Annexures prepared by the management and approved by the Board of Directors relating to the Company for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013. In respect of the financial years ended 31 March 2009; and 31 March 2010, the financial information has been included based upon the financial statements audited by the previous auditors, Price Waterhouse, Chartered Accountants, and relied upon by us:\
- i. Statement of Contingent liabilities as at 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as appearing in Annexure V to this report;
 - ii. Statement of dividends declared by the Company for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as appearing in Annexure VI to this report;
 - iii. Restated Statement of Long term borrowings as at 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013 and details of terms and conditions, including interest rates, principal terms of security and repayment terms of the loans outstanding as at 31 March 2013, as appearing in Annexure VII to this report;
 - iv. Statement of Accounting ratios for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as appearing in Annexure VIII to this report;
 - v. Capitalisation Statement as at 31 March 2013, as appearing in Annexure IX to this report;
 - vi. Restated Statement of tax shelter for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as appearing in Annexure X to this report;

- vii. Restated Statement of Trade receivables and Loans and Advances as at 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as appearing in Annexure XI and Annexure XII respectively to this report;
- viii. Statement of Investments as at 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013 as appearing in Annexure XIII to this report;
- ix. Statement of related parties and related transactions for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as per Accounting Standard 18 on Related Parties, prescribed by the Companies (Accounting Standards) Rules, 2006, as appearing in Annexure XIV to this report; and
- x. Restated Summary Statement of Revenue from Operations, Other Operating revenue, Other Income, Employee Benefit Expenses, Finance Cost and Other Expenses for the financial years ended 31 March 2009; 31 March 2010; 31 March 2011; 31 March 2012; and 31 March 2013, as appearing in Annexure XV to this report.

In our opinion, the above financial information of the Company, read with significant accounting policies appearing in Note 2 of Annexure IV to this report, after making adjustments and regroupings as considered appropriate and as set out in Note 3 of Annexure IV to this report, has been prepared in accordance with Paragraph B, Part II of Schedule II to the Act; SEBI Regulations; and the Guidance Note issued in this regard by ICAI, as amended from time to time; and in terms of our engagement as agreed with you.

- (4) This report should not be in anyway construed as a re-issuance or re-dating of any of the previous audit reports issued by B S R & Co. or by Price Waterhouse, Chartered Accountants, nor should be construed as a new opinion on any of the financial statements referred to herein.
- (5) Our report is intended solely for the use of management and for inclusion in the Draft Red Herring Prospectus in connection with the proposed issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For B S R & Co.
Chartered Accountants
Firm Registration No.: 101248W

Place : Gurgaon
Date : September 13, 2013

Kaushal Kishore
Partner
Membership No.: 090075

Annexure I

Restated Summary Statements of Assets and Liabilities

(₹ in Million)

	Particulars	Annexure	As at				
			31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
A.	Non-current assets						
	Fixed assets						
	- Tangible assets		9,549.98	7,653.74	5,785.52	4,522.67	3,205.98
	- Intangible assets		3.68	4.42	1.35	3.58	4.16
	- Capital work in progress		1,042.90	943.76	617.33	568.30	668.06
	- Intangible assets under development		30.18	9.70	3.30	-	-
	Non-current investments	XIII	0.01	0.01	0.01	-	-
	Long-term loans and advances	XII	146.36	91.85	56.73	34.21	107.10
	Other non-current assets		92.87	64.83	88.39	-	-
			10,865.98	8,768.31	6,552.63	5,128.76	3,985.30
B.	Current assets						
	Current investments	XIII	-	-	7.13	982.70	-
	Trade receivables	XI	60.35	50.89	34.33	30.21	2.28
	Cash and bank balances		416.92	375.45	975.04	11.09	54.36
	Short-term loans and advances	XII	10.09	12.42	12.62	5.32	52.32
	Other current assets		51.99	55.80	55.76	5.76	1.93
			539.35	494.56	1,084.88	1,035.08	110.89
C.	Non-current liabilities						
	Long-term borrowings	VII	4,988.61	4,075.51	3,704.52	2,514.51	2,161.18
	Deferred tax liability		18.20	-	-	-	-
	Long-term provisions		275.16	223.40	33.71	26.50	23.20
			5,281.97	4,298.91	3,738.23	2,541.01	2,184.38
D.	Current liabilities						
	Trade payables		31.70	14.81	15.00	14.81	22.76
	Other current liabilities		1,720.96	1,016.14	586.62	304.06	329.16
	Short-term provisions		108.66	42.33	9.71	3.08	1.57
			1,861.32	1,073.28	611.33	321.95	353.49
E.	Net worth (A+B-C-D)		4,262.04	3,890.68	3,287.95	3,300.88	1,558.32
	Net worth represented by						
F.	Shareholders' funds						
	Share capital						
	Equity share capital		595.62	595.62	580.62	580.62	544.62
	Total share capital		595.62	595.62	580.62	580.62	544.62
G.	Reserves and surplus						
	Securities premium account		4,245.07	4,245.07	3,585.07	3,585.07	1,486.59
	Share option outstanding account		3.34	2.99	2.80	1.60	0.70
	Foreign currency monetary item translation difference		(0.30)	(12.82)	3.68	-	-
	Surplus / (Deficit)		(581.69)	(940.18)	(884.22)	(866.41)	(473.59)
	Total reserves and surplus		3,666.42	3,295.06	2,707.33	2,720.26	1,013.70
	Net worth (F+G)		4,262.04	3,890.68	3,287.95	3,300.88	1,558.32

Note:

The above Statements should be read with the Notes to the Restated Summary Statements of Assets and Liabilities; Restated Summary Statements of Profit and Loss; and Restated Summary Statements of Cash Flows, as appearing in Annexure IV.

As per our report attached

For B S R & Co.
Chartered Accountants
Firm Registration
No.:101248W

**For and on behalf of the Board of directors of
Great Eastern Energy Corporation Limited**

Kaushal Kishore
Partner
Membership No.:090075

Yogendra Kr. Modi
Chairman & Chief Executive Officer

Ashok Jha
Director

Place: Gurgaon
Date: September 13, 2013

S. Suriyanarayanan
Chief Financial Officer

Diviy Chadha
DGM - Legal & Company Secretary

Place: Gurgaon
Date: September 13, 2013

Place: Gurgaon
Date: September 13, 2013

Annexure II

Restated Summary Statements of Profit and Loss

(₹ in Million)

Particulars	Annexure	For the year ended				
		31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Income						
Revenue from operations	XV	1,583.96	1,085.99	595.26	118.44	32.40
Less: Excise duty		(4.66)	(3.02)	(1.96)	(1.10)	(0.21)
		1,579.30	1,082.97	593.30	117.34	32.19
Other operating revenue	XV	2.55	34.39	18.29	-	-
Other income	XV	24.80	43.12	51.80	32.18	7.94
Total revenue		1,606.65	1,160.48	663.39	149.52	40.13
Expenses						
Employee benefits expense	XV	120.07	103.25	82.84	76.77	49.88
Finance cost	XV	319.34	303.97	227.53	243.34	83.55
Depreciation/amortisation/depletion		169.56	134.30	108.31	66.61	13.08
Listing expenses		-	-	32.74	-	-
Other expenses	XV	449.78	347.26	225.08	163.75	155.83
Total expenses		1,058.75	888.78	676.50	550.47	302.34
Profit/(loss) before exceptional items and tax		547.90	271.70	(13.11)	(400.95)	(262.21)
Exceptional items						
Losses / (gain) on account of foreign exchange and derivative transaction (including losses on account of mark to market valuation of derivatives) [Refer to Note 4 (o) of Annexure IV]		169.14	327.66	4.70	(8.13)	10.08
Restated profit/(loss) before tax		378.76	(55.96)	(17.81)	(392.82)	(272.29)
Provision for tax						
Current tax/ Minimum alternate tax (MAT)		34.05	-	-	-	-
MAT credit entitlement		(31.98)	-	-	-	-
Deferred tax expenses		18.20	-	-	-	-
Fringe benefit tax		-	-	-	-	3.10
Total tax expense		20.27	-	-	-	3.10
Restated profit/(loss) after tax		358.49	(55.96)	(17.81)	(392.82)	(275.39)

Note:

The above statement should be read with the Notes to the Restated Summary Statements of Assets and Liabilities; Restated Summary Statements of Profit and Loss; and Restated Summary Statements of Cash Flows, as appearing in Annexure IV.

As per our report attached

For B S R & Co.

Chartered Accountants

Firm Registration No.:101248W

Kaushal Kishore

Partner

Membership No.:090075

Place: Gurgaon

Date: September 13, 2013

**For and on behalf of the Board of directors of
Great Eastern Energy Corporation Limited**

Yogendra Kr. Modi

Chairman & Chief Executive Officer

Ashok Jha

Director

S. Suriyanarayanan

Chief Financial Officer

Place: Gurgaon

Date: September 13, 2013

Diviy Chadha

DGM - Legal & Company Secretary

Place: Gurgaon

Date: September 13, 2013

Annexure III

Restated Summary Statements of Cash Flows

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
A. Cash flow from operating activities					
Restated Profit/(Loss) before tax	378.76	(55.96)	(17.81)	(392.82)	(272.29)
Adjustments for:-					
Depreciation/amortisation/depletion	169.56	134.30	108.31	66.61	13.08
Interest income	(22.69)	(25.09)	(4.10)	(2.51)	(3.36)
Profit on sale of investments	-	(0.92)	(46.69)	(9.34)	-
Provision for inventory obsolescence	-	-	-	13.27	-
Employee stock option outstanding account	0.35	0.19	1.20	0.90	0.70
(Profit)/loss on sale of fixed assets/capital inventory	0.12	0.08	(0.19)	0.26	0.02
Finance cost	319.34	303.97	227.53	243.34	83.55
Unrealised losses/(gains)	88.92	272.10	10.31	(4.88)	7.24
Provisions/liabilities no longer required written back	-	(16.30)	-	(16.16)	(3.62)
Operating Profit/(Loss) before following adjustments	934.36	612.37	278.56	(101.33)	(174.68)
Adjustments:					
(Increase) in trade receivables	(9.46)	(16.56)	(4.12)	(27.93)	(1.33)
(Increase) / decrease in loans and advances	1.69	(10.61)	(6.36)	42.32	(9.83)
(Increase) / decrease in other assets	10.14	(9.42)	(13.00)	(4.65)	-
Increase / (decrease) in trade payables	16.89	(0.19)	0.19	(3.02)	0.04
Increase in provisions	48.84	9.10	5.73	4.81	12.33
Increase / (decrease) in other liabilities	14.46	1.52	(23.25)	56.10	403.37
Net cash generated from / (used in) operating activities	976.92	586.21	237.75	(33.70)	229.90
B. Cash flow from investing activities					
Acquisition of fixed assets	(1,721.87)	(1,978.29)	(1,210.56)	(1,277.12)	(1,503.09)
Proceeds from sale of fixed assets	0.35	0.05	0.84	4.07	0.03
Purchase of investments	-	-	(27.01)	(4,301.30)	-
Sales of investments	-	8.05	1,049.26	3,327.94	-
Fixed deposits matured/(purchased) during the year	110.96	654.11	(948.29)	24.98	8.52
Interest received	28.75	88.19	6.07	3.40	5.35
Income tax (paid)/refunded	(2.63)	(6.72)	(2.49)	11.43	10.89
Net cash (used in) investing activities	(1,584.44)	(1,234.61)	(1,132.18)	(2,206.60)	(1,478.30)
C. Cash flow from financing activities					
Proceeds from borrowings (net of transaction cost)	1,737.81	641.92	1,210.88	1,063.57	1416.42
Repayment of borrowings	(500.75)	(213.91)	(22.72)	(677.71)	-
Interest paid	(477.11)	(400.09)	(266.47)	(341.36)	(182.97)
Forward cover charges paid	-	-	(11.61)	-	-
Proceeds from issue of shares (including share premium)	-	675.00	-	2,186.71	-
Share issue expenses	-	-	-	(9.19)	(43.04)
Net cash generated from financing	759.95	702.92	910.08	2,222.02	1,190.41

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
activities					
Net changes in cash and cash equivalents(A+B+C)	152.43	54.52	15.65	(18.28)	(57.99)
Cash and cash equivalents at the beginning of the year	77.50	22.98	7.33	25.61	83.60
Cash and cash equivalents at the end of the year	229.93	77.50	22.98	7.33	25.61
Note:					
(i) Components of cash and cash equivalents					
- Current accounts	48.15	27.44	22.82	7.22	25.40
- Deposits with original maturity of less than 3 months	180.00	50.00	-	-	-
Cash on hand	0.23	0.06	0.16	0.11	0.03
Cheques in hand	1.55	-	-	-	0.18
Total cash and cash equivalents	229.93	77.50	22.98	7.33	25.61
ii) The above statement should be read with the Notes to the Restated Summary Statements of Assets and Liabilities; Restated Summary Statements of Profit and Loss; and Restated Summary Statements of Cash Flows, as appearing in Annexure IV.					

As per our report attached

For B S R & Co.

Chartered Accountants

Firm Registration No.:101248W

For and on behalf of the Board of directors of

Great Eastern Energy Corporation Limited

Kaushal Kishore

Partner

Membership No.:090075

Yogendra Kr. Modi

Chairman & Chief

Executive

Officer

Ashok Jha

Director

Place: Gurgaon

Date: September 13, 2013

S. Suriyanarayanan

Chief Financial Officer

Place: Gurgaon

Date: September 13,
2013

Diviy Chadha

DGM - Legal & Company Secretary

Place: Gurgaon

Date: September 13, 2013

Annexure IV

Notes to the Restated Summary Statements of Assets and Liabilities, Restated Summary Statements of Profit and Loss and Restated Summary Statements of Cash Flows.

1. Background

- a) Great Eastern Energy Corporation Limited ('GEECL' or 'the Company') is a public limited company incorporated in India with its registered office at M-10, ADDA Industrial Area, Asansol-713305, West Bengal, India. GEECL's shares were listed as Global Depository Receipts in the Alternate Investment Market, London, upto 27 May 2010. The Company made a publication of its prospectus in relation to the introduction of its Global Depository Receipts ('GDRs') to the standard list on the official list of the UK Listing Authority (the 'Official List') and admission to trading on the London Stock Exchange Plc's Main Market for listed securities (the 'Main Market'). Pursuant to the admission of its GDRs to the standard list on the official list and commencement of trading in the GDRs on the main market on 28 May 2010, trading of the Company's GDRs on AIM has been cancelled.

The Company was incorporated in 1992 to explore, develop, distribute and market Coal Bed Methane gas or CBM gas in India. GEECL originally entered into a license agreement in December 1993 with Coal India Limited (CIL) for exploration and development of CBM over an area of approximately 210 Sq. km (approximately 52,000 acres) in the Raniganj coalfields of West Bengal (the block). Following the transfer of CBM administration in India from the Ministry of Coal to the Ministry of Petroleum and Natural Gas (MoPNG), the Company entered into Production Sharing Contract (PSC) for CBM gas on 31 May 2001 with the Government of India for the block.

The PSC has been effective from 9 November 2001 as a result of the granting by Government of West Bengal of the Petroleum Exploration License on the same date and provides for a five year initial assessment and market development phase, followed by a five year development phase and then a twenty-five year production phase, extendable with the approval of the Government of India (GOI).

Besides this, the Company was awarded with Mannargudi Block located in Tamil Nadu under CBM IV round for which the Production Sharing Contract was signed with the Government of India on 29 July 2010. In this regard, the Company has applied for issuing two Petroleum Exploration License (PEL) on September 16, 2010 to the Hon'ble Chief Secretary, Government of Tamil Nadu. One of the PEL has been granted on 13 September 2011. Currently, the Company is carrying out exploration activities in this block.

- (b) The Restated Summary Statements of Assets and Liabilities of the Company as at 31 March 2013; 31 March 2012; 31 March 2011; 31 March 2010; and 31 March 2009 and the related Restated Summary Statements of Profit and Loss and Restated Summary Statements of Cash Flows of the Company for the years ended 31 March 2013; 31 March 2012; 31 March 2011; 31 March 2010; and 31 March 2009, together with the notes and other financial information (hereinafter collectively referred to as "Restated Summary Financial Statements") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offering of its equity shares.

2. Summary of significant accounting policies

2.1 Basis of preparation and accounting

The Restated Summary Financial Statements have been extracted from the audited financial statements of the Company for the respective financial years, which are prepared under the historical cost convention, on the accrual basis of accounting in accordance with the measurement and recognition guidelines in the Generally Accepted Accounting Principles ('GAAP') in India, and comply in all material respects with 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 Requirements) Regulations, 2009 ("the SEBI Guidelines"), issued by SEBI, as amended from time to time. For the purposes of preparation of Restated Summary Financial Statements, The the accounting policies have been consistently applied by the Company for all the financial years presented and are consistent with those applied and are consistent with those for the purpose of preparation of Restated

Summary Financial Statements as at and for the year ended 31 March 2013. Events subsequent to the date of audited financial statements of the Company for the respective financial years have not been considered in preparing Restated Summary Financial Statements.

2.2 Use of estimates

The preparation of the restated Restated summary Summary financial Financial statements Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of financial Financial statementsStatements, and the reported amounts of revenues and expenses during the reporting period. The estimates and assumptions used in the financial Financial statements Statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the restated Restated summary Summary financial Financial statementsStatements. Instances of such estimations include estimates of oil/gas reserves, abandonment cost estimation, future obligation under employee benefit and estimated useful life of fixed assets. Actual results may differ from the estimates used in preparing the accompanying restated Restated summary Summary financial Financial statementsStatements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current - non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of on-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the rendering of services and their realisation in cash or cash equivalents.

2.4 Fixed assets, depreciation, capital work in progress and intangible assets under development

Fixed assets

Tangible fixed assets are stated at their cost of acquisition together with any incidental expenses of acquisition, less accumulated depreciation and impairment, if any.

Intangible fixed assets are stated at cost of acquisition less amortisation and are recognised only when future economic benefits attributable to the assets will flow to the enterprise and their cost can be measured reliably.

Capital inventory

Capital inventory primarily represents items of capital nature lying in the stores, valued on a weighted average cost method after providing for estimated cost of obsolescence. Items of capital inventory used for wells under construction are transferred to capital work in progress and capitalized as part of Producing Properties on commissioning of the wells.

Depreciation

Depreciation on fixed assets is provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, except for the following:

- Buildings constructed on land not owned by the Company is depreciated over a period of five years.
- Assets costing upto Rs 5,000 are fully depreciated in the year of purchase.
- Software costs are amortised over their estimated useful life, not exceeding 5 years on a straight line basis.
- Leasehold land is amortised over the period of the lease. Leasehold building is amortised over the period of lease or useful life, whichever is shorter.
- Cost of wells capitalized (producing properties) is depleted according to the 'Unit of Production' method by reference to the ratio of production in the year to the related proved reserves as prescribed by the Institute of Chartered Accountants of India in the 'Guidance Note on Accounting for Oil and Gas Producing Activities' under the 'Full Cost' Method.

Depreciation on assets utilized for the project has been capitalised under wells in progress.

Capital work in progress / intangible assets under development

The Company follows the 'Full Cost Method' of accounting in respect of its oil and gas extraction activities. Under the 'Full Cost Method', the following costs are treated as capital work-in-progress/intangible assets under development when incurred:

- i. All acquisition costs;
- ii. All exploration costs; and
- iii. All development costs.

All the costs other than the above are charged as expense when incurred.

The Company recognises the full eventual liability for cost relating to dismantling, abandoning and restoring well sites and other facilities, net of estimated salvage values in the period of installation of well sites and other facilities. The full eventual liability is capitalised as wells in progress / producing properties with a corresponding provision for abandonment cost.

2.5 Impairment

In accordance with Accounting Standard 28 on '*Impairment of assets*', the carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of the asset or cash-generating unit exceeds its recoverable amount. In respect of oil and gas assets, each 'cost centre' is treated as a cash generating unit. Since the Company applies 'Full Cost Method', a country is considered as a 'Cost Centre'.

2.6 Revenue recognition

Revenue on sale of Coal Bed Methane (CBM) and Compressed Natural Gas (CNG) is recognised on sale of gas to customers at delivery point. Net sales represent invoiced value of gas delivered less excise duty and value added tax. Revenue in respect of minimum guarantee offtake is recognised on accrual basis as per the contractual arrangements with the customers.

Interest income is recognized using the time-proportion method.

2.7 Investments

Current investments as per Accounting Standard 13 '*Accounting for Investment*' are stated at the lower of cost and fair value. Long term investments are valued at cost. Any decline, other than temporary, in the value of long term investments, is adjusted in the carrying value of such investments.

2.8 Employee benefits

(i) Short-term benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Restated Summary Statements of Profit and Loss in the period in which the employee renders the related service.

(ii) Defined benefit plans

The Company's gratuity scheme is defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried at the year end using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognised immediately in the Restated Summary Statements of Profit and Loss.

(iii) Defined contribution plans

Provident fund and superannuation fund are a post-employment defined contribution plans, with no legal and constructive obligation to pay further amounts. Contributions to provident fund and superannuation fund are recognised in the Restated Summary Financial Statements on an accrual basis.

(iv) Other long-term employee benefits

Compensated absences are in the nature of other long term employee benefits. The present value of the obligation is determined based on actuarial valuation carried at the year end using Projected Unit Credit method. Actuarial gains and losses are recognised immediately in the Restated Summary Statements of Profit and Loss.

(v) Employee stock option based compensation

Stock options granted to employees and to the non executive directors who accept the grant under the

Company's Stock Option Plan are accounted in accordance with 'Guidance note on Accounting for Employee Share Based Payments', issued by the Institute of Chartered Accountants of India. The Company follows Intrinsic Value method and, accordingly, the excess, if any, of the market price of the underlying equity shares as of the date of the grant of option over the exercise price of the option is recognised as employee compensation cost and amortised on straight line basis over the vesting period.

In case of a modification of share based payment that changes the classification of arrangement from equity settled to cash settled, an amount equal to the fair value of liability component at the date of modification is reclassified from share option outstanding account to liability. If the amount of liability recognised is less than the amount previously recognised as an increase in share option outstanding account, then no gain is recognised in the Restated Summary Statements of Profit and Loss as a result of reclassification. Any subsequent re-measurement of liability is recognised in Restated Summary Statements of Profit and Loss.

In case of a modification of share based payment that changes the classification of arrangement from cash settled to equity settled, an amount of liability recognized as of the modification date is reclassified from liability to share option outstanding account and the remaining grant date value of the options is recognized in the Restated Summary Statements of Profit and Loss over the remaining vesting period.

2.9 Foreign currency transactions

Transactions in foreign currencies are recorded in Rupees by applying the exchange rate prevailing at the time of transactions. Exchange fluctuation on settlement and those arising on translation of monetary assets and liabilities, denominated in foreign currency at the balance sheet date are recognised in the Restated Summary Statements of Profit and Loss as exchange gain or loss, except as detailed below:-

The Company has opted for accounting of exchange differences arising on reporting of long term foreign currency monetary items under clause 46A of the Accounting Standard 11 (AS-11) – “The Effects of Changes in Foreign Exchange Rates”. Accordingly, foreign exchange difference attributable to depreciable asset is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset. In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account (FCMITDA) and amortised over the balance period of such long term asset/ liability. A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

In respect of forward contracts, which are covered under Accounting Standard (AS) 11, 'Accounting for the Effects of Changes in Foreign Exchange Rates', the difference between spot rate and forward rate on the date the forward exchange contract is entered into, is amortised over the tenure of the contract. The foreign currency receivable or payable arising under the forward contract is revalued using the closing rate, and any resultant gain or loss is taken to the Restated Summary Statements of Profit and Loss except in respect of gain or loss which can be adjusted to the cost of depreciable fixed assets.

Derivative contracts, which are not covered by AS 11, pursuant to the announcement on "*Accounting for Derivatives*", made by the Institute of Chartered Accountants of India ('ICAI') on 27 March 2008, are marked to market and provision for loss, if any, is recognised in the Restated Summary Statements of Profit and Loss and resultant gains, if any, on account of mark to market are ignored.

2.10 Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets will be realised in future. However, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised. Further, no deferred tax assets/liabilities are recognised in respect of timing

differences that reverse within the tax holiday period.

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognized as current tax in the Restated Summary Statement of Profit and Loss. The credit available under the Income Tax Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date.

2.11 Borrowing costs

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to Restated Summary Statements of Profit and Loss. Borrowing Costs also include exchange differences on the principal amount of the foreign currency borrowings (other than exchange difference for long term foreign currency monetary items on which Para 46A of the Accounting Standard 11 has been applied) to the extent of difference between interest on local currency borrowings and interest on foreign currency borrowings

2.12 Leases

Operating leases

Lease payments under operating lease are recognized as an expense in the Restated Summary Statements of Profit and Loss on a straight line basis over the lease term.

Finance leases

Assets acquired under finance leases are recognised as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Restated Summary Statements of Profit and Loss.

2.13 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with AS 20, Earnings Per Share. Basic earnings per equity share have been computed by dividing net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding for the year. Diluted earnings per share is computed using the weighted average number of equity and equivalent dilutive equity shares outstanding during the year, except where results would be anti-dilutive.

2.14 Cash and cash equivalents

Cash comprises cash in hand, at bank and demand deposits with banks with original maturities of three months or less. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.15 Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

3. Summary of results of adjustments made in the audited accounts of the respective years in order to arrive at the Restated Summary Financial Statements and its impact on profits and losses and

assets and liabilities:

(₹ in Million)

Particulars	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Profit / (loss) as per audited financial statements	389.53	(72.48)	(83.24)	(331.39)	(318.65)
Changes / amendments in accounting policies (refer note no 3.1 A below)					
<i>Expenses</i>					
(a) Change in depreciation	-	-	-	61.43	(43.26)
(b) Change in foreign exchange difference					
- Foreign exchange (loss) / income transferred to foreign currency monetary item translation difference reserve	(1.77)	(18.21)	5.62	-	-
- Foreign currency monetary item translation difference reserve charged off	3.29	13.01	(1.94)	-	-
- Effect on capitalisation	11.32	(11.32)	(69.11)	-	-
Deferred tax expenses	18.20	-	-	-	-
Net impact of above adjustments					
Expenses/(income)	31.04	(16.52)	(65.43)	61.43	(43.26)
Restated profit / (loss) after tax	358.49	(55.96)	(17.81)	(392.82)	(275.39)

Notes:

Positive figures represent additions and negative figures (figures in brackets) represent deletions to the corresponding head in the audited financial statements for the respective years to arrive at the restated numbers.

(₹ in Million)

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Cumulative effect of above [increase / (decrease)] in Summary Statements of Assets and Liabilities:					
A. Impact due to Changes / amendments in accounting policies (refer note no 3.1 A below)					
<i>Reserves and surplus</i>					
Surplus	50.91	81.95	65.43	-	61.43
Foreign currency monetary item translation difference	-	(3.29)	3.68	-	-
<i>Assets</i>					
Tangible assets	69.11	78.66	69.11	-	61.43
Liabilities					
Deferred tax liability	18.20	-	-	-	-
B. Regroupings (refer note no 3.1 B below)					
<i>Assets</i>					
Tangible Asset	-	-	-	1,270.76	1,430.19
Capital work in progress	-	-	-	(1270.76)	(1,430.19)
C. Net effect of above adjustments					
<i>Assets</i>					
Fixed assets					
-Tangible assets	69.11	78.66	69.11	1,270.76	1,491.62
Capital work in progress	-	-	-	(1270.76)	(1,430.19)
Liabilities					
Deferred tax liability	18.20	-	-	-	-
<i>Reserve and surplus</i>					
Surplus	50.91	81.95	65.43	-	61.43

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Foreign currency monetary item translation difference	-	(3.29)	3.68	-	-

Notes:

Positive figures represent additions and negative figures (figures in brackets) represent deletions to the corresponding head in the audited financial statements for the respective years to arrive at the restated numbers.

3.1 Notes:

A. Changes / amendments in accounting policies

a) Depreciation

During the year ended 31 March 2010, the Company had changed its method of depreciation for Tangible assets from Written Down Value Method to Straight Line Method as the Company believed that Straight Line Method would more fairly represent the pattern of actual wear and tear of those assets. In accordance with the provisions of Accounting Standard 6 - 'Depreciation Accounting', the Company recomputed the depreciation on all assets from the date of their commissioning and had reversed depreciation amounting to ₹ 61.43 million pertaining to earlier years in the financial statements for the year ended 31 March 2010. For the purposes of Restated Summary Financial Statements, the Company has changed its depreciation method from Written Down Value Method to Straight Line Method retrospectively and adjusted in the figures for the years presented.

b) Foreign Currency Transactions

During the year ended 31 March 2012, the Company changed its accounting policy for exchange differences as follows:-

- Exchange differences arising on long- term foreign currency monetary items at the rates different from those at which they were initially recorded during the year, or reported in previous financial statements, in so far as they relate to the acquisition of depreciable capital assets are added to or deducted from the cost of the asset and depreciated over the balance life of the asset.

- In other cases of long term foreign currency monetary items, such exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the financial statements of the Company and amortised over the balance period of such long term asset or liability.

For the purposes of Restated Summary Financial Statements, the effect of the above change in the policy has been adjusted in the figures for the years presented.

Further, pursuant to the clarification issued by the MCA, during the year ended 31 March 2013, the Company changed its accounting policy for borrowing costs by excluding exchange differences to the extent of difference between interest on local currency borrowings and interest on foreign currency borrowings from the borrowing cost for long term foreign currency monetary items on which Para 46A of the Accounting Standard 11 has been applied.

For the purposes of Restated Summary Financial Statements, the Company has applied this policy retrospectively and adjusted in the figures for the years presented.

c) Taxation

Deferred tax for the respective years has been recomputed on the restated profits on the basis of rates applicable to respective years.

B. Regroupings

a) During the year ended 31 March 2012, the revised Schedule VI to the Companies Act 1956 became

applicable to the Company for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. Accordingly, the reclassifications have been made in the financial statements for the year ended 31 March 2011; 31 March 2010; and 31 March 2009, to comply with the requirements of the revised Schedule VI. Since it does not have any impact on the recognition and the measurement of the figures, these have not been included as a part of differences above.

- b) During the year ended 31 March 2011, the Company changed the presentation of capital work in progress in respect of oil and gas assets to align it with the requirements of the Guidance Note on Accounting for Oil and Gas Producing Activities, issued by the Institute of Chartered Accountants of India. As per this requirement, under the Full Cost Method, when any well in a cost centre is ready to commence commercial production, the accumulated costs in a cost centre corresponding to all the proved oil and gas reserves in that cost centre are required to be capitalized from capital work in progress to the gross block of assets. Accordingly, the figures for the previous years have also been reclassified to conform to the current periods presentation

3.2 Non adjusting items

- A) In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government of India under sub section (4A) of Section 227 of the Companies Act, 1956. Certain statements/comments included in CARO, which do not require any adjustments in the Restated Summary Financial Statements are reproduced below in respect of the financial statements presented:

- (i) Financial year ended 31 March 2013

Clause (ix)(a) of the CARO

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs duty, Excise duty, Investor Education and Protection Fund and other material statutory dues, to the extent applicable, *have generally been regularly deposited during the year by the Company with the appropriate authorities, though there has been slight delays in few cases of deposit of Income tax pertaining to a vendor.*

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs duty, Excise duty, and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2013 for a period of more than six months from the date they became payable except for the following:

Name of the statute	Nature of dues	Period to which the due relates	Amount (Rs)	Due date	Date of Payment
Income Tax Act, 1961	Tax deducted at source	April 2012 to September 2012	412,394	Various dates	30 April 2013

Clause (ix)(b) of the CARO

According to the information and explanations given to us, there are no amounts in respect of Income tax, Sales tax, Wealth tax, Service tax, Customs duty and Excise duty that have not been deposited with the appropriate authorities on account of any dispute, except for the following:-

Name of the statute	Nature of dues	Amount involved* (₹)	Amount paid under protest (₹)	Period to which amount pertains	Forum where dispute is pending
Central Excise Act, 1944	Excise duty (including penalty and interest)	32,912,231 (including ₹ 665,674 as penalty)	-	January 2008 to November 2012	Commissioner of Central Excise (Appeals)
Central Sales Tax Act, 1956	Sales Tax (including interest)	4,183,522 (including interest of ₹ 590,690)	-	2008-2009 (Assessment year)	Appellate Tribunal

* to the extent quantified / determined in the respective orders.

Clause (xvii) of the CARO

According to the information and explanations given to us and on an overall examination of the balance sheet of the Company at the end of the year, we report that the Company has used funds amounting to ₹ 364,735,930 raised on short-term basis for long-term investment, primarily in respect of acquisition of fixed assets.

- (ii) Financial year ended 31 March 2012

Clause (ix)(b) of the CARO

According to the information and explanations given to us, there are no amounts in respect of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess that have not been deposited with the appropriate authorities on account of any dispute, except for the following:-

Name of the statute	Nature of dues	Amount involved* (₹)	Amount paid under protest (₹)	Period to which amount pertains	Forum where dispute is pending
Income tax Act, 1961	Income tax	2,326,560**	2,326,560	Assessment year 2006-2007	Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax	5,691,160 #	-	Assessment year 2007-2008	Appellate Tribunal
Central Excise Act, 1944	Excise duty (including penalty and interest)	11,910,973 (including ₹ 665,674 as penalty)	-	October 2008 to December 2011	Commissioner of Central Excise (Appeals)
Central Sales Tax Act, 1956	Sales Tax (including interest)	4,183,522 (including interest of ₹ 590,690)	-	Assessment year 2008-2009	Appellate Tribunal

* to the extent quantified / determined in the respective orders.

** Subsequent to the balance sheet date, the Commissioner of Income tax (Appeals) has partly decided the appeal in favour of the Company, thereby reducing the amount of demand to Nil.

The Commissioner of Income tax (Appeals) has decided The appeal in favor of the Company. However, during the year the Department of Income tax has gone into appeal in Appellate Tribunal.

Clause (xvii) of the CARO

According to the information and explanations given to us and on an overall examination of balance sheet of the Company at the end of the year, we report that the Company has used funds amounting to ₹ 39,097,021 raised on short-term basis for long-term investment, primarily in respect of acquisition of fixed assets.

Clause (xxi) of the CARO

According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit, *except for a fraud involving approximately ₹ 350,000 due to alleged collusion of an ex-employee and a vendor. The Company has taken steps to deal with this matter, including the termination of the concerned employee, and has initiated a legal action against the vendor and the ex-employee.*

- (iii) Financial year ended 31 March 2011

Clause (ix)(b) of the CARO

According to the information and explanation given to us, there are no amounts in respect of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess that have not been deposited with the appropriate authorities on account of any dispute, except the following:-

Name of the statute	Nature of dues	Amount involved* (₹)	Amount paid under protest (₹)	Period to which amount pertains	Forum where dispute is pending
Income tax Act, 1961	Income tax	2,326,560	₹ 2,326,560	Assessment year 2006-2007	Commissioner of Income tax (Appeals)
Central Excise Act, 1944	Excise duty (including penalty but excluding interest)	8,446,232 (including ₹ 4,003,013 as penalty)	-	October 2008 to April 2010	Commissioner of Central Excise (Appeals)

* to the extent quantified/ determined in the respective orders.

- (iv) Financial year ended 31 March 2010

Clause (ix)(b) of the CARO

According to the information and explanation given to us, there are no amounts in respect of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess that have not been deposited with the appropriate authorities on account of any dispute, except the following:-

Name of the statute	Nature of dues	Amount (₹)	Period to which amount relates	Forum where the dispute is pending
Income tax Act, 1961	Income tax (including interest and penalties)	8,107,720 (against which amount deposited under protest ₹ 2,326,560)	Assessment year 2006-2007, 2007-2008	CIT (Appeals). New Delhi

Clause (x) of the CARO

The accumulated loss of the Company is less than fifty percent of its net worth as at 31 March 2010. The Company has incurred cash losses both in the current financial year as well as in the immediately preceding financial year.

- (v) Financial year ended 31 March 2009

Clause (viii) of the CARO

The Company is in the process of making and maintaining the Cost Records in respect of its products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act.

Clause (ix)(b) of the CARO

According to the information and explanation given to us and the records of the Company examined by us, the particulars of dues of Income tax as at 31 March 2009 which have not been deposited on account of dispute are as follows:-

Name of the statute	Nature of dues	Amount (₹)	Period to which amount relates	Forum where the dispute is pending
Income tax Act, 1961	Tax demand	2,326,500	Assessment year 2006-2007	CIT (Appeals), New Delhi

Clause (x) of the CARO

The accumulated loss of the Company is less than fifty percent of its net worth as at 31 March 2009. The Company has incurred cash losses both in the current financial year as well as in the immediately preceding financial year.

- B) Modifications (Emphasis of matter) in the auditors' report on the Financial Statements of the Company, which do not require any adjustments in the Restated Summary Financial Statements, are as follows:

Financial year ended 31 March 2013

In view of their technical nature, we have placed reliance on technical/ commercial evaluation by the management in respect of categorization of wells as exploratory; development; and producing, allocation of cost incurred on them; internal estimation of proved / proved developed reserves and basis thereof, depletion of producing properties on the basis of the proved reserves and liability for abandonment costs

Financial year ended 31 March 2010

We draw attention to Note 4 (k) of Annexure IV of the Restated Summary Financial Statements with respect to the excess managerial remuneration paid to the whole time director. As stated in the said note, the Company applied to the Central Government for approval of the excess remuneration amounting to ₹ 4,122,608. The ultimate outcome of the matter and the impact that it may have on the financial statements is not known pending decision /approval of the central government.

4. Other significant notes

a. Commitments (net of advances):

(₹ in Million)

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Estimated amount of contracts remaining to be executed on capital account and not provided for:					
- For land	6.93	6.56	11.19	7.49	7.65
- For others	477.19	434.39	272.16	192.06	582.91

b. Share based payment plans

The Company accounts for stock options in accordance with the Guidance Note on 'Accounting for

Employee Share Based Payments' issued by the Institute of Chartered Accountants of India ('Guidance Note'). The Company follows intrinsic value method to account for the share-based payment plans, permitted by the Guidance Note.

The Company had implemented GEECL Employee Stock Option Plan ('ESOP Plan') which provides for allotment of up to 500,000 equity shares of ₹ 10 (before consolidation of shares 5,000,000 equity shares of Re. 1) each to eligible employees and non-executive directors of the Company. The ESOP is administered by the Remuneration Committee/Compensation Committee of the Board of Directors. Originally the plan was an 'equity settled' plan.

During the year ended 31 March 2012, the Company had modified the plan whereby employees are given phantom options under which the employees have a choice to either settle the stock options through issuance of equity shares or in cash (equivalent to a percentage, as decided by the remuneration committee, of the difference between the market price of the equity shares of the Company on the date of exercise and the exercise price). This being a compound instrument, the Company measured the value of the liability component and equity component as at the measurement date. The value of the equity component was zero. Accordingly, the fair value of the liability component as at the date of modification amounting to Rs 1.01 million has been reclassified from share option outstanding account to liability. The amount of liability recognized was less than the amount previously recognized as an increase in equity. However, no gain had been recognized, since the Company was required to recognize, at the minimum, the grant date value as the cost of the share-based payment. Further, the subsequent remeasurement of the liability (from the date of modification till the reporting date, i.e., 31 March 2012) was recognized in the Restated Summary Statement of Profit and Loss.

During the year ended 31 March 2013, the Company again modified the plan whereby phantom options given to employees have been cancelled and stock options are to be settled only through the issuance of equity shares. Therefore, the plan become an equity settled plan. Accordingly, the amount of liability recognized as of the modification date amounting to ₹ Nil has been reclassified from liability to share option outstanding account.

For disclosure purposes, as per the requirements of the Guidance Note, the GEECL has adopted the Black-Scholes Model to measure the fair value of the option as at the grant date/date of modification/reporting date, as the case may be, by taking into account the terms and conditions upon which the options were granted.

The disclosures as per Guidance Note on 'Accounting for Employee Share Based Payments' are as below:

i) Pursuant to the above scheme, the following options have been granted to eligible employees and non-executive directors.

Date of grant	No. of options granted	Exercise Price (Rs)	Fair Value of option at the grant date (per option) (Rs)	Grant date share price (only for disclosure) (Rs)
1 August 2008*	43,272	400	273	460
1 December 2008*	5,292	400	172	307
1 April 2009	8,113	400	194	308
1 August 2009	11,450	400	329	492
1 December 2009	26,448	600	464	637
1 April 2010	3,711	600	458	702
1 August 2010	4,967	600	394	631
1 December 2010	5,375	480	333	527
1 April 2011	4,322	480	198	525
1 August 2011	12,228	520	215	564
1 December 2011	6,718	460	193	511
1 April 2012	12,022	480	211	536
1 August 2012	3,775	410	173	452

1 December 2012	9,788	420	174	464
Total	157,481			

Each option entitles an employee one equity share of Rs 10 each. The Scheme provides for graded vesting of 1/5th of total options granted each year over a period of 5 years from the date of grant.

*Effective 3 July 2009, consequent to the change in the face value of equity shares of the Company from Re 1 each to Rs 10 each, the exercise price was also adjusted in the same ratio to ₹ 400. On 3 July 2009, the total outstanding options were 402,100 (total grant of 485,640 less 83,540 options lapsed at Re1 each) which were, accordingly, consolidated to 40,210 options (due to rounding off to each employee).

ii) Movement under stock option plan

The options are to be exercised within a maximum period of 10 years from the date of grant. The weighted average balance life of options outstanding as on 31 March 2013 is 7.13 years (31 March 2012 is 7.71 years, 31 March 2011 is 8.28 years, 31 March 2010 is 9.91 years and 31 March 2009 is 9.38 years).

Details of movement under the stock option plan for the year are as under:

Particulars	For the year ended									
	31-Mar-13		31-Mar-12		31-Mar-11		31-Mar-10		31-Mar-09	
	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price
Options outstanding at the beginning of the year	96,942	490	84,244	486	77,631	468	43,568	400	-	-
Options granted during the year	25,585	447	23,268	495	14,053	554	46,011	515	48,564	400
Options forfeited during the year	-	-	-	-	-	-	-	-	-	-
Options lapsed during the year	14,372	469	9,650	478	7,440	426	11,948	400	4,996	400
Options exercised during the year*	745	400	920	400	-	-	-	-	-	-
Options outstanding at the end of the year	107,410	483	96,942	490	84,244	486	77,631	468	43,568	400
Options exercisable at the end of the year	53,032	479	35,693	470	21,435	454	6,324	400	-	-

* Share price at the date of exercise for the year ending 31 March 2013 is ` 552 (31 March 2012: ` 502)

iii) Fair value (only for disclosure purposes) for each share option has been estimated using the following inputs to the model.

(a) as at grant date

Particulars	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Expected life of the option (in years)	5.50-7.50	5.50-7.50	5.50-7.50	5.50-7.50	5.50-7.50
Expected volatility (in %) (based on daily volatility of share prices of the Company)	48.78-54.89	50.62-54.89	50.62-54.89	50.62-54.89	50.88-54.88
Divident yield	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (in %)	6.75-9.30	6.75-9.30	6.75-9.30	6.75-7.51	7.17-9.30

(b) as at modification date

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Expected life of the option (in years)	5.50-7.50	5.50-7.50
Expected volatility (in %) (based on daily volatility of share prices of the Company)	47.71	50.00
Divident yield	0.00%	0.00%
Risk-free interest rate (in %)	7.79-7.97	8.26-8.40

Expected volatility was computed on the basis of the historical daily volatility of the closing price of the equity share of the Company over the expected life of the option.

The fair value of each option is estimated by using the Black - Scholes Option Pricing employee share based payment model.

In accordance with the "Guidance note on Accounting for Employee Share based Payments", issued by the Institute of Chartered Accountants of India, following amounts has been recognised as an expense for share based payment. These amounts are net off on account of reversal of share based payment liability due to subsequent remeasurement of liability as at the reporting date.

(₹ in Million)

Particulars	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Share based payment	0.35	0.19	1.20	0.90	0.70

Share option outstanding account

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Opening balance	2.99	2.80	1.60	0.70	-
Less: Transfer (to)/ from share based payment liability on account of modification	-	1.01	-	-	-
Add: Charge during the year	0.42	1.25	1.20	0.90	0.70
Less: Exercised during the year	0.07	0.05	-	-	-
Closing balance	3.34	2.99	2.80	1.60	0.70

The impact on the profit/ (loss) of the Company for the year and the basic and diluted earnings per share, had the fair value method of accounting for ESOPs been followed, is as under:

(₹ in Million)

Particulars	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Profit/ (loss) attributable to equity	358.49	(55.96)	(17.81)	(392.82)	(275.39)

Particulars	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
shareholders (a)					
Add: employee stock compensation expenses as per intrinsic value method	0.35	0.19	1.20	0.90	0.70
Less: employee stock compensation income/ (expenses) as per fair value method	2.26	(0.90)	(8.55)	(4.59)	(3.37)
Profit/ (loss) after tax recomputed for recognition for Employee stock compensation expenses under fair value method (b)	361.10	(56.67)	(25.16)	(396.51)	(278.06)
Profit/ (loss) per share based as per (a) above basic and diluted*	6.02	(0.96)	(0.31)	(6.87)	(5.06)
Profit/ (loss) per share based as per (b) above basic and diluted*	6.06	(0.97)	(0.43)	(6.94)	(5.11)

* Basic and Diluted earnings per share are the same since the effect of potential equity shares is anti-dilutive.

Due to modification of the plan to 'equity settled' (refer above), there is no liability outstanding as at 31 March 2013. The carrying amount of liability as at 31 March 2012 was also ₹ Nil.

c. Lease Agreements

The Company's leasing arrangements are in respect of operating leases for premises and equipments. These arrangements range from 12 months to 3 years and are renewable on mutual consent of parties as per mutually agreeable terms. All the lease agreements are cancellable in nature.

Lease rentals accrued during the year for the premises, equipment and site office/store yard are as follows:-

(₹ in Million)

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Charged to Restated Summary Statements of Profit and Loss	9.69	7.88	7.03	6.93	7.19
Transferred to wells in progress (Tangible assets)	0.35	0.48	0.66	1.04	1.81

The Company had taken a building on lease for 99 years, the net carrying amounts are as follows:-

(₹ in Million)

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Leasehold building	11.41	11.62	11.83	12.04	12.25

Entire consideration for the building was paid during the year ended 31 March 2006 and there are no obligations in respect of future lease rentals payable.

d. Mining Lease

The Company has received Grant of Petroleum Mining Lease under Rule 5(1)(ii) of the PNG Rules and Oil Fields (Regulation and Development) Act, 1948 for mining of CBM in the Raniganj block on September 4, 2008 from the Government of West Bengal. Period of lease is 20 years from the date of lease, or as agreed in the lease deed to be executed. Formal mining lease is yet to be executed. The Company has submitted draft agreement to the West Bengal Government and is waiting for necessary clearance.

The Governor of Tamil Nadu ("State Government"), in accordance with the Petroleum and Natural Gas Rules, 1959, made under Oil Field (Regulation and Development) Act, 1948, has awarded a license to the

Company on September 13, 2011 for a term of 4 years to prospect for Petroleum and Natural Gas for carrying out CBM activities in the land situated in Tahnjavur District, Tamil Nadu, subject to the condition specified in the contract entered.

- e. The Company is engaged in exploration and production of gas, i.e., in a single business segment as per AS 7 *Segment Reporting*. Further, the Company operates in a single geographical segment.
- f. Based on the principles of prudence, net deferred tax assets, where applicable, have not been recognised in line with the requirements of AS-22 '*Accounting for Taxes on Income*'.
- g. The Company uses forward contracts to mitigate its risks associated with foreign currency fluctuations relating to underlying transactions, commitments, highly probable forecast *transactions* and certain other permissible derivative instruments.

Following are the disclosures in respect of outstanding derivative contracts:

As at 31 March 2013

Category of derivative instrument	Number of contracts	Purpose of derivative instrument	Value of contract
Principal - range forward transactions from the loan currency of EURO to USD	1	To hedge repayment of foreign currency external borrowing from Euro to USD.	Euro 22,100,000
Coupon only swap - from the base 6 months Euribor to 6 months USD Libor	1	To hedge repayment semi annually interest payment from Euribor to USD Libor	Euro 22,100,000
Principal and coupon swap - range forward transactions from the loan currency of Euro to USD - from the base 6 months Euribor to 6 months USD Libor	2	To hedge the interest rate and currency risk of principal and coupon payments of the underlying exposure	EUR 14,400,000

As at 31 March 2012

Category of derivative instrument	Number of contracts	Purpose of derivative instrument	Value of contract
Principal -range forward transactions from the loan currency of EURO to USD	1	To hedge repayment of foreign currency external borrowing from Euro to USD.	Euro 22,100,000
Coupon only swap - from the base 6 months Euribor to 6 months USD Libor	1	To hedge repayment semi annually interest payment from Euribor to USD Libor	Euro 22,100,000
Principal only swap from INR to USD (underlying rupee term loan)	1	Currency swap of INR term loan to USD loan (underlying rupee long term loan)	INR 400,000,000
Principal and coupon swap - range forward transactions from the loan currency of Euro to USD - from the base 6 months Euribor to 6 months USD Libor	1	To hedge the interest rate and currency risk of principal and coupon payments of the underlying exposure	EUR 10,000,000

As at 31 March 2011

Category of derivative instrument	Number of contracts	Purpose of derivative instrument	Value of contract
Principal -range forward transactions from the loan currency of EURO to USD	1	To hedge repayment of foreign currency external commercial borrowing from Euro to USD.	Euro 22,100,000
Coupon only swap - from the base 6 months Euribor to 6 months USD	1	To hedge repayment semi annually interest payment from Euribor to	Euro 22,100,000

Category of derivative instrument	Number of contracts	Purpose of derivative instrument	Value of contract
Libor		USD Libor	
Principal only swap from INR to USD (underlying rupee term loan)	1	Currency swap of INR term loan to USD loan (underlying rupee long term loan)	INR 1,000,000,000
Forward contracts	2	To hedge the foreign currency loan USD taken from banks	USD 4,459,000

As at 31 March 2010

Category of derivative instrument	Number of contracts	Purpose of derivative instrument	Value of contract
Forward contracts	2	To hedge the foreign currency loan USD taken from banks	USD 805,858

h. London stock exchange (LSE) listing

During the year ended 31 March 2011, the Company had incurred listing expenses aggregating to ₹ 32.74 million on account of admission of GDRs to the standard list on the official list of the UK Listing Authority and admission to trading on London Stock Exchange. These expenses have been charged off during the year 2010-11.

- i.** The Company is entitled to tax holiday for 7 years under section 80IB (9) of the Income Tax Act, 1961, These incentives provide a deduction from taxable income of an amount equal to 100% of profits derived from the business for 7 years from the date of commencement of production. The benefit of this deduction would expire during the year ending 31 March 2014.

j. Significant changes in share capital:

(i) During the year ended 31 March 2010 the Company allotted 3,600,000 Equity Shares to one of the promoter group companies, YKM Holdings International Limited for a consideration of ₹ 2,186.71 million at a premium of ₹ 597.42 per share. The said preferential allotment was made in accordance with the provisions of the Companies Act, 1956 and Unlisted Public Companies (Preferential Allotment) Rules, 2003. Further during the year ended 31 March 2010, the Company applied the securities premium received on allotment of said shares for set off of share issue expenditure amounting to Rs 52.23 million incurred by it on the proposed Initial Public Offer. The expenditure has been set off with Securities Premium Account on the grounds that the expenses incurred by it in preparation and filing of DRHP were instrumental in sale of stake (GDRs in UK) by the promoters in the open market and subsequently invested in the Company.

(ii) During the year ended 31 March 2012, Company issued 1,500,000 Equity Shares of ₹ 10 each through rights issue to its existing shareholders aggregate to ₹ 675.00 million.

- k.** Central Government vide its letter no. A46555611-CL.VII dated January 13, 2010 has approved the remuneration of Mr. Y.K. Modi from 1 October 2008 to 19 December 2009. Accordingly a sum of ₹ 5.09 million was paid to whole time director. On recommendation of remuneration committee and Board of Directors, shareholders in their meeting on 1 December 2009 reappointed Mr. Y.K. Modi as Chairman and Managing Director w.e.f. 20 December 2009 for a further period of 5 years on the same terms and conditions as approved earlier by the Central Government. As per the provisions of Schedule XIII of the Companies Act, 1956, the Company filed necessary application with Central Government for approval of the remuneration amounting to Rs 4.12 million (excluding retirement benefits) paid in excess of the limits prescribed under Schedule XIII, which has since been approved.
- l.** The Company has transferred borrowing cost to wells in progress (Tangible assets) to the extent directly attributable to the acquisition or construction of qualifying assets and balance borrowing cost has been charged to Restated Summary Statements of Profit and Loss. Details are as follows:-

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Transferred to wells in progress	205.35	99.45	41.42	84.86	79.24
Charged to Restated Summary Statements of Profit and Loss	319.34	303.97	227.53	243.34	83.55
	524.69	403.42	268.95	328.20	162.79

- m. The Company has transferred depreciation to wells in progress (Tangible assets) and charged to Restated Summary Statements of Profit and Loss. Details are as follows:-

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Transferred to wells in progress	15.45	23.31	14.46	15.84	23.03
Charged to Restated Summary Statements of Profit and Loss	169.56	134.30	108.31	66.61	13.08
	185.01	157.61	122.77	82.45	36.11

- n. Capital work in progress includes capital inventory which is net of provision for obsolescence. Details are as follows:-

(₹ in Million)

	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Capital inventory	554.85	661.01	350.89	443.80	401.47
Less: Provision for obsolescence	(11.95)	(11.95)	(11.95)	(13.27)	-
Net capital inventory	542.90	649.06	338.94	430.53	401.47

- o. Due to significant volatility in the foreign currency vis-à-vis local currency, the Company has considered the foreign exchange fluctuation as an exceptional item in the Restated Summary Statement of Profit and Loss for the year ended 31 March 2012. The corresponding foreign exchange fluctuations pertaining to previous years presented has been regrouped only to make them comparable.
- p. The Company's foreign currency exposure on account of payable not hedged to the reporting currency is as follows:-

(₹ in Million)

Foreign currency	As at					
	31-Mar-13		31-Mar-12		31-Mar-11	
	Amount in foreign currency	Amount in rupees	Amount in foreign currency	Amount in rupees	Amount in foreign currency	Amount in rupees
USD	18.48	1005.35	23.74	1214.28	16.28	726.86
GBP	0.04	3.22	0.02	1.39	0.01	0.16
EUR	36.50	2538.21	32.31	2207.95	22.10	1397.60

Foreign currency	As at			
	31-Mar-10		31-Mar-09	
	Amount in foreign currency	Amount in rupees	Amount in foreign currency	Amount in rupees
USD	1.55	69.81	2.78	141.68
GBP	0.01	0.41	0.02	1.16
EUR	-	-	-	-

Above disclosures pertaining to the year ended 31 March 2010 and 31 March 2009 were not given in the audited financial statements of that year. The disclosure for this year, as above, is included by the management for comparative purposes.

- q.** Under the West Bengal Land Reforms Act, 1955 (“WBLRA”), the Company can own approx. 24.2 acres of land. Since the Company currently owns land in excess of the limit, it has applied for an exemption from this ceiling limit which is pending before the Land & Land Reforms Department, Government of West Bengal. In accordance with the WBLRA, any land owned in excess of the ceiling limit may vests in the government. In 2008, the Company applied for an exemption under WBLRA and further in 2012 the Company has again applied for the same. Pursuant to the notification of West Bengal Government, the Company has filed application for claiming the exemption and the matter is still pending with the State Government. The Company believes that the West Bengal government would either give the exemption to the Company or allow the Company to use the land on lease basis and, therefore, it will not have any significant financial impact.
- r.** The Company’s internal estimation of proved reserves considers original gas in place, as estimated by an external valuer, and applying an estimated recovery factor on the same, as clarified by the external valuer. The proved reserves mentioned by the external valuer in its report, as per the management, are not representative since the same consider only a limited portion of the field rather than the entire field. This is a highly technical matter, particularly considering the nature of unconventional oil and gas industry like CBM gas. The management has used the internally estimated proved reserve, as above, for the purposes of depletion. This has been certified by the management and relied upon by the auditors, being a technical matter.

Annexure V

Contingent liabilities

(₹ in Million)

Sr. No.	Particulars	Foot note reference	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010	As at 31 March 2009
1	Guarantees given by Company to its bankers		-	-	30.00	0.95	4.01
2	Claims made against the Company not acknowledged as debts (including interest, wherever applicable):						
(a)	Claims by Income tax Authorities	(i)	8.02	8.02	8.02	8.02	2.33
(b)	M/s Adkins Services Inc. (claims against the Company for loss of profit and damages, including interest thereon)	(ii)	592.62	556.35	520.07	483.78	447.50
(c)	M/s M.R Associates (claimed by Contractor along with interest)		1.26	1.15	1.04	0.93	0.81
(d)	M/s D.S. Steel (claimed by Contractor along with interest)		14.06	12.62	11.18	9.98	8.29
(e)	Government of India (Ministry of Petroleum & Natural Gas)	(iii)	10.19	9.33	12.57	11.70	10.84
(f)	Goel Construction (India) Limited (claimed by Contractor along with interest)	(iv)	30.26	30.26	30.26	30.26	-
(g)	Claims by Petroleum and Natural Gas Regulatory Board	(v)	5.00	5.00	5.00	-	-
(h)	Claims by Excise Department		40.92	19.92	8.45	-	-
(i)	Claims by Sales tax Authorities		4.18	4.18	-	-	-
(j)	Production level payment	(vi)	16.57	-	-	-	-
(k)	Other claims, to the extent quantified		1.01	1.01	1.01	-	-

Also refer to footnote (vii) regarding a claim for ₹ 2,686.80 million

Future cash outflows in respect of the above would be determinable on finalization of judgments/ decisions pending with various forums/ authorities.

Foot notes:-

(i) (a) In respect of demands of income tax, the cases has been decided in favour of the Company during the year by Commissioner of Income Tax (Appeals) / ITAT, as the case may be. The Company continues showing contingent liability for these cases despite receiving favourable orders, since the Company believes that the Department may file appeal with higher authorities against the said orders.

(b) On 25 March 2013, in respect of the assessment year 2010-11, the Assessing Officer (Income-tax) passed an assessment order under section 143(3) of the Income tax Act and has made an addition amounting to ₹ 0.86 million and ₹ 1.90 million on account of disallowance of depreciation and under section 41(1) of Income tax act respectively. However, no demand has been raised since the Company has incurred loss in that year. The Company is in the process of filing an appeal with the Commissioner of Income Tax (Appeals) in this regard.

(ii) The Company has made a claim of ₹ 198.05 million along with interest at a fixed rate, for damages on account of delays in provision of services by M/s Adkins Service Inc. ('Adkins' or 'Contractor'). The contract with Adkins was terminated by the Company on the grounds of non-performance and continued breach of contract.

The Contractor had filed a counter claim of ₹ 241.90 million, excluding interest, against the Company, for loss of profit, damages, etc. which the Company has disputed. The Contractor had also further claimed interest with retrospective effect at a fixed rate till the date of realization of its claim along with cost incurred on litigation. Besides this, the Contractor has also filed other complaints against the Company and its directors/ employees. The Company had filed an application before the Hon'ble Calcutta High Court for the appointment of Presiding Arbitrator for the arbitral proceedings. The Arbitration proceedings are in process. On 6 December 2012, Adkins filed an application before the Hon'ble Calcutta High Court to appoint the Presiding Arbitrator as the present Presiding Arbitrator had resigned from his post during the year ended 31 March 2012. The Arbitrator is yet to be appointed.

(iii) The Company entered into an Exploration and Production Contract with Government of India (GOI), Ministry of Petroleum & Natural Gas in the year 2001, pursuant to which, a Production Sharing Contract (PSC) was signed between GOI and the Company to carry out CBM operations in the contract area. In terms of the said contract, the Company was required to pay a signature bonus of US \$ 0.3 Million to GOI on signing of the PSC in 2001, and also the amount of ₹ 10.00 million already paid by it to Coal India Limited in 1994, was to be adjusted against such amount. After signing of the PSC, Ministry of Petroleum & Natural Gas on the basis of the exchange rate applicable on the date of the contract, has worked out the signature bonus as ₹ 14.10 million and claimed the balance amount of ₹ 4.10 million after adjusting the amount of ₹ 10.00 million, which has been opposed by the Company. In the opinion of the management, no further amount is payable in this regard as the prevailing rate on the date of payment of such amount (₹ 10.00 million) was applicable and not the rate prevailing on the date of the contract.

This dispute has been referred to arbitration pursuant to the terms and conditions of the said contract and the Company filed a claim for refund of ₹ 0.63 million along with fixed interest of 21% from 27 January 1994. GOI filed a counter claim of above mentioned amount of ₹ 4.10 million along with interest at the rate of 21% from 31 May 2001.

During the year ended 31 March 2012, the said matter had been decided by the Arbitral Tribunal, against the Company. The Company had been directed to pay a sum of ₹ 4.10 million along with applicable interest. The Company had made a provision of ₹ 4.10 million during the year ended 31 March 2012 and had filed a review application to the tribunal requesting for waiver of interest. Accordingly, the interest amount has been considered as contingent liability.

(iv) One of the Contractors, Goel Construction (India) Limited, had filed a suit against the Company claiming a sum of ₹ 30.26 million towards unpaid amount under the contract and damages for unlawful termination of contract for construction of office building at Asansol. The Company has disputed the claim of the Contractor and has initiated criminal proceeding against the Contractor and its employees, for breach of trust and for putting the life of employees of the Company at risk by undertaking faulty electrical wiring.

Rather than agreeing to the prayer of Contractor for stay on construction and engaging third party Contractor, the Court has decided against the pray and had granted status quo over machinery and material belonging to the Contractor. This does not adversely affect the Company in any manner. The legal proceedings are in progress and the Company is of the strong opinion that the claim of the said Contractor is not tenable and no amount is payable under the suit.

(v) Petroleum and Natural Gas Regulatory Board (PNGRB) in its order dated 18 March 2011 has imposed a civil penalty for laying down pipeline in alleged contravention with the PNGRB guidelines/directions, of ₹ 2.50 million, with an additional penalty of ₹ 0.10 million per day from the date of commencement of laying and building of pipeline or the date of the decision of the Board that the pipeline proposed by the Company did not fall within the definition of 'dedicated pipeline', whichever is later.

PNGRB issued notice to the Company on 3 December 2010 to stop incremental activity of laying pipeline in Durgapur area. The Company objected to PNGRB's notice on the ground that the pipeline laid by the Company is neither a 'Common Carrier' nor a 'Contract Carrier', but a dedicated pipeline and challenged the jurisdiction

of PNGRB on this matter. As per the provisions of Production Sharing Contract (PSC) signed with GOI on 31 May 2001, the Company is authorised to lay, build, operate and expand the pipelines within and outside the contract area. The Company has obtained legal opinion on the above matter. As per the opinion, pipeline laid by the Company is pursuant to terms and conditions as specified in the PSC which principally governs the entire project and, in particular, laying of pipeline.

The Company approached the Hon'ble High Court of Delhi against the order of PNGRB. The Hon'ble High Court after hearing the matter on 25 March 2011 has asked the Company to deposit an amount of ₹ 5.00 million with the Court pending the final decision on the matter. The Company has also obtained a legal opinion whereby Company can continue laying the spur line from main line for supply of gas. The Company has already deposited an amount of ₹ 5.00 million pending final decision of the matter.

(vi) During the year, Directorate General of Hydrocarbons (DGH) demanded additional PLP (Production linked payments) of ₹ 5.84 million and ₹ 10.73 million for the financial years ended 31 March 2011 and 31 March 2012 respectively disallowing compression and transportation cost. The contention of DGH was that the Company has not obtained any approval for compression and transportation from any authority as mentioned in the approval letter dated 14 February 2007. The Company has obtained price approval from MoPNG as per the provisions of the CBM contract. The Company believes that none of the clauses of CBM contract dated 31 May 2001 makes it mandatory on the Company to seek any further approval before claiming any deductions from any entity/authority. The Company has clarified the position to DGH and has not received further communication from them.

(vii) Besides the above, on 12 December 2009, The Company and SAIL entered into an agreement for supply of CBM Gas to SAIL. Subsequently, SAIL discontinued the intake of gas in breach of the terms of the agreement. The Company issued letter dated 12 November 2010 calling upon SAIL to release payments to the tune of ₹ 27.03 million against the debit notes dated 12 November 2010 for insufficient notice period. SAIL, vide letter dated 1 December 2010, refused to release payments to the Company with regard to the debit notes issued by the Company. The Company is of the view that conduct of SAIL is illegal and in violation of Clause 15 of the Agreement, as no sufficient notice period was given before stoppage of supply. Further, the Company has raised debit notes/ invoices for the period from 26 November 2010 to 31 October 2012 for insufficient notice period.

The Company has filed a claim petition for an amount of ₹ 36.05 million (inclusive of interest @ 15% from November 2010 till the time of filing of the petition). SAIL has also raised counter claim for Rs 2,686.80 million

As per the legal advice received by the Company, claim of SAIL is purely for indirect and consequential losses and loss of profit which is contrary to the Agreement dated 12 December, 2009. In view of the management, SAIL had never within the contractual relationships between the parties raised any dispute with regard to any losses suffered by SAIL and, therefore, the counter claim of SAIL is purely fictitious and untenable.

Annexure VI

Statements of dividends declared

The Company has not paid any dividends in respect of the five years ended 31 March 2013

Annexure VII

Restated Statement of Long Term Borrowings

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Long term borrowings					
Secured term loans from banks:-					
Indian rupee loans	2,722.23	1,397.30	1,704.11	2,140.11	1,802.35
Foreign currency loans	719.34	1,008.57	814.10	397.50	-
External commercial borrowings	2,538.21	2,193.71	1,397.60	-	-
Vehicle loans	3.50	6.01	-	1.33	2.54
Secured term loans from others:-					
Indian rupee loans	-	-	-	-	357.50
	5,983.28	4,605.59	3,915.81	2,538.94	2,162.39
Less: Current portion	994.67	530.08	211.29	24.43	1.21
	4,988.61	4,075.51	3,704.52	2,514.51	2,161.18

Notes:

a. During the year ended 31 March 2008, the Company had entered into a term loan agreement with a consortium of banks and non banking financial company for ₹ 2,750.00 million and 750.00 million respectively. As of 31 March 2008, 31 March 2009 and 31 March 2010 the Company has drawn down ₹ 745.96 million, ₹ 2,159.85 million and ₹ 3,205.11 million respectively. The term loan was repayable in 18 quarterly installments commencing from 15 March 2011. The Company has repaid the term loan taken from non-banking financial Company amounting to ₹ 667.50 million during the year ended 31 March 2010.

During the years ended 31 March 2010, 31 March 2011 and 31 March 2012 and 31 March 2013, the Company has converted Indian rupee loan amounting to Rs 417.57 million, ₹ 416.60 million, ₹ 1,016.84 million and ₹ 922.13 million to foreign currency loan. The other terms and conditions including security and repayments terms for the foreign currency loan remain the same as secured Indian rupee loan.

Term loans (Indian rupee loan and foreign currency loan) secured by:-

i) First mortgage and charge over all the immovable properties and assets of the Company and property situated at Mouza Ishwarpura, Taluka Kadi, District Mehsana, in the state of Gujarat, both present and future;

ii) First charge by way of hypothecation on all the movables (including movable plant and machinery, machineries spares, tools and accessories and other current assets) of the Company, both present and future;

iii) First ranking charge on the Participating Interest of the Company under Raniganj Coalfields Production Sharing Contract (PSC);

iv) Assignment of (a) all the project documents in relation to the contract area; (b) all the rights, title, interest, benefits, claims and demands, whatsoever, of the Company in the project documents, any letter of credit, guarantee or performance bond that may be provided by any party to any project document in favour of the Company, all as amended, varied or supplemented from time to time; and (c) all the rights, title, interest, benefits, claims and demands, whatsoever, of the Company in or under the authorization;

v) First charge on all receivables and the bank accounts including, without limitation, the Project Capex Account, Trust and Retention Account and each of the other accounts required to be created by the Company in accordance with the Financing Documents; and

vi) First charge on the intangible (including but not limited to any know how rights, patents and goodwill) and rights thereto of the Company, both present and future.

The aforesaid mortgage and charge shall rank pari-passu with mortgages and charges created/to be created in favour of the participating institutions/ banks to the project.

b. During the year ended 31 March 2011, the Company had been sanctioned External Commercial Borrowings ('ECB') facility of EUR 36.50 million from ICICI Bank Ltd., Bahrain. Out of the sanctioned facility, the Company had drawn EUR 22.10 million on 29 December 2010, EUR 10 million on 7 July 2011 and EUR 4.4 million on 19 April 2012. The above loan is repayable 10 half yearly installment commencing from 31 March 2014.

During the year ended 31 March 2012, the Company and the lender agreed to make certain changes in the terms and conditions of the original deed of hypothecation. As per the amended and restated deed of hypothecation, the Company has primarily hypothecated the following assets as security, as and by way of first charge in favour of the lender:

(i) All rights, titles, interests, benefits, claims, and demands, whatsoever of the Company, into, under and/or in respect of the Project Documents and the Clearances (both of the above hereinafter referred to as the "Contracts"), (collectively, the "First Hypothecated Properties");

(ii) All and singular the movable properties, accounts, plant and machinery, all other tangible movable assets (both present and future) together with all benefits, rights and incidentals attached thereto which are now or shall at anytime hereafter be owned by the Company and the uncalled capital, intellectual property/ intellectual property rights, goodwill, permitted investments and all the other investments, rights, title and interest in the undertakings of the Company and all rights, titles, interest, property, claims and demands, whatsoever of the Company, unto and upon the same, whether presently in existence, constructed or acquired hereafter (collectively, the "Second Hypothecated Properties");

(iii) All amounts, revenues, receipts and other receivables owing to, and received by, the Company from whosoever person, all rights, titles, interest, benefits, claims and demands whatsoever of the Company in, to or in respect of all amounts owing to and received by, the Company from whomsoever person, including any amounts received by the Company under contract guarantees, performance bonds, letter of credit or receivables from the shareholders of the Company or otherwise, which description shall include all properties of the above description, including the accounts in which such amounts are held (including the Project Accounts), whether presently in existence or acquired hereafter. but excluding the Distribution Account (collectively the "Third Hypothecated Properties");

(iv) All amounts, revenues, receipts owing to/receivable and/or received by, the Company in relation to the Project or otherwise and all rights, titles, interest, benefits, claims and demands whatsoever of the Company in to or in respect of all amounts owing to/receivable and/or received by, the Company, both present and future, which description shall include all properties of the above description whether presently in existence or acquired hereafter (collectively, the "Fourth Hypothecated Properties") and

(v) By way of a first charge, all the other movable assets of the Company both present and future including the Distribution Account [other than the property effectively charged pursuant to the provisions of Sub-clause (i) through (iv) above], (collectively, the "General Assets") provided that the charge created over the General Assets shall rank as a floating charge and shall not hinder the Company from dealing with the same or any part thereof in the ordinary course of its business in accordance with the terms of the Financing Documents and free of liens in each case unless the dealings have been restricted in accordance with the terms or its Deed or otherwise or the charge gets converted into a fixed charge and subject to and only as expressly permitted by the Financing Documents. The Company shall not, without the prior written consent of the lender, create or attempt to create any mortgage, charge, lien, pledge or hypothecation upon the general assets.

The security interest created by the Company in favour of the lender on the hypothecated property by the deed rank pari-passu with the security interest created/to be created in favour of existing lenders and parallel lenders.

c. During the year ended 31 March 2009, the Company took vehicle loan of ₹ 3.7 million which was repaid in 34 monthly installments till 31 March 2011. During the year ended 31 March 2012, Company took another vehicle loan of ₹ 7.8 million which is repayable in 36 monthly installments. Vehicle loans are secured by way of hypothecation of specific vehicles.

d. During the previous year ended 31 March 2012, the Company had been sanctioned Rupee Term Loan Facility of ₹ 2,450.00 million from consortium of banks. During the year ended 31 March 2013, the Company has drawn ₹ 1,495.50 million. The above term loan is repayable in 22 quarterly installments commencing from 31 December 2014. As per the credit arrangement letter, the facility shall be secured by first ranking charge/

hypothecation/ mortgage/ assignment/ pledge/ security/ interest on the following, related to the project:

i) All the immovable properties (including leasehold rights in case of leasehold land) and assets of the borrower, present and future, in relation to the CBM project and all immovable properties of the borrower situated at Mouza Ishwarapura, Taluka Kadi, District Mehsana, Gujarat;

ii) All the borrower's movable properties and assets (including intangible assets) in relation to the CBM project, present and future, including but not limited to plant and machinery, machinery spares, tools, spares, accessories and current assets;

iii) All book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising of the borrower and all intangibles, goodwill, uncalled capital of the borrower, present and future, relating to the CBM project;

iv) All accounts of the borrower wherever maintained, present and future, including but not limited to the Trust and Retention Account together with all accounts/ sub-accounts thereof, including Debt Service Reserve Account; and

v) All rights, title, interest, benefits, claims and demands whatsoever of the borrower, present and future, in, to and in respect of the project documents including (but not limited to) all insurance contracts, clearances and CBM contract(s), and any letters of credit, guarantees or performance bonds provided by any party to any project documents in favour of the Borrower and all benefits incidental thereto.

The aforesaid security will rank pari-passu with the security interest to be created in favour of participating lenders.

Repayment schedule for loans outstanding as at 31 March 2013 are as follows:-

Category of loan	Repayment terms	Date of Maturity	Rate of Interest	Repayment in no. of installments (remaining)	Amount of each installment (₹ in Million)
Indian rupee loan [refer (a) above]	Quarterly	15-Jun-15	Prime lending rate +/- 0.25% and base rate +3.5%, as the case may be	9	136.30
Indian rupee loan [refer (d) above]	Quarterly	31-Mar-20	Base rate + 3%, base rate + 2.5% and base rate + 2.55% as the case may be	4 10 7 1	48.05 48.06 102.82 102.94
Foreign currency loan [refer (a) above]	Quarterly	15-Jun-15	6 months Libor + 650-1000 bps	9	79.93
External commercial borrowing [refer (b) above]	Half yearly payment starting from 31 March 2014	30-Sep-18	Margin 3.90% + 6 month EURIBOR	2 6 2	126.91 253.82 380.73
Vehicle loan [refer (c) above]	Monthly	5-Jun-14	9.72%	15	0.25
					(Including interest)

Annexure VIII

Statements of accounting ratios based on Restated Summary Financial Statements

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Restated profit/(loss) after tax available for equity shareholders (Rupees in million) (A)	358.49	(55.96)	(17.81)	(392.82)	(275.39)
Net worth at the end of the year, as restated (Rupees in million) (B)	4,262.04	3,890.68	3,287.95	3,300.88	1,558.32
Weighted average number equity shares outstanding during the year (refer note 2 and 5 below) (in no.'s) (C)	59,561,950	58,410,311	58,061,950	57,144,690	54,461,950
Weighted average number equity shares and dilutive potential equity shares outstanding during the year (refer note 2 and 5 below) (D) (in no.'s)	59,561,950	58,410,311	58,061,950	57,144,690	54,461,950
Total number of equity shares outstanding at the end of the year (E) (in no.'s)	59,561,950	59,561,950	58,061,950	58,061,950	54,461,950
Earnings per equity share (refer note 3 below)					
- Basic (A) / (C)	6.02	(0.96)	(0.31)	(6.87)	(5.06)
- Diluted (A) / (D)	6.02	(0.96)	(0.31)	(6.87)	(5.06)
Return on net worth (%) (A) / (B)	8.41%	-1.44%	-0.54%	-11.90%	-17.67%
Net asset value per share (in rupees) (B) / (E)	71.56	65.32	56.63	56.85	28.61

Notes:

1. The ratios have been computed as follows:

- a) Earnings Per Share (Basic) Restated net profit attributable to equity shareholders
Weighted Average number of equity shares outstanding during the year
- b) Earnings Per Share (Diluted) Restated net profit attributable to equity shareholders
Weighted Average number of diluted equity shares outstanding during the year
- c) Return On Net worth (%) Restated net profit after tax
Net Worth at the end of the year
- d) Net Asset Value per Share Net Worth at the end of the year
Equity shares outstanding at the end of the year

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 calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' prescribed by Companies (Accounting Standards) Rules, 2006.

4. Net worth for ratios mentioned in 1(c) and 1(d) represents sum of Equity Share Capital and Reserve and Surplus (securities premium, shares option outstanding account, foreign currency monetary item translation difference and surplus in the Restated Summary Statements of Profit and Loss).

5. During the year ended 31 March 2010, the Company consolidated its equity shares from face value of Re. 1 to ₹ 10 each. The Consolidation was approved by the shareholders in Annual General meeting held on July 3, 2009. Accordingly the number of shares disclosed and used for computation of EPS for years presented above has been restated to reflect the consolidated face value of shares.

Annexure IX

Capitalisation statement as at 31 March 2013

	Pre-issue	Post-issue (refer note 1)
Long term debts (including current maturities)	5,983.28	
Total long term debts (A)	5,983.28	
Shareholders' funds		
Share capital	595.62	
Reserves and surplus		
- Securities premium	4,245.07	
- Stock option outstanding account	3.34	
- Surplus / (Deficit)	(581.69)	
Total shareholders' funds (B)	4,262.34	
Long term debt equity ratio (A/B)	1.40	

Notes:-

1. The post issue debt equity ratio will be computed on the conclusion of the book building process.

2. Long term debt equity ratio =
$$\frac{\text{Long term debt}}{\text{Total shareholders' funds}}$$

3. Shareholders' funds do not include amount on account of Foreign currency monetary item translation difference.

Annexure X

Statements of Tax Shelter

(₹ in Million)

Particulars	Year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Profit/ (loss) before current and deferred taxes, as restated (A)	378.76	(55.96)	(17.81)	(392.82)	(272.29)
Chargeable at normal rate	-	-	-	-	-
Chargeable at MAT rate	159.84	-	-	-	-
Tax rate - Normal	32.45%	32.45%	33.22%	33.99%	33.99%
Tax rate - MAT	20.01%	20.01%	19.93%	17.00%	11.33%
Permanent differences					
Share option	0.28	0.20	1.20	0.90	0.70
Total (B)	0.28	0.20	1.20	0.90	0.70
Timing differences					
Difference between book depreciation and tax depreciation	(516.18)	(580.67)	(590.32)	(444.78)	(383.99)
Provision for gratuity	2.06	1.13	0.66	1.21	0.17
Provision for superannuation	1.68	1.39	1.28	1.12	0.58
Provision for leave encashment	1.26	1.15	1.18	3.05	0.15
Disallowance of MTM loss	69.56	207.42	6.11	(10.67)	7.99
Provision for inventory obsolescence	-	-	-	12.65	-
Carried forward business losses and unabsorbed depreciation	60.56	432.76	607.51	836.62	646.97
Others	2.02	(7.42)	(9.81)	(7.28)	(0.28)
Total (C)	(379.04)	55.76	16.61	391.92	271.59
Net adjustments (D) = (B) + (C)	(378.76)	(55.96)	17.81	392.82	272.9
Reversal of deferred tax income/expenses due to tax holiday period under section 80IB [refer to note 4(i) of Annexure IV] (E)	25.13	(553.91)	(8.55)	(27.01)	0.83
Net timing difference (F) = (C) + (E)	(353.91)	(498.14)	8.06	364.91	272.43
Deferred tax expense for the year recognised to the extent deferred tax asset not available (G)	18.20	-	-	-	-
Deferred tax income / (expense) thereon for the year not recognised [Refer to note 4(f) of Annexure IV]	(96.63)	(161.56)	2.68	124.34	92.83
Tax expense at applicable tax rate (H)	31.98	-	-	-	-
Interest on tax payments	2.07	-	-	-	-
Current tax expense	34.05	-	-	-	-
Savings due to MAT credit (I)	(31.98)	-	-	-	-
Deferred tax expense	18.20	-	-	-	-
Total tax expense	20.27	-	-	-	-

Note:

1. The figures disclosed above are based on the Restated Summary Statements of Profit and Loss of the Company.

2. The Company has revised its Income tax return pertaining to assessment year 2012-2013 due to correction of inadvertent error in reporting of brought forward loss and unabsorbed depreciation figures for the assessment years 2007-08 and 2008-09. This has resulted in revision in brought forward loss and unabsorbed depreciation by ₹ 28.66 million and ₹ 72.76 million respectively. This has been adjusted in the respective years in the above table. However, this does not have any impact on the profit/ (loss) of the respective years.

3. Above disclosures pertaining to the years ended 31 March 2009 and 31 March 2010 were not given in the audited financial statements of the respective years.

Annexure XI

Restated Statements of Trade Receivable

(₹ in Million)

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Receivables outstanding for a period exceeding six months from the date they become due for payment					
Unsecured, considered good	1.53	0.52	-	-	-
Other receivables					
Unsecured, considered good	58.82	50.37	34.33	30.11	2.28
Secured, considered good	-	-	-	0.10	-
Total	60.35	50.89	34.33	30.21	2.28

Note:

There are no outstanding balances from Directors / Promoters / Associate Companies / Relatives of Promoters.

Annexure XII

Restated Statements of Loans and Advances

(₹ in Million)

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Loans and advances					
(a) Long-term loans and advances					
(Unsecured considered good unless otherwise stated)					
Capital advances	71.84	49.79	32.22	11.50	34.49
Loans and advances to related parties*	3.38	2.91	2.91	2.91	1.97
Security deposits	2.25	1.92	0.88	0.47	0.55
<i>Other loans and advances</i>					
Prepaid expenses	5.16	3.11	2.11	1.18	1.02
Advance to employees	0.12	0.11	0.03	4.11	4.01
Amount deposited with Government agencies under protest	10.83	9.63	-	-	-
MAT credit entitlement	31.98	-	-	-	-
Advance tax(includes advance fringe benefit tax)	17.68	17.68	10.95	8.46	17.52
Service tax receivable					
Unsecured, considered good	3.12	6.70	7.63	5.58	47.54
Unsecured, considered doubtful	-	-	-	4.72	3.74
Less: Provisions	-	-	-	(4.72)	(3.74)
	3.12	6.70	7.63	5.58	47.54
Long-term loans and advances	146.36	91.85	56.73	34.21	107.10
(b) Short-term loans and advances					
(Unsecured considered good unless otherwise stated)					
Security deposits	0.64	0.64	0.64	0.64	1.39
<i>Other loans and advances</i>					
Prepaid expenses	3.86	3.16	2.86	2.00	46.74
Advance to employees	0.71	4.79	4.79	0.60	0.31
Service tax receivable	4.80	3.60	4.00	2.00	1.00
Vat receivable	-	-	-	-	1.68
Others	0.08	0.23	0.33	0.08	1.20
Short-term loans and advances	10.09	12.42	12.62	5.32	52.32
Total loans and advances	156.45	104.27	69.35	39.53	159.42

*Loans and advances to related parties include advance rent and security deposits receivable from YKM Holding Private Limited, in which a director of the Company is a director and a member.

Annexure XIII

Statements of Investments

Particulars	No of shares / units					Value of investments (₹ in million)				
	As at					As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Non-trade										
Non-current investments										
Other Investments (unquoted)										
Equity shares of Great Eastern Energy City Gas Private Limited of ₹ 10 each fully paid	1,000	1,000	1,000	-	-	0.01	0.01	0.01	-	-
						0.01	0.01	0.01	-	-
Current investments										
Investments in mutual funds (valued at lower of cost and fair value) (unquoted)										
Birla Sun Life Dynamic Bond Fund	-	-	-	26,401,537	-	-	-	-	400.03	-
HDFC HIF STP	-	-	-	1,754,692	-	-	-	-	31.65	-
Templeton India STP	-	-	3,958	305,368	-	-	-	7.13	550.02	-
SBI SHF Ultra Short Term Fund	-	-	-	84,479	-	-	-	-	1.00	-
						-	-	7.13	982.70	-
Total						0.01	0.01	7.14	982.70	-
Aggregate book value of unquoted investments						0.01	0.01	7.14	982.70	-

Annexure XIV

Statements of Related Parties and Related Party Transactions

Information on Related Party Disclosures as per Accounting Standard (AS-18) of Institute of Chartered Accountants of India on Related Party Disclosures is given below:

Related parties where control exists:

The Company is controlled by Mr. Yogendra Kr. Modi, who is also the Company's ultimate controlling party.

Other related parties with whom transactions have taken place during the years and the nature of related party relationship:

1) Shareholders having significant influence	YKM Holdings Private Limited YKM Holdings International Limited (w.e.f. 10 September 2010)
2) Key management personnel	Mr. Y.K Modi, Chairman and CEO
3) Relative of key management personnel	Mr. Prashant Modi, President and COO Mrs. Asha Modi
4) Entities controlled/influenced by related parties (in (2) and (3) above)	YKM Holdings International Limited Great Eastern Energy City Gas Private Limited (GEECGPL) (w.e.f. 1 May 2008) Yogender Kumar Modi (HUF) (until 15 September 2010)

(₹ in Million)

Nature of Transaction	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Entities having significant influence					
<i>YKM Holdings Private Limited</i>					
Expenses reimbursed	0.01	-	0.04	-	0.08
Lease rental paid	7.59	7.07	6.73	6.41	4.33
Advance rent	0.23	-	-	0.47	-
Security deposit paid	0.23	-	-	0.47	-
Payment for services rendered	-	-	-	-	0.21
Loan taken	-	-	-	7.00	-
Loan repaid	-	-	-	7.00	-
Interest on loan	-	-	-	0.16	-
Entities controlled / influenced by related party					
<i>YKM Holdings International Limited</i>					
Share capital issued	-	667.27	-	2186.71	-
<i>Great Eastern Energy City Gas Private Limited</i>					
Guarantee given	-	-	30.00	-	-
<i>Yogendra Kr. Modi (HUF)</i>					
Loan taken	-	-	-	2.00	-
Loan repaid	-	-	-	2.00	-
Interest on loan	-	-	-	0.02	-
Key Managerial Personnel					
<i>Yogendra Kr. Modi</i>					
Salaries and allowances	18.24	18.36	18.88	23.22	9.30
Post retirement benefit	4.39	5.88	5.34	9.42	1.49
Relative of Key Managerial Personnel					

Nature of Transaction	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
<i>Prashant Modi</i>					
Salaries and allowances	10.75	10.83	10.51	11.20	4.09
Post retirement benefit	2.62	2.68	2.47	2.88	0.78
<i>Asha Modi</i>					
Share of GEECGPL purchased	-	-	0.01	-	-

(₹ in Million)

Balance at the year end	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Entities having significant influence					
<i>YKM Holdings Private Limited.</i>					
Receivable	3.38	2.91	2.91	2.91	1.97
Entities controlled / influenced by related party					
<i>Great Eastern Energy City Gas Private Limited</i>					
Guarantees	-	-	30.00	-	-
Key Managerial Personnel					
<i>Yogendra Kr. Modi</i>					
Payable	0.91	0.81	1.33	-	0.67
Relative of Key Managerial Personnel					
<i>Prashant Modi</i>					
Payable	0.60	0.42	1.61	0.35	0.37

Annexure XV

**Restated Summary Statements of Revenue from Operation, Other Operating Revenue, Other Income,
Employee Benefit Expenses, Finance Cost and Other Expenses**

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Revenue from operations					
Sale of gas					
Coal bed methane	1,546.98	1,062.06	579.73	109.73	30.75
Compressed natural gas	32.32	20.91	13.57	7.61	1.44
	1,579.30	1,082.97	593.30	117.34	32.19
Other operating revenue					
Minimum guarantee offtake	2.55	34.39	1.09	-	-
Others*	-	-	17.20	-	-
	2.55	34.39	18.29	-	-
Other income					
Interest on fixed deposits (refer note (a) below)	21.25	22.19	3.38	-	-
Interest on income tax refund#	-	0.05	-	0.93	1.56
Interest (others)**	1.44	2.85	0.72	1.58	1.80
Profit on sale of assets#	-	-	0.19	-	0.02
Income from sale of scrap**	0.82	0.34	0.08	3.52	-
Provisions/liabilities no longer required written back#	-	16.30	-	16.16	3.62
Profit on sale of current investments (current non-trade) (refer note (a) below)	-	0.92	46.69	9.34	-
Miscellaneous Income#	1.29	0.47	0.74	0.65	0.94
	24.80	43.12	51.80	32.18	7.94

* Others represent ₹ 17.20 million as penal charges against a customer in terms of the related contract.

** These items of other income are usually of recurring nature

These items of other income are usually of non recurring nature

(a) Interest on fixed deposit and profit on sale of current investments are dependent on the level of funds invested by the Company during the respective years.

(b) All the items of other income normally relate to activities other than principal business activities of the Company.

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Employee benefits expense					
Salaries, wages and bonus	113.63	97.84	77.42	72.13	46.69
Contribution to provident funds	5.49	4.73	3.75	3.32	2.01
Expense for share based payment	0.35	0.19	1.20	0.90	0.70
Staff welfare expenses	0.60	0.49	0.47	0.42	0.48
	120.07	103.25	82.84	76.77	49.88

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Finance cost					
Interest on term loans	289.38	278.25	223.70	243.34	83.55
Other borrowing cost					

Loan originating cost	6.01	3.28	3.83	-	-
Applicable net gain/loss on foreign currency transactions and translation	23.95	22.44	-	-	-
	319.34	303.97	227.53	243.34	83.55

(₹ in Million)

	For the year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Other expenses					
Stores and spares consumed	63.64	37.91	26.82	16.96	27.48
Power and fuel	0.77	0.45	0.49	0.55	0.53
Rent	9.69	7.88	7.03	6.93	7.19
Repairs and maintenance					
- building	0.21	0.89	0.50	0.06	0.03
- plant and machinery	22.86	18.86	12.07	10.53	4.21
- others	17.83	12.71	10.87	4.42	6.33
Insurance	2.38	2.46	2.53	1.72	2.18
Rates and taxes	2.44	2.85	1.44	1.03	2.43
Workover expenses	22.83	17.33	12.23	4.57	11.66
Outward freight	12.21	14.07	12.58	8.45	6.14
Royalty	94.13	64.77	36.56	7.17	2.11
Production level payments	23.53	16.19	9.14	1.79	0.53
Postage, printing and stationery	0.89	0.94	0.91	0.74	0.74
Communication	4.36	4.45	4.47	4.44	4.05
Travelling and conveyance	21.76	19.61	18.36	18.59	19.45
Fee and legal expenses	7.78	8.43	6.38	8.15	7.44
Freight and cartage	0.35	0.25	0.05	0.03	0.05
Equipment hiring charges	15.63	14.29	8.75	3.86	3.96
Director's fees	0.70	0.46	0.56	0.34	0.56
Advertisement and publicity	0.34	0.12	0.12	0.36	0.63
Auditor's remuneration	2.37	1.89	1.71	5.74	3.49
Consultancy	39.67	48.74	25.17	19.62	25.41
Security expenses	41.53	31.18	15.19	8.22	4.95
Conference and subscription	3.83	3.73	2.88	3.71	3.43
Loss on sale of assets	0.12	0.08	-	0.26	-
Business promotion expenses	3.93	2.56	1.33	1.55	1.47
Well testing charges	0.22	0.56	0.39	0.43	0.53
Community development expenses	4.31	1.93	2.44	1.65	0.61
Mobilisation/demobilisation expenses	-	0.20	0.14	0.03	0.52
Provision for service tax receivable	-	-	-	0.99	3.74
Provision for inventory obsolescence	-	-	-	13.27	-
Survey and information expense	-	-	-	1.32	-
Commission on sale	1.12	0.82	0.49	0.28	0.05
Bank charges	1.44	5.91	0.79	1.82	1.48
Bad debt written off	22.27	-	-	-	-
Right of use expenses	0.91	1.12	1.26	1.12	0.18
Miscellaneous expenses	3.73	3.62	1.43	3.05	2.27
	449.78	347.26	225.08	163.75	155.83

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF OUR COMPANY

The following discussion and analysis of our financial condition and results of operations is derived from, and should be read in conjunction with, our restated financial statements as of and for the Fiscal Years ended March 31, 2011, 2012 and 2013, including the schedules, annexures and notes thereto and the reports thereon, beginning on page 171 of this Draft Red Herring Prospectus. These financial statements are based on our audited financial statements and are restated in accordance with paragraph B(1) of Part II of Schedule II to the Companies Act and the SEBI Regulations. Our audited financial statements are prepared in accordance with Indian GAAP, which differs in certain material respects from International Financial Reporting Standards and U.S. GAAP.

For purposes of this discussion, references to "Fiscal Years" or "Fiscal" are to the 12 month periods ended March 31, 2011, 2012 and 2013, as the case may be.

The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. For additional information regarding such risks and uncertainties, see "Forward-Looking Statements" and "Risk Factors" beginning on pages 15 and 16, respectively.

Overview

We are the first company to commercially produce natural gas from coal seams, commonly known as coal bed methane ("CBM"), in India. We focus on the exploration, development, production, distribution and sale of CBM. Our operational asset is a 100.0% participating interest in a license area, the Raniganj (South) block in West Bengal, for which we hold exploration, development and production rights until 2036. Additionally, we also hold exploration, development and production rights in the Mannargudi block in Tamil Nadu until 2046, subject to certain conditions discussed in "—Our Blocks—Mannargudi Block" and we have recently been awarded a 25.0% participating interest in the Raniganj (North) block along with ONGC.

We produce CBM from the Raniganj (South) block, which has an estimated original gas-in-place of 2.40 tcf and net proved reserves ("1P"), proved and probable reserves ("2P") and proved, probable and possible reserves ("3P") of 46.9 bcf, 121.8 bcf and 242.2 bcf, respectively, as of February 28, 2013, according to the Resource and Reserve Assessment.

For the Fiscal Years 2013, 2012 and 2011, we produced 88.02 mmscm, 70.04 mmscm and 41.36 mmscm, and sold 75.75 mmscm, 56.56 mmscm and 30.12 mmscm, of CBM (including CNG for automobiles), respectively. As of March 31, 2013, we had contracts and memoranda of understanding with aggregate commitments by customers to purchase up to 1.13 mmscmd of CBM, as compared to production of 88.02 mmscm (0.24 mmscmd) of CBM for the Fiscal Year 2013.

In July 2007, we began producing CBM commercially at the Raniganj (South) block and, in July 2012, we completed drilling 100 wells and constructing the distribution infrastructure, including gas gathering stations, and underground MDPE pipelines connecting the wells, such gas gathering stations and the central gathering station and steel pipeline connecting our customers' operations. In 2012, we received approval for drilling an additional 200 wells, at a pace of over 40 wells drilled each year, and expanding our logistics operations and pipeline network, which we expect to complete by the Fiscal Year 2017.

In total, our existing operations at the Raniganj (South) block, as of July 31, 2013, included 153 drilled wells, including 137 that are producing and dewatering, a dedicated steel pipeline network of over 110 kilometers, MDPE pipelines of over 119 kilometers, two gas gathering stations, one central gathering station and seven compressed natural gas ("CNG") dispenser outlets, providing us with infrastructure that allows us to distribute CBM by pipeline to Kulti and along the Asansol-Raniganj-Durgapur industrial belt and CNG to regional fueling stations.

As of August 31, 2013, we supplied CBM directly to 31 industrial customers through our network of dedicated pipelines, as well as through truck mounted cascades, and to automobile customers through seven CNG fueling stations, one owned by us and six by two state-owned petroleum companies.

We have recently been awarded a 25.0% participating interest in the Raniganj (North) Block which we won through a competitive bidding process. This award is subject to the execution of a farm-in related and joint operatorship agreement with ONGC (along with its consortium) and the approval from the Government of India. The Raniganj (North) Block is adjacent to our Raniganj (South) block. According to the DGH, the original-gas-in-place in the Raniganj (North) block is 1.5 TCF.

For the Mannargudi block, we have entered into the contract for exploration and production with the Government of India (the “Mannargudi CBM Contract”) and received petroleum exploration licenses from the Government of Tamil Nadu. We currently have a conflict of interest with ONGC in relation to the Mannargudi block which is pending before the relevant authorities. See “Risk Factors — Petroleum and natural gas interests of Oil and Natural Gas Corporation Limited (“ONGC”) conflict with our rights with respect to the Mannargudi block that was allocated to us, which may negatively affect our business and prospects.” on page 19.

In December 2005, we listed GDRs on the London Stock Exchange’s Alternative Investment Market (“AIM”). In May 2010, our GDRs were admitted to the standard list on the official list of the UK Listing Authority and for trading on the main market of the London Stock Exchange and ceased to trade on the AIM market.

For the Fiscal Years 2013 and 2012, our total revenue was ₹ 1,606.65 million and ₹ 1,160.48 million, respectively. We had a restated profit after tax of ₹ 358.49 million for the Fiscal Year 2013 and had a restated loss after tax of ₹ 55.96 million for the Fiscal Year 2012.

Factors Affecting Our Results of Operations

Our results of operations and financial condition are affected by a number of factors, including the following, which are of particular importance:

Production volumes

Our CBM production volumes, which depend on the number of producing wells and the yield from such wells, have a significant impact on our results of operations. Currently, our only producing asset is the Raniganj (South) block which includes, as of July 31, 2013, 153 drilled wells, of which 137 are producing and / or undergoing dewatering. The following table sets forth our production volume, sales volume and average selling price per scm for the periods indicated:

	Fiscal Year		
	2011	2012	2013
Operating Data			
Production volume (mmscm)	41.36	70.04	88.02
Sales volume (mmscm) ⁽¹⁾	30.12	56.56	75.75
Average selling price per scm (₹) ⁽²⁾	19.70	19.15	20.85

Notes:

- (1) Sales Volume of CBM includes CNG for automobiles.
- (2) Average selling price per scm is calculated on an “as sold” basis by dividing sale of gas, less excise duty, by sales volume for the periods presented.

The Raniganj (South) block has an estimated original gas-in-place of 2.40 tcf, and net 1P, 2P and 3P reserves of 46.9 bcf, 121.8 bcf and 242.2 bcf, respectively, as of February 28, 2013, according to the Resource and Reserve Assessment. For the Fiscal Years 2013, 2012 and 2011, we produced 88.02 mmscm, 70.04 mmscm and 41.36 mmscm, and sold 75.75 mmscm, 56.56 mmscm and 30.12 mmscm, of CBM (including CNG for automobiles), respectively. Since July 2012, we have also been in the process of drilling an additional 200 wells (52 of which have already been drilled) at a pace of 40 wells drilled each year, which we expect to complete by the Fiscal Year 2017.

The following table sets forth select production data from our operations for the periods indicated:

Production	Number of wells completed/drilled	Fiscal Year			
		2010	2011	2012	2013
<i>Production Volume (in mmscm)</i>					

Production	Number of wells completed/drilled	Fiscal Year			
		2010	2011	2012	2013
		<i>Production Volume (in mmscm)</i>			
Fiscal Year 2009	30	37.43	25.40	33.48	32.80
Fiscal Year 2010	7	0.97	6.02	10.67	9.75
Fiscal Year 2011	16	-	9.94	25.24	26.85
Fiscal Year 2012	35	-	-	0.64	6.42
Fiscal Year 2013	40	-	-	-	12.20
Total	128	38.40	41.36	70.03	88.02

In February 2012, an independent assessment by ARI indicated that the coal seams of the southern area of the Raniganj (South) block were under-saturated. The primary impact of under-saturation is that the time required to dewater the well to achieve initial production gets extended. As a result of the under-saturated character of the coal seams, the dewatering time is extended to eight to twelve months instead of two to three months. As of July 31, 2013, 137 wells in the Raniganj (South) block are producing/dewatering the cost of completing and operating a well is often uncertain, and cost factors can adversely affect the economics of a well and future production volumes. Our drilling and production volume may be curtailed, delayed or cancelled as a result of various factors, including, among others, rising exploration, development and production costs, equipment, labor or other services; adverse weather conditions; facility or equipment malfunctions, failures or accidents; environmental compliance and hazards; inefficient spacing of wells; natural disasters, such as earthquakes; and other unexpected operational events and drilling conditions. We also aim to increase the number of producing assets in our portfolio.

Our reserves

The Raniganj (South) block has an estimated original gas-in-place of 2.40 tcf and our gross and net 1P, 2P and 3P reserves and our best estimate contingent resources are set out below, as of February 28, 2013, according to the Resource and Reserve Assessment:

	Proved (1P)	Proved and Probable (2P)	Proved, Probable and Possible (3P)	Best Estimate Contingent Resources (2C)
	<i>CBM (Billion Cubic Feet)</i>			
Gross	53.6	139.3	276.8	178.6
Net	46.9	121.8	242.2	156.3

Note: Net reserves in the table above are presented net of royalties and shrinkage from fuel, flaring and line losses.

For gas resources to be considered reserves (i.e., commercially recoverable) cash flows must exceed operating expenses. Since we are selling CBM and operations at Raniganj continue, it is assumed that the commercial requirement has been met. Reserves are those quantities of natural gas anticipated, as of a given date, to be commercially recoverable by application of development projects to known accumulations from a given date forward. To determine gross and net 1P, 2P and 3P reserves, ARI examined recovery efficiencies for analogous properties with similar geologic and reservoir characteristics based on low, best and high estimates of recovery factors. See "Resource and Reserve Assessment Reports" on page 2.

Price of natural gas

Our profitability is primarily determined by the difference between the price we receive for natural gas and the costs of finding, developing, producing and transporting CBM. Our results of operations will therefore be affected by worldwide prices of natural gas as well as the prices of natural gases provided by our competitors in the markets we operate in. A decline in prices could result in a reduction of net production revenue and, as a result, profit margins. CBM is a commodity whose price is determined based on demand, supply and other factors, all of which are beyond our control.

Exploration, development and infrastructure costs

The cost of drilling, completing and operating wells is often uncertain. We have in the past incurred, and may continue to incur, cost overruns, or may be required to curtail, delay or terminate drilling operations because of a

variety of factors, including unexpected drilling conditions, pressure or variations in geological formations, equipment failures or accidents.

As of March 31, 2013, we have invested ₹ 11,195.22 million towards exploration and development in the Raniganj (South) block, including the necessary infrastructure towards the development of the field. Given below is a break-up of our total investment in the Raniganj (South) block as of March 31, 2013:

	As of March 31, 2013
	(₹ in millions)
Well development cost	3,754.45
Plant and machinery including gas gathering stations and pipelines	2,506.43
Capital work in progress	4,585.58
Land and building	283.02
Other assets	65.74
Total	11,195.22

We are in the process of drilling an additional 200 wells (52 of which have already been drilled) at a pace of 40 wells drilled each year which we expect to complete by the Fiscal Year 2017. Our planned capital expenditure which will be for the cost of completing wells is expected to be ₹ 3,166.80 million, ₹ 3,325.14 million, ₹ 3,491.14 million and ₹ 3,665.97 million for the Fiscal Years 2014, 2015, 2016 and 2017, respectively. Further, once we obtain the necessary approvals, we intend to commence exploration and development of the Mannargudi block. Under the minimum work program contained in the Mannargudi CBM Contract, we will be required to drill 50 core holes and 30 pilot production wells.

Additionally, we have recently been awarded a 25.0% participating interest in the Raniganj (North) Block which we won through a competitive bidding process. This award is subject to the execution of a farm-in related and joint operatorship agreement with ONGC (along with its consortium) and the approval from the Government of India. The Raniganj (North) Block is adjacent to our current Raniganj (South) block. According to the DGH, the original-gas-in-place in the Raniganj (North) block is 1.5 TCF.

Our exploration and development of the Mannargudi block, as well as our current plan for completion of drilling the 200 additional wells the Raniganj (South) block by the Fiscal Year 2017, and our exploration and development of the Raniganj (North) block are subject to risks including equipment shortages and price increases above those anticipated. The materialization of one or more of these risks may lead to delays in our execution schedule and cost overruns, which may be significant. Any delay in the commencement of production will result in delays in generating additional revenue, which will have an adverse effect on our results of operations.

Capitalization of well assets and expenses

When we complete a well, which for accounting purposes means when the well becomes capable of commercial production, including through connection to the necessary distribution infrastructure, we transfer the value of the relevant assets and capitalized expenses to fixed assets on our balance sheet as producing properties. At that point, we begin to recognize sales of natural gas from the well, depreciation expense for the well's assets and capitalized expenses. Prior to this time, we record the asset value and capitalized expenses in our capital work in progress account. We do not recognize any depreciation expense in connection with capital work in progress prior to the transfer of amounts to fixed assets.

Continued development of distribution infrastructure on a timely basis

Our continued development of distribution infrastructure, on a timely basis, will affect our results of operations. A key factor in our business is availability of necessary infrastructure to transport CBM to potential buyers at commercially acceptable rates. As of July 31, 2013, we own, a MDPE pipeline network of approximately 119 kilometers, a dedicated steel pipeline network of approximately 110 kilometers, two gas gathering stations, one central gathering station, one own CNG dispenser outlet and six CNG outlets that we franchise from IOCL and BPCL, providing us with infrastructure that allows us to distribute gas by pipeline to Kulti and along the Asansol-Raniganj-Durgapur industrial belt. As a result, as of August 31, 2013, we supplied CBM directly to 31 industrial customers.

Minimum royalty and production level payment obligations

Our royalty and production level payments are subject to payment based on a minimum price of \$6.79/mmbtu at the well head. The royalty share pricing mechanism requires us to pay a royalty and production level payment (“PLP”) at a total rate of 12.5% for the Raniganj (South) block, which is split between the Government of West Bengal (10.0%) as royalty and the Government of India (2.5%) as PLP.

Fiscal regulations

In common with most jurisdictions, India imposes certain special taxes and levies on the production of hydrocarbons and grants certain tax advantages to encourage exploration and development. Indirect taxes or statutory levies such as sales tax and excise duties are levied on the revenue from operations and are an important component of our total expenditure. Changes in sales tax and excise duty and other fiscal levies affect the cost of producing natural gas and therefore affect our operating results.

We believe we are eligible for a seven year tax holiday as per section 80 (IB) of the Income Tax Act, 1961, which is valid until the Fiscal Year 2014. Further as per the PSC, provided it is judicially accepted in India, CBM will be among those resources deemed to be “mineral oil” for purposes of a seven year tax holiday available to producers of mineral oil. If CBM is deemed not to be among these resources and we are not able to benefit from the seven year tax exemption provided under Section 80(IB) of the Income Tax Act, 1961, our results of operations will be affected for the residual period of the tax holiday.

Further, changes in government regulation and policies relating to the gas industry in India may affect our operating results. See “Statement of Tax Benefits” on page 95 of this Draft Red Herring Prospectus.

Availability of cost effective funding

Exploration and development activities, expansion of gas transportation infrastructure and certain of our other activities are capital intensive. Our ability to grow our business depends largely on cost effective avenues of funding which will be primarily met through increased borrowing from external sources, the incurrence of new debt and further equity infusions. As of March 31, 2013 our total debt was ₹ 5,983.28 million. Our debt service costs as well as our overall cost of funding depend on many external factors, including developments in the Indian credit market and, in particular, interest rate movements and adequate liquidity in the debt markets.

As of March 31, 2013, our floating interest rate borrowings constituted 99.94% of our entire debt portfolio. As a result, changes in prevailing interest rates could materially affect our financial position. To the extent that market interest rates rise significantly during our development phase, this will adversely affect returns on capital employed, reduce the amount available for borrowing under the floating interest rate facility and increase our ultimate debt service costs.

With the growth of our operations, we have increasingly accessed commercial borrowings. We believe that going forward the availability of sources of cost effective funding will be crucial and the non-availability of such funding on favorable terms could affect our business, financial condition and results of operations.

Additionally, we have entered into various forward exchange contracts with respect to our external commercial borrowings of Euro 36.50 million. Please see “Off-Balance Sheet Arrangements–Derivative instruments” for details. The yearly average exchange rate of the Euro versus the Rupee for fiscals 2013, 2012 and 2011 was ₹ 70.07, ₹ 65.90 and ₹ 60.21, respectively.

Significant Accounting Policies

Our significant accounting policies are as follows:

Fixed assets, depreciation, capital work in progress and intangible assets under development

Fixed assets

Tangible fixed assets are stated at their cost of acquisition together with any incidental expenses of acquisition, less accumulated depreciation and impairment, if any.

Intangible fixed assets are stated at cost of acquisition less amortization and are recognized only when future economic benefits attributable to the assets will flow to the enterprise and their cost can be measured reliably.

Capital inventory

Capital inventory primarily represents items of capital nature lying in the stores, valued on a weighted average cost method after providing for estimated cost of obsolescence. Items of capital inventory used for wells under construction are transferred to capital work in progress and capitalized as part of producing properties on commissioning of the wells.

Depreciation

Depreciation on fixed assets is provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, except for the following:

- Buildings constructed on land not owned by us are depreciated over a period of five years.
- Assets costing up to ₹ 5,000 are fully depreciated in the year of purchase.
- Software costs are amortized over their estimated useful life, not exceeding five years on a straight line basis.
- Leasehold land is amortized over the period of the lease. Leasehold building is amortized over the period of lease or useful life, whichever is shorter.
- Cost of wells capitalized (producing properties) is depleted according to the 'Unit of Production' method by reference to the ratio of production in the year to the related proved reserves as prescribed by the Institute of Chartered Accountants of India in the "Guidance Note on Accounting for Oil and Gas Producing Activities" under the "Full Cost" Method.
- Depreciation on assets utilized for the project has been capitalized under the head well in progress.

Capital work in progress / intangible assets under development

The Company follows the "Full Cost Method" of accounting in respect of its oil and gas extraction activities. Under the "Full Cost Method", the following costs are treated as capital work-in-progress/intangible assets under development when incurred:

- All acquisition costs;
- All exploration costs; and
- All development costs.

All the costs other than the above are charged as expense when incurred.

We recognize the full eventual liability for cost relating to dismantling, abandoning and restoring well sites and other facilities, net of estimated salvage values in the period of installation of well sites and other facilities. The full eventual liability is capitalized as well in progress / producing properties with a corresponding provision for abandonment cost.

Impairment

In accordance with Accounting Standard 28 (AS 28) on "Impairment of assets", the carrying amount of our assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of the asset or cash-generating unit exceeds its recoverable amount. In respect of oil and gas assets, each "cost centre" is treated as a cash generating unit. Since we apply "Full Cost Method", India is considered as a "cost centre".

Revenue recognition

Revenue on sale of CBM and CNG is recognized on sale of gas to customers at delivery point. Net sales represent invoiced value of gas delivered less excise duty and value added tax.

Revenue in respect of minimum-guaranteed off take is recognized on accrual basis as per the contractual arrangements with the customers.

Interest income is recognized using the time-proportion method.

Employee benefits

Short-term benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Restated Summary Statements of Profit and Loss in the period in which the employee renders the related service.

Defined benefit plans

The Company's gratuity scheme is defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried at the year-end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognized immediately.

Defined contribution plans

Provident fund and superannuation fund are a post-employment defined contribution plans, with no legal and constructive obligation to pay further amounts. Contributions to provident fund and superannuation fund are recognized in the restated summary financial statements on an accrual basis.

Other long-term employee benefits

Compensated absences are in the nature of other long term employee benefits. The present value of the obligation is determined based on actuarial valuation carried at the year-end using Projected Unit Credit method. Actuarial gains and losses are recognized immediately.

Employee stock option based compensation

Stock options granted to employees and to the non-executive directors who accept the grant under the Company's Stock Option Plan are accounted in accordance with 'Guidance note on Accounting for Employee Share Based Payments', issued by the Institute of Chartered Accountants of India. We follow the Intrinsic Value method and, accordingly, the excess, if any, of the market price of the underlying equity shares as of the date of the grant of option over the exercise price of the option is recognized as employee compensation cost and amortized on straight line basis over the vesting period.

In case of a modification of share based payment that changes the classification of arrangement from equity settled to cash settled, an amount equal to the fair value of liability component at the date of modification is reclassified from share option outstanding account to liability. If the amount of liability recognized is less than the amount previously recognized as an increase in share option outstanding account, then no gain is recognized in the Restated Summary Statements of Profit and Loss as a result of reclassification. Any subsequent re-measurement of liability is recognized in Restated Summary Statements of Profit and Loss.

In case of a modification of share based payment that changes the classification of arrangement from cash settled to equity settled, an amount of liability recognized as of the modification date is reclassified from liability to share option outstanding account and the remaining grant date value of the options is recognized in the Restated Summary Statements of Profit and Loss over the remaining vesting period.

Foreign currency transactions

Transactions in foreign currencies are recorded in rupees by applying the exchange rate prevailing at the time of transactions. Exchange fluctuation on settlement and those arising on translation of monetary assets and liabilities, denominated in foreign currency at the balance sheet date are recognized in the restated summary statement of profit and loss as exchange gain or loss, except as detailed below:

The Company has opted for accounting of exchange differences arising on reporting of long term foreign currency monetary items under clause 46A of the Accounting Standard 11 (AS-11) – “The Effects of Changes in Foreign Exchange Rates”. Accordingly, foreign exchange difference attributable to depreciable asset is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset. In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account (“FCMITDA”) and amortized over the balance period of such long term asset/liability. A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

In respect of forward contracts, which are covered under Accounting Standard (AS -11) – “Accounting for the Effects of Changes in Foreign Exchange Rates”, the difference between spot rate and forward rate on the date the forward exchange contract is entered into, is amortized over the tenure of the contract. The foreign currency receivable or payable arising under the forward contract is revalued using the closing rate, and any resultant gain or loss is taken to the Restated Summary Statements of Profit and Loss except in respect of gain or loss which can be adjusted to the cost of depreciable fixed assets.

Derivative contracts, which are not covered by Accounting Standard (AS -11), pursuant to the announcement on “Accounting for Derivatives”, made by the Institute of Chartered Accountants of India (“ICAI”) on March 27, 2008, are marked to market and provision for loss, if any, is recognized in the Restated Summary Statement of Profit and Loss and resultant gains, if any, on account of mark to market are ignored.

Borrowing costs

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to Restated Summary Statement of Profit and Loss. Borrowing costs also include exchange differences on the amount of principal of the foreign currency borrowings (other than exchange difference for long term foreign currency monetary items on which para 46A of the Accounting Standard 11 has been applied) to the extent of difference between interest on local currency borrowings and interest on foreign currency borrowings.

Leases

Operating leases

Lease payments under operating lease are recognized as an expense in the Restated Summary Statement of Profit and Loss on a straight line basis over the lease term.

Finance leases

Assets acquired under finance leases are recognized as an asset and a liability at the lower of the fair value of the leased assets at the inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged to the Restated Summary Statement of Profit and Loss.

Our Results of Operations

The following table sets forth selected financial data from our Restated Statement of Profit and Loss, the components of which are also expressed as a percentage of total revenue for the periods indicated:

Particulars	Fiscal Year					
	2011		2012		2013	
	(<i>₹ in millions, except for percentages</i>)					
	<i>(restated)</i>					
		%		%		%
Income:						
Revenue from operations (Gross)	595.26	89.7	1,085.99	93.6	1,583.96	98.6
Less: Excise duty	(1.96)	(0.3)	(3.02)	(0.3)	(4.66)	(0.3)
Revenue from operations (Net)	593.30	89.4	1,082.97	93.3	1,579.30	98.3
Other operating revenue	18.29	2.8	34.39	3.0	2.55	0.2
Other income	51.80	7.8	43.12	3.7	24.80	1.5
Total revenue	663.39	100.0	1,160.48	100.0	1,606.65	100
Expenses:						
Employee benefits expense	82.84	12.5	103.25	8.9	120.07	7.5
Finance cost	227.53	34.3	303.97	26.2	319.34	19.9
Depreciation/amortization/ depletion expense	108.31	16.3	134.30	11.6	169.56	10.6
Listing expenses	32.74	4.9	-	-	-	-
Other expenses	225.08	33.9	347.26	29.9	449.78	28.0
Total expenses	676.50	102.0	888.78	76.6	1,058.75	65.9
Profit/(loss) before exceptional items and tax	(13.11)	(2.0)	271.70	23.4	547.90	34.1
Exceptional items						
Loss on account of foreign exchange and derivative transaction (including losses on account of mark to market valuation of derivatives)	4.70	0.7	327.66	28.2	169.14	10.5
Restated profit/(loss) before tax	(17.81)	(2.7)	(55.96)	(4.8)	378.76	23.6
Current Tax/ Minimum Alternate Tax (MAT)	-	-	-	-	34.05	2.1
MAT Credit Entitlement	-	-	-	-	(31.98)	2.0
Deferred Tax Expense	-	-	-	-	18.20	1.1
Total tax expense	-	-	-	-	20.27	1.3
Restated profit/(loss) after tax	(17.81)	(2.7)	(55.96)	(4.8)	358.49	22.3

Total revenue. Our total revenue consists of income from revenue from operations, less excise duty, other operating revenue and other income.

Revenue from operations (Gross). The principal component of our total revenue is revenue from operations which comprises sales of CBM and CNG. Sale of CBM was ₹ 1,546.98 million, ₹ 1,062.06 million and ₹ 579.73 million, for the Fiscal Years 2013, 2012 and 2011, respectively. Sale of CNG was ₹ 32.32 million, ₹ 20.91 million and ₹ 13.57 million, for the Fiscal Years 2013, 2012 and 2011, respectively. Revenue from operations represented 98.6%, 93.6% and 89.7% of our total revenue for the Fiscal Years 2013, 2012 and 2011, respectively.

Excise duty. We are required to pay excise duty as levied under the Central Excises Act, 1944, which is payable on the amount of hydrocarbon produced.

Other operating revenue. Other operating revenue comprised minimum-guaranteed off-take charges that were recovered from a customer despite not supplying any gas to such customer pursuant to the terms of the contract with such customer. Other operating revenue represented 0.2%, 3.0% and 2.8% of our total revenue for the Fiscal Years 2013, 2012 and 2011.

Other income. Other income primarily comprised interest on fixed deposits, provisions or liability no longer required to be written back and miscellaneous income.

Total expenditure. Our total expenditure consists of employee benefits expense, finance costs, depreciation, amortization and depletion expenses, listing expenses and other expenses.

Employee benefits expense. Our employee benefits expenses include salaries, wages and bonus, contribution to provident funds, expenses on stock options granted by us and staff welfare expenses. Our employee benefits expenses increased as our operations increased. Our employee benefits expenses were 11.3%, 11.6% and 12.2% of our total expenses for the Fiscal Years 2013, 2012 and 2011, respectively.

Finance costs. Our finance costs primarily include interest paid on term loans from banks, financial institutions and other lenders, as well as the related finance charges. Finance costs incurred to finance expenditure on prospecting, acquiring, exploring and developing a block is capitalized under the full cost method until we begin production and sale from such block. Our finance costs were 30.2%, 34.2% and 33.6% of our total expenses for the Fiscal Years 2013, 2012 and 2011, respectively. Our finance costs that were charged to our Restated Summary Statements of Profit and Loss were ₹ 319.34 million, ₹ 303.97 million and ₹ 227.53 million for the Fiscal Years 2013, 2012 and 2011, respectively. Our finance costs that were capitalized were ₹ 205.35 million, ₹ 99.45 million and ₹ 41.42 million for the Fiscal Years 2013, 2012 and 2011, respectively.

Depreciation, amortization and depletion expenses. Our depreciation, amortization and depletion expenses primarily include depreciation of our capitalized wells, pipelines and other fixed assets. In line with the growth of our operations, we expect our depreciation and amortization expenditure to increase, reflecting additional investments such as buying or leasing of new equipment, setting up of new infrastructure facilities and the capitalization of new wells. Our depreciation, amortization and depletion expenses were 16.0%, 15.1% and 16.0% of our total expenses for the Fiscal Years 2013, 2012 and 2011, respectively.

Listing expenses. Our listing expenses primarily include listing fees of on account of the listing our GDRs on the London Stock Exchange.

Other expenses. Our other expenses primarily include PLP to the Government of India and royalty payments to the Government of West Bengal, consultancy expenses which were payment to counsel for certain legal cases, stores and spares consumed, security expenses for each of our wells and for our office, travel and conveyance expenses, workover expenses and equipment hiring charges.

The royalty share pricing mechanism requires us to pay a royalty and PLP at a total rate of 12.5% of our net realization for the Raniganj (South) block, which is split between the Government of West Bengal (10.0%) as royalty and the Government of India (2.5%) as PLP. Our royalty payments for the Raniganj (South) block are subject to on a minimum net realization of \$6.79/mmbtu at the well head price; however, we are permitted to price our CBM above or below this price. See “Our Business—Key Features of Our CBM Contracts and Mining Licenses—Raniganj (South) block” on page 125.

Exceptional items. Exceptional items consist of losses on account of foreign exchange and derivative transactions (including losses on account of mark to market valuation of derivatives) mainly as a result of hedging our Euro denominated loans against the US Dollar for the principal and interest to counter the volatility of the Euro and primarily reflects losses as a result of movements in the foreign currency over the period which is notional.

Taxation. We provide for minimum alternative tax on income for the period which is determined on the basis of estimated taxable income and tax credit or exemption, if any, and computed in accordance with the provisions of applicable law.

Fiscal Year 2013 Compared to Fiscal Year 2012

Our results of operations for the Fiscal Year 2013 were particularly affected by the following factors:

- the growth in the number of wells that are producing; and
- the increase in the volume of CBM we produced and sold.

Total revenue. Our total revenue increased by 38.4% to ₹ 1,606.65 million for the Fiscal Year 2013 from ₹ 1,160.48 million for the Fiscal Year 2012, primarily due to an increase in revenue from operations.

Revenue from operations (Gross). Our revenue from operations (gross) increased by 45.9% to ₹ 1,583.96 million for the Fiscal Year 2013 from ₹ 1,085.99 million for the Fiscal Year 2012, primarily due to an increase in sales (net of excise duty) of CBM to ₹ 1,546.98 million for the Fiscal Year 2013 from ₹ 1,062.06 million for

the Fiscal Year 2012. We produced and sold CBM volumes of 74.65 mmscm for the Fiscal Year 2013 from 55.77 mmscm for the Fiscal Year 2012. The average selling price of CBM increased to ₹ 20.72 per scm for the Fiscal Year 2013 from ₹ 19.04 per scm for the Fiscal Year 2012, primarily as a result of entering into increasing number of contracts with various customers, including new customers, for the sale of increased volumes of CBM as well as higher prices for the Fiscal Year 2013 compared to the Fiscal Year 2012. In addition, sales (net of excise duty) of CNG also increased to ₹ 32.32 million for the Fiscal Year 2013 compared to ₹ 20.91 million for the Fiscal Year 2012. We compressed and sold CNG volumes of 1.11 mmscm for the Fiscal Year 2013 from 0.79 mmscm for the Fiscal Year 2012. The average selling price of CNG was ₹ 29.12 per scm for the Fiscal Year 2013 from ₹ 26.47 per scm for the Fiscal Year 2012.

Excise duty. Our excise duty increased by 54.3% to ₹ 4.66 million for the Fiscal Year 2013 from ₹ 3.02 million for the Fiscal Year 2012, primarily due to an increase in the volume of gas sold for the Fiscal Year 2013 from the Fiscal Year 2012 as our excise duty rates did not change for both fiscal periods.

Other operating revenue. Our other operating revenue decreased by 92.6% to ₹ 2.55 million for the Fiscal Year 2013 from ₹ 34.39 million for the Fiscal Year 2012, primarily due to income recovered from a customer who was required to pay us for a minimum guaranteed off take of gas for the Fiscal Year 2012, pursuant to the terms of the contract entered into with such customers.

Other income. Our other income decreased by 42.5% to ₹ 24.80 million for the Fiscal Year 2013 from ₹ 43.12 million for the Fiscal Year 2012, primarily as a result of liability written back amounting to ₹ 16.30 million in the Fiscal Year 2012.

Total expenses. Our total expenses increased by 19.1% to ₹ 1,058.75 million for the Fiscal Year 2013 from ₹ 888.78 million for the Fiscal Year 2012, primarily due to an increase in our employee benefits expense, our finance costs, depreciation, amortization and depletion and other expenses as a result of the increase in our production and revenue from operations for the Fiscal Year 2013 from the Fiscal Year 2012.

Employee benefits expenses. Our employee benefits expenses increased by 16.3% to ₹ 120.07 million for the Fiscal Year 2013 from ₹ 103.25 million for the Fiscal Year 2012, primarily due to an increase in the number of our employees to 155 as of March 31, 2013 from 148 as of March 31, 2012, along with a commensurate increase in salaries.

Finance cost. Our finance cost increased by 5.1% to ₹ 319.34 million for the Fiscal Year 2013 from ₹ 303.97 million for the Fiscal Year 2012, primarily due to an increase in the interest on term loans to ₹ 289.38 million for the Fiscal Year 2013 from ₹ 278.25 million for the Fiscal Year 2012. This is due to further capitalization of wells during the Fiscal Year 2013 which resulted to decrease in the capitalization of finance cost in the Fiscal Year 2013.

Depreciation, amortization and depletion. Our depreciation, amortization and depletion expenses increased by 26.3% to ₹ 169.56 million for the Fiscal Year 2013 from ₹ 134.30 million for the Fiscal Year 2012, primarily due to an increase in the number of wells capitalized, as well as an increase in plant and machinery and our pipeline for the Fiscal Year 2013 compared to the Fiscal Year 2012.

Other expenses. Our other expenses increased by 29.5% to ₹ 449.78 million for the Fiscal Year 2013 from ₹ 347.26 million for the fiscal 2012, primarily due to an increase in royalty to ₹ 94.13 million for the Fiscal Year 2013 from ₹ 64.77 million for the Fiscal Year 2012 as a result of increased sales, a decrease in the consultancy charges to ₹ 39.67 million for the Fiscal Year 2013 from ₹ 48.74 million for the Fiscal Year 2012, an increase in the stores and spares consumed to ₹ 63.64 million for the Fiscal Year 2013 from ₹ 37.91 million for the Fiscal Year 2012, an increase in security expenses to ₹ 41.53 million for the Fiscal Year 2013 from ₹ 31.18 million for the Fiscal Year 2012 and an increase in PLP to ₹ 23.53 million for the Fiscal Year 2013 from ₹ 16.19 million for the Fiscal Year 2012.

Exceptional items. Our exceptional items or losses on account of foreign exchange and derivative transactions (including losses on account of mark to market valuation of derivatives) decreased by 48.4% to ₹ 169.14 million in the Fiscal Year 2013 from ₹ 327.66 million in the Fiscal Year 2012 primarily as a result of reflecting the notional amount of such losses as a result of movements of such foreign currency for such period.

Net profit, as restated. Our net profit, as restated, was ₹ 358.49 million in the Fiscal Year 2013 from a net loss, as restated, of ₹ 55.96 million in the Fiscal Year 2012 as a result of the factors discussed above.

Fiscal Year 2012 Compared to Fiscal Year 2011

Our results of operations for the Fiscal Year 2012 were particularly affected by the following factors:

- the growth in the number of wells that are producing;
- the increase in the volume of CBM we have sold; and
- an increase in the number of long term contracts for the revenue from operations that we have entered into.

Total revenue. Our total revenue increased by 74.9% to ₹ 1,160.48 million for the Fiscal Year 2012 from ₹ 663.39 million for the Fiscal Year 2011, primarily due to an increase in revenue from operations.

Revenue from operations (Gross). Our revenue from operations (gross) increased by 82.4% to ₹ 1,085.99 million for the Fiscal Year 2012 from ₹ 595.26 million for the Fiscal Year 2011, primarily due to an increase in sales (net of excise duty) of CBM to ₹ 1,062.06 million for the Fiscal Year 2012 from ₹ 579.73 million for the Fiscal Year 2011. We produced and sold CBM volumes of 55.77 mmscm for the Fiscal Year 2012 from 29.53 mmscm for the Fiscal Year 2011. The average selling price of CBM decreased to ₹ 19.04 per scm for the Fiscal Year 2012 from ₹ 19.63 per scm for the Fiscal Year 2011, primarily as a result of entering into a contract with one customer where the pricing was linked to the U.S. Dollar during the Fiscal Year 2012 and the depreciation of the U.S. Dollar during this period. In addition, sales (net of excise duty) of CNG also increased to ₹ 20.91 million for the Fiscal Year 2012 compared to ₹ 13.57 million for the Fiscal Year 2011. We compressed and sold CNG volumes of 0.79 mmscm for the Fiscal Year 2012 from 0.59 mmscm for the Fiscal Year 2011. The average selling price of CNG was ₹ 26.47 per scm for the Fiscal Year 2012 from ₹ 23.00 per scm for the Fiscal Year 2011 as a result of the increase in petrol prices which also increased the prices of CNG.

Excise duty. Our excise duty increased by 54.1% to ₹ 3.02 million for the Fiscal Year 2012 from ₹ 1.96 million for the Fiscal Year 2011, primarily due to an increase in the volume of gas sold for the Fiscal Year 2012 from the Fiscal Year 2011 as our excise duty rates did not change for both fiscal periods.

Other operating revenue. Our other operating revenue increased by 88.0% to ₹ 34.39 million for the Fiscal Year 2012 from ₹ 18.29 million for the Fiscal Year 2011, primarily due to income recovered from a customer who was required to pay us for a minimum guaranteed off take of gas for the Fiscal Year 2012, pursuant to the terms of the contract entered into with such customers.

Other income. Our other income decreased by 16.8% to ₹ 43.12 million for the Fiscal Year 2012 from ₹ 51.80 million for the Fiscal Year 2011, primarily due to a decrease in the profit on the sale of current non-trade investments, to ₹ 0.92 million for the Fiscal Year 2012 from ₹ 46.69 million for the Fiscal Year 2011.

Total expenses. Our total expenses increased by 31.4% to ₹ 888.78 million for the Fiscal Year 2012 from ₹ 676.50 million for the Fiscal Year 2011, primarily due to an increase in our employee benefits expense, our finance costs, depreciation, amortization and depletion and other expenses as a result of the increase in our production and revenue from operations for the Fiscal Year 2012 from the Fiscal Year 2011.

Employee benefits expenses. Our employee benefits expenses increased by 24.6% to ₹ 103.25 million for the Fiscal Year 2012 from ₹ 82.84 million for the Fiscal Year 2011, primarily due to an increase in the number of our employees to 148 as of March 31, 2012 from 133 as of March 31, 2011, along with a commensurate increase in salaries.

Finance cost. Our finance cost increased by 33.6% to ₹ 303.97 million for the Fiscal Year 2012 from ₹ 227.53 million for the Fiscal Year 2011, primarily due to an increase in the interest on term loans to ₹ 278.25 million for the Fiscal Year 2012 from ₹ 223.70 million for the Fiscal Year 2011 as a result of an increase in commencement of production from more wells during the Fiscal Year 2012 from the Fiscal Year 2011, pursuant to which the finance costs that were capitalized were recognized in our Restated Summary Statements of Profit and Loss.

Depreciation, amortization and depletion. Our depreciation, amortization and depletion expenses increased by 24.0% to ₹ 134.30 million for the Fiscal Year 2012 from ₹ 108.31 million for the Fiscal Year 2011, primarily as a result of an increase in the number of wells capitalized for the Fiscal Year 2012 compared to the Fiscal Year 2011.

Listing expenses. We incurred listing fees of nil for the Fiscal Year 2012 from ₹ 32.74 million for the Fiscal Year 2011 on account of listing of our GDRs on the Main Board of the London Stock Exchange during the Fiscal Year 2011.

Other expenses. Our other expenses increased by 54.3% to ₹ 347.26 million for the Fiscal Year 2012 from ₹ 225.08 million for the fiscal 2011, primarily due to an increase in royalty to ₹ 64.77 million for the Fiscal Year 2012 from ₹ 36.56 million for the Fiscal Year 2011, an increase in the consultancy charges to ₹ 48.74 million for the Fiscal Year 2012 from ₹ 25.17 million for the Fiscal Year 2011, an increase in the stores and spares consumed to ₹ 37.91 million for the Fiscal Year 2012 from ₹ 26.82 million for the Fiscal Year 2011, an increase in security expenses to ₹ 31.18 million for the Fiscal Year 2012 from ₹ 15.19 million for the Fiscal Year 2011 and an increase in PLP to ₹ 16.19 million for the Fiscal Year 2012 from ₹ 9.14 million for the Fiscal Year 2011.

Exceptional items. Our exceptional items or losses on account of foreign exchange and derivative transactions (including losses on account of mark to market valuation of derivatives) increased to ₹ 327.66 million in the Fiscal Year 2012 from ₹ 4.70 million in the Fiscal Year 2011 primarily as a result of reflecting the notional amount of such losses as a result of movements of such foreign currency for such period.

Net profit/loss, as restated. Our net loss, as restated, was ₹ 55.96 million in the Fiscal Year 2012 compared to a net loss, as restated, of ₹ 17.81 million in the Fiscal Year 2011 as a result of the factors discussed above.

Financial Condition, Liquidity and Capital Resources

We have historically financed our capital expenditure requirements and working capital requirements primarily through financing from banks and other financial companies in the form of term loans and sales of equity. We believe that we will have sufficient resources from our operations, net proceeds of this Issue and other offerings of securities and other financings from banks and financial companies to meet our capital requirements for the next 12 months.

Cash Flows

The table below summarizes our cash flows for the periods indicated:

	Fiscal Year		
	2011	2012	2013
	(₹ in millions)		
Net cash generated from operating activities	237.75	586.21	976.92
Net cash (used in) investing activities	(1,132.18)	(1,234.61)	(1,584.44)
Net cash generated from financing activities	910.08	702.92	759.95
Total cash and cash equivalents as of the end of the fiscal period	22.98	77.50	229.93

Operating Activities

Net cash generated from our operating activities for the Fiscal Year 2013 was ₹ 976.92 million and consisted of net profit before tax of ₹ 378.76 million, as adjusted primarily for finance costs of ₹ 319.34 million, depreciation, amortization and depletion expenses of ₹ 169.56 million, unrealized losses on account of foreign exchange and derivative transactions of ₹ 88.92 million which were adjusted by an increase trade payables of ₹ 16.89 million, an increase in other liabilities of ₹ 14.46 million and an increase in trade receivables of ₹ 9.46 million.

Net cash generated from our operating activities in the Fiscal Year 2012 was ₹ 586.21 million and consisted of a net loss before tax of ₹ 55.96 million, as adjusted primarily for finance costs of ₹ 303.97 million, losses on account of foreign exchange and derivative transactions of ₹ 272.10 million, depreciation, amortization and depletion expenses of ₹ 134.30 million which were adjusted by an increase in trade receivables of ₹ 16.56 million, an increase in loans and advances of ₹ 10.61 million, an increase in other assets of ₹ 9.42 million.

Investing Activities

Net cash used in investing activities for the Fiscal Year 2013 was ₹ 1,584.44 million, primarily due to acquisition of fixed assets of ₹ 1,721.87 million mainly for well drilling and completion activities and other infrastructure such as compressors at the Raniganj (South) block which were adjusted by fixed deposits matured during the year of ₹ 110.96 million and interest received of ₹ 28.75 million.

Net cash used in investing activities in the Fiscal Year 2012 was ₹ 1,234.61 million, primarily due to acquisition of fixed assets of ₹ 1,978.29 million mainly for well drilling and completion activities and other infrastructure such as compressors at the Raniganj (South) block which were adjusted by fixed deposits matured during the year of ₹ 654.11 million and interest received of ₹ 88.19 million.

Financing Activities

Net cash generated from financing activities for the Fiscal Year 2013 was ₹ 759.95 million, and primarily comprised proceeds from borrowings (net of transaction cost, including current maturities) of ₹ 1,737.81 million, which was partially offset by repayment of borrowing of ₹ 500.75 million and interest paid of ₹ 477.11 million.

Net cash generated from financing activities for the Fiscal Year 2012 was ₹ 702.92 million, and primarily comprised proceeds from borrowings (net of transaction cost, including current maturities) of ₹ 641.92 million and proceeds from the issue of shares (including share premium) of ₹ 675.00 million, which was partially offset by interest paid of ₹ 400.09 million and repayment of borrowing of ₹ 213.91 million.

Capital Expenditures

Capital expenditures incurred in any year by us comprises additions to fixed assets (excluding additions to producing properties) and capital work in progress, adjusted for the movement during the year in the opening and closing balance of equipment used for exploration.

For the Fiscal Years 2013, 2012 and 2011, we incurred (cash outflow) ₹ 1,721.87 million, ₹ 1,978.29 million and ₹ 1,210.56 million, respectively, on capital expenditures.

Capital expenditures for the Fiscal Year 2013 primarily consisted of the cost of pipelines and incremental cost of 13 wells capitalized during the period, the cost of which is included in capital work in progress at the end of the period.

Capital expenditures for the Fiscal Year 2012 primarily consisted of the capital cost of, our pipelines and the incremental cost of seven wells capitalized during the year the cost of which is included in capital work in progress at the end of the period.

Planned Capital Expenditure

The following table sets forth our planned capital expenditure for the periods indicated:

	Fiscal Year			
	2014	2015	2016	2017
	<i>(₹ in millions)</i>			
Well costs/ completion cost ⁽¹⁾	3,166.80	3,325.14	3,491.14	3,665.97

Notes:

(1) Calculated at US\$ 1.4 million for 40 wells per year at an exchange rate of ₹ 58.00 per U.S. Dollar.

We expect to meet our capital expenditure needs for the Fiscal Years 2014 and 2015 from cash generated from operating activities, long term borrowings and the net proceeds of the Issue. See “Objects of the Issue” on page 86 of this Draft Red Herring Prospectus.

Indebtedness

The following table summarizes our secured and unsecured long-term indebtedness as of the dates indicated:

Particulars	As of March 31, 2013 (₹ in millions)
Long Term Borrowings	
Secured Term Loans From Banks	
Indian Rupee Loans	2,722.23
Foreign Currency Loans	719.34
External Commercial Borrowings	2,538.21
Vehicle Loans	3.50
Total	5,983.28

For details, see the section titled “Financial Indebtedness” beginning on page 237 of this Draft Red Herring Prospectus.

Contractual Obligations and Commercial Commitments

Our purchase and other obligations include our capital expenditure obligations and other obligations and commitments, including for the purchase of land and capital assets. We define a purchase obligation as an arrangement to purchase goods or services that is enforceable and legally binding on us.

The following table summarizes our contractual obligations and commercial commitments as of March 31, 2013 and the effect such obligations and commitments are expected to have on our liquidity and cash flows in future periods:

Contractual Obligations (net of advances)	As of March 31, 2013	Less than 1 year	1-5 years	More than 5 years
	(₹ in millions)			
Repayment of Long Term Loans	5,983.28	1,042.71	3,737.16	1,203.41
Capital Assets	477.19	477.19	0	0
Purchase of Land	6.93	6.93	0	0
Total	6,467.40	1,526.83	3,737.16	1,203.41

Contingent Liabilities

As of March 31, 2013, we had contingent liabilities as set out below:

	As of March 31, 2013 (₹ in millions)
Claims made against the Company not acknowledged as debts (including interest, wherever applicable) by:	
M/s Adkins Services Inc.	592.62
M.R Associates (claimed by Contractor along with interest)	1.26
D.S.Steel (claimed by Contractor along with interest)	14.06
Goel Construction (India) Limited (claimed by Contractor along with interest)	30.26
Government of India (MoPNG)	10.19
PNGRB	5.00
Claims by Excise Department	40.92
Claims by Income tax Authorities	8.02
Claims by Sales Tax Authorities	4.18
Other claims, to the extent quantified	1.01
Production Level Payments	16.57

See chapter titled “Financial Statements –Contingent Liabilities” on page 201. For further details also see foot note (vii) therein in relation to a claim for ₹ 2,686.80 million.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties, including our affiliates and certain key management members on an arm's length basis. Such transactions could be for provision of services, lease of assets or property (including intellectual property), sale or purchase of equity shares or could entail incurrence of indebtedness. For example, we issued 1,482,822 equity shares in the Company to YKM Holdings International Limited for ₹ 667.27 million in the Fiscal Year 2012. For details of our related party transactions, see "*Financial Statements — Statements of Related Parties and Related Party Transactions*" on page 216 of this Draft Red Herring Prospectus.

Impact of Inflation

Although India has experienced an increase in inflation rates in recent years, inflation has not had a material impact on our business and results of operations.

Off- Balance Sheet Arrangements

Derivative Instruments

In conducting our business, we use various derivative instruments to manage the risks arising from fluctuations in exchange rates and interest rates. Such instruments are used for risk management purposes only. The nominal amounts of derivative contracts entered into by us and outstanding as of March 31, 2013 was Euro 36.5 million. Our total mark to market losses on outstanding derivative instruments for the year ended March 31, 2013 was ₹ 110.69 million, arising from hedging transactions undertaken by us for our foreign currency and interest related exposures. We do not hold or issue derivative financial instruments for trading or speculative purposes and all the derivatives entered into by us are to mitigate or offset the risks that arise from our normal business activities only.

Qualitative and Quantitative Disclosures about Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk, foreign currency exchange risk and commodities risk. We are exposed to foreign currency exchange risk and interest rate risk in the normal course of our business, as well as risk associated with worldwide prices of natural gas.

Foreign exchange risk

While our revenues are currently denominated in Rupees, we import project-related equipment and procure services from abroad, the costs and fees of which are denominated in foreign currencies. Also, the price of CBM we sell is based, in part, on the U.S. dollar prices for natural gas and the current U.S. dollar/Rupee exchange rates at particular times. The value of the Rupee against the US dollar and other currencies may fluctuate and is affected by, among other things, changes in India's political and economic conditions. The Indian Rupee has, between March 31, 2013 and August 31, 2013, depreciated against the US. Dollar and the Euro, by 22.4% and 26.7%, respectively. Accordingly, any further adverse movement of the Rupee against these currencies will increase the Rupee cost and/or decrease the Rupee revenue to us. If we are unable to recover the costs of foreign exchange variations through our tariffs, depreciation of the Rupee against foreign currencies may adversely impact our results of operations and financial condition. Any further adverse change in the exchange rate of the Indian Rupee in the future, may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

Interest rate risk

As we have incurred substantial floating interest rate debt, we are exposed to interest rate risk. As of March 31, 2013, we had floating interest rate borrowings of 99.94% of our total indebtedness. Our current debt facilities carry interest at floating rates with a provision for the periodic reset of interest rates. Any increase in interest rates may have an adverse effect on our business and results of operations.

Price of natural gas

Natural gas is a commodity whose price is determined based on demand, supply and other factors, all of which are beyond our control, and worldwide prices for natural gas have fluctuated widely in recent years. Our results

of operations are affected by worldwide prices of natural gas. A decline in prices of natural gas could result in a reduction of our sales and profit margins.

Further, our combined royalty obligations payable to the Government of West Bengal and the GoI are based on a minimum price of \$6.79/mmbtu at the well head. If we charge more than \$6.79/mmbtu for our gas, the combined royalty payment will be based on that higher amount.

Significant developments occurring after March 31, 2013

To our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Unusual or infrequent events or transactions

To our knowledge, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

Known trends or uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in “Factors Affecting Our Results of Operations” and the uncertainties described in the section titled “Risk Factors” on pages 221 and 16, respectively, of this Draft Red Herring Prospectus. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future relationship between cost and revenue

Other than as described in “Risk Factors” and this section, there are no known factors that might affect the future relationship between cost and revenue.

Seasonality of Business

Our results of operations have not, and are not expected to, generally exhibit seasonality.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections “Risk Factors” and “Our Business” in this Draft Red Herring Prospectus on pages 16 and 118, respectively.

Increase in Income

Increases in our income are due to the factors described above in “Factors Affecting Our Results of Operations” and “Risk Factors” on pages 221 and 16, respectively, of this Red Herring Prospectus.

New products or business segments

We have not announced and do not expect to announce in the near future any new products or business segments, except in the ordinary course of our business.

FINANCIAL INDEBTEDNESS

For summary of the borrowings together with a brief description of some of the relevant terms of the financing arrangements and assets charged as security please see “Annexure VII - Restated Statement of Long Term Borrowings” in the chapter “Financial Statements” on page 171. As on March 31, 2013, the total outstanding term loans were ₹ 5,983.28 million.

Secured borrowings

As on August 31, 2013, the total outstanding term loans of our Company was ₹ 7,062.37 million. As on August 31, 2013, our sanctioned Indian Rupee loans amounted to ₹ 5,666.88.00 million and external commercial borrowings amounted to ₹ 2,200.00 million, of which we had utilised Indian Rupee loans amounted to ₹ 3,844.53 million and external commercial borrowings amounted to ₹ 3,217.84 million.

Unsecured borrowings

As on August 31, 2013, our Company does not have any unsecured borrowings.

Restrictive Covenants

- A. Under the terms of the Rupee facility agreement dated January 5, 2013, other related agreements and individual sanction letters for Indian Rupee loans issued by the lenders, our Company is subject to certain restrictive covenants as listed below and cannot, without the prior consent of the lenders, undertake, *inter alia*, the following:
1. Appoint, re-appoint, remove any persons, by whatever name called, who exercise substantial powers of management of the affairs of our Company;
 2. Effect any change in its management control or capital structure, including the shareholding pattern;
 3. Issue equity or preference capital, any securities convertible into or exchangeable for its equity or preference capital and any rights to subscribe for or to purchase, or any option for the purchase of, or any agreements, arrangements or understandings providing for the issuance of, or any calls, commitments or claims of any character relating to, its equity or preference capital;
 4. Undertake/invest in/incure capital expenditure for/finalize any scheme (involving long term financial commitments) for expansion/diversification in relation to/ undertake any new project or further expansion of the project or acquire any new fixed assets or make any new investments;
 5. Any trading activity other than the sale of products arising out of its own manufacturing operations;
 6. Materially change its business;
 7. Any borrowings and shall not enter into any borrowing arrangements or indebtedness or financial indebtedness, either secured or unsecured, including through lease financing, with any bank or financial institution, company or otherwise accept deposits.
 8. Any guarantee obligations on behalf of any person except in the ordinary course of business;
 9. Any contractual obligation of a long term nature or affecting our Company financially to a significant extent;
 10. Sale, assignment, mortgage or otherwise dispose of any of the CBM project assets;
 11. Any transfer of Equity Shares by YKM Holdings Private Limited and YKM Holdings International Limited if such transfer of Equity Shares results in a change in the control of our Company or is likely to cause a significant change in the management set up of our Company or YKM Holdings Private Limited and YKM Holdings International Limited;
 12. Any modification in the Memorandum and Articles of our Company;

Further, our Company has agreed and undertaken to procure that the YKM Holdings and YKM Holdings International shall, at all times until the final settlement date, collectively hold and maintain at least 51% of the total paid up share capital of our Company and shall not sell, transfer, assign, dispose of, pledge, charge or create any security interest or in any way encumber such shareholding at any time till final settlement date, shall have majority directors on the Board and have the ability or the right to control/direct the management or policy decisions of our Company.

B. Under the terms of the dated January 24, 2008, other related agreements and individual sanction letters for foreign currency loan issued by the lenders, our Company is subject to certain restrictive covenants and cannot undertake without the prior consent of the lenders, *inter alia*, any of the following:

1. Effect a change in the capital structure or its Memorandum of Association and Articles of Association;
2. Formulate a scheme of merger, compromise, amalgamation or consolidation with any person or affiliate;
3. Undertake any new project or implement a scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to and approved by the lenders;
4. Invest by way of share capital in or lend or advance funds or place deposits with any other concern (including group companies) other than in the ordinary course of business or enter into any arrangement, agreement or commitment to make any investment, lend any amounts or issue any guarantees or letters of comfort or any similar arrangement to any person including affiliates or group/associate companies;
5. Enter into borrowing arrangements with other banks, financial institutions, companies or otherwise or accept deposits apart from the arrangements indicated in the funds flow statement submitted from time to time and approved by the lenders;
6. Undertake guarantee obligations on behalf of any other company (including group companies);
7. Create any charge, lien or encumbrance over its undertaking or any part in favour of any financial institution, bank, company, firm or person;
8. Sell, assign, mortgage or otherwise dispose of fixed assets charged to the lenders;
9. Enter into any contractual obligation which is of a long term nature or which affects our Company financially to a significant extent;
10. Change the practice with regard to remuneration of directors by means of ordinary remuneration of commission, scale of sitting fees, etc.;
11. Undertake any trading activity other than sale of products arising from its own manufacturing;
12. Permit any transfer of the controlling interest including any transfer by the promoters or group entities or make drastic changes in the management set-up;
13. Repay monies brought in by Promoters, Directors, principal shareholders and their friends and relatives by way of loans, deposits or advances; or
14. Radically change its accounting system.

C. Under the terms of the external commercial borrowings facility agreement dated December 8, 2010, other related agreements and the credit arrangement letter issued by lender for external commercial borrowing, our Company is subject to certain restrictive covenants as listed below and cannot, without the prior consent of the lenders, undertake, *inter alia*, the following:

1. YKM Holdings Private Limited and any other company in which Y K Modi owns more than 51% of equity share capital shall maintain control of our Company in as much as it shall directly or through

its affiliate companies hold at least 51% of the equity share capital of our Company, have majority directors on the Board and have the ability or the right to control/direct the management or policy decisions of our Company;

2. It shall not change or propose to change in any material respect the accounting policies on the basis of which the audited annual financial statements are prepared;
3. It shall not, and shall not agree to, create, incur, assume or suffer to exist any security interest upon or with respect to any property, revenues or assets (real, personal or mixed, tangible or intangible) of our Company, whether now owned or hereafter acquired;
4. It shall not contract, create, incur, assume, allow or suffer to exist any indebtedness for, including but not limited to, meeting any part of the cost of equipment/materials/works etc. for the project;
5. It shall not sell, lease, sub-lease, assign, transfer, convey, issue or otherwise dispose of (or agree to do any of the foregoing at any future time), to any person by one or more transactions or series of transactions (whether related or not), the whole or any part of its property and assets including the project assets and also any of its other assets;
6. It shall not issue any guarantee, revalue the assets and properties of our Company during the currency of this facility, change its fiscal year end from March 31, suspend or terminate or take any action which would entitle the counter parties to project documents to suspend or terminate the project documents or acquire any share or loan capital of any person or body corporate or make any investments in anybody corporate;
7. It shall not formulate any scheme or enter into any transaction of merger, consolidation, amalgamation or reorganization;
8. It shall not amend or modify any of its constitutional documents;
9. It shall not issue any Equity Shares or redeem, purchase or cancel any existing Equity Shares or alter any rights attaching to any of its Equity Shares; and
10. It shall not alter or change its capital structure, including its shareholding pattern and maintain a debt to equity ratio 1.27:1.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices against our Company, our Directors, our Promoters and Group Companies or ventures with which our Promoters were associated in the past (in case our Promoters' name continue to be associated with such proceeding). There are no defaults including non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits issued by our Company, defaults in creation of full security as per the terms of issue/other liabilities, proceedings initiated for economic/civil/any 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 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of our Company except as stated below. No disciplinary action has been taken by SEBI or any stock exchange against our Company, our Directors, our Promoters, Group Companies or ventures with which our Promoters were associated in the past (in case our Promoters' name continue to be associated with such proceeding).

Further, except as disclosed in this section, there are no outstanding litigations, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against any company whose outcome could have a material adverse effect on the position of our Company, our Promoters, Group Companies or any person or entity connected with them. None of the Group Companies had faced/ is facing any litigation/ defaults/ over dues or labour problems/ closure etc.

I. Litigation involving our Company

A. Outstanding Litigations and Material Developments/Proceedings involving/ affecting our Company

Cases filed against our Company

Criminal Complaints

1. Mr. Subhash Chatterjee has filed a complaint (M.P. Case No. 807 of 2009) before the Sub-Divisional Executive Magistrate, Asansol against our Company and others. The complainant alleges that our Company has been trying to dig up a public road in violation of public interest and for illegal gains. The complainant has contested that the disputed path is exclusively for the use of the villagers as public path. Therefore, the complainant has filed this complaint seeking to restrain the defendants from illegally digging up the road and setting up an alleged gas pipe - line and disturbing the property. The matter is currently pending.
2. Mr. Swadesh Gote has filed a case (M.P. Case No. 185 of 2013) against our Company and others before the Sub Divisional Executive Magistrate. Mr. Gote claims that he is facing interruption in the possession of disputed land and our Company is trying to encroach the disputed property by covering earth upon the disputed property to lift gas from the below earth and a breach of peace is apprehended.

Economic Offences

1. Adkins Services Inc. (“**ASI**”) has filed a complaint (no. 4308/1 of 2003) against our Company, Mr. Prashant Modi, Mr. Yogendra Kumar Modi, Dr. Sudhir Kumar Grover, Mr. Arun Nevatia and two former employees of our Company, Mr. Mohit Banerjee and Dr. P.K. Roy, before the Additional Chief Metropolitan Magistrate, New Delhi under Section 190 of the CrPC, alleging commission of offences under Sections 420, 406, 403, 426, 506, 120B and 34 of the IPC. ASI has filed the present complaint alleging *inter alia* that our Company misrepresented the fact of possessing permission for drilling of wells and that our Company cheated ASI to the extent of ₹ 73.3 million by withholding machinery, equipment, tools and payments due. Our Company had entered into an agreement with ASI in 1999 in relation to drilling wells of CBM at Raniganj coal basin in Koylapur. Pursuant to the said agreement ASI hired a polish rig from the Oil & Gas Exploration Company Cracow Limited and mobilized the same to Calcutta in July 1999, however the machinery was not utilised as our Company received necessary permission for drilling only in September 2001, resulting in a loss of \$ 0.60 million. Thereafter, during the process of drilling the wells disputes arose between our Company and ASI in

relation to the machinery and payments to be made under the agreement and the petitioner alleged that our Company did not allow moving of machinery and tools to the location of the second well. ASI alleged that apart from the machinery, equipment and tools amounting to ₹ 58.40 million, a total payment of ₹ 19.40 million was also withheld by our Company. However, pursuant to an order of the High Court of Kolkata, part of the tools, equipment and machinery were released but tools worth ₹ 8 million were dishonestly misappropriated. In addition to the above complaint, ASI has also moved an application under Section 156(3) of the Cr.P.C. for directions to concerned police officials for registration and investigation of the matter. It was contended that the Economic Offence Wing of the Delhi Police, where the original police complaint was filed, failed to take any action on the same and hence the complaint was filed with the court. The court gave directions for lodging an FIR and for investigating into the allegations. After conclusion of the investigations into the allegations as directed, the investigating agency filed for cancellation of FIR. ASI filed an objection to the cancellation in view of which the Court directed for further investigation. The matter is currently pending.

Tax Cases against our Company

1. Our Company preferred an appeal (no.412/08-09/CIT(A)-XV) dated January 16, 2009 (“Appeal”) against the assessment order to the Commissioner of Income Tax (Appeals). Our Company received an assessment order dated December 23, 2008 issued by the Deputy Commissioner of Income Tax, New Delhi, as per which certain deductions were disallowed and the total assessable income of our Company for AY 2006 - 2007 was computed at ₹ 5.91 million, asking our Company to show cause why penalty should not be imposed and to appear before it on January 28, 2009. Our Company through its letter dated January 16, 2009 requested for a stay of penalty proceedings initiated against it until the decision in the Appeal was received. The Commissioner of Income Tax, (Appeals) – XV New Delhi vide order dated May 2, 2012 partly allowed the Appeal and granted a relief of ₹ 15.80 million to our Company. The Deputy Commissioner of Income Tax, New Delhi vide notice under section 148 of the I. T. Act, 1961 dated March 28, 2013 (“Notice”), proposed to assess / reassess the income / re-compute the loss / depreciation allowance for the said assessment year and demanded a return in respect of the assessable income for the said period within 30 days of the receipt of the Notice.

Our Company vide letter dated April 15, 2013 replied to the Notice enclosing a copy of the return. The Deputy Commissioner issued a show cause notice dated September 2, 2013 bearing reference number DCIT/Cir.12(1)/ 2013-14 under section 142(1) requiring our Company to furnish true and correct return of income in relation to assessment year 2006-07 on or before September 10, 2013. Further our Company on September 10, 2013 filed certain documents with the Deputy Commissioner. The matter is currently pending.

2. Deputy Commissioner of Income – Tax Circle 12(1), New Delhi vide order dated March 25, 2013 (“Order”) in respect of Assessment Year 2010 – 2011 disallowed static creditors and added a sum of ₹ 1.90 million to the income of our Company, disallowed depreciation amounting to ₹ 0.86 million and initiated penalty proceedings under section 271(1)(c) of the I.T. Act for furnishing inaccurate particulars of the income. Our Company filed an appeal *inter alia* praying for setting aside the Order as bad in law. The matter is currently pending.
3. Deputy Commissioner of Income – Tax Circle 12(1), New Delhi issued a show cause notice dated January 4, 2013 bearing reference number DCIT/Cir.12(1)/170/2012-13 under section 142(1) requiring our Company to furnish certain particulars of accounts in relation to assessment year 2011-12 on or before January 15, 2013. Our Company vide letter dated January 15, 2012 furnished the relevant information. Deputy Commissioner of Income – Tax Circle 12(1), New Delhi issued a show cause notice dated May 8, 2013 bearing reference number DCIT/Cir.12(1)/18/2013-14 under section 142(1) requiring our Company to furnish particulars of accounts in relation to assessment year 2011-12 on or before May 17, 2013. Our Company officials met the Deputy Commissioner of Income – Tax Circle 12(1), New Delhi on May 17, 2013 and clarified that the information requested had been submitted our Company vide letter dated January 15, 2013 Further the Deputy Commissioner issued a show cause notice dated July 19, 2013 bearing reference number DCIT/Cir.12(1)/Questionnaire/2013-14 under section 142(1) requiring our Company to furnish particulars of accounts in relation to assessment year 2011-12 on or before August 5, 2013. Further our Company on August 26, 2013 filed certain documents with the Deputy Commissioner. The matter is currently pending.

4. Deputy Commissioner of Income – Tax Circle 12(1), New Delhi (“Deputy Commissioner”) issued a show cause notice dated August 7, 2013 under section 143(2) requiring our Company to attend the office of the Deputy Commissioner on August 26, 2013 or produce at the said time any documents, accounts or any other evidence that our Company may rely in support of the return filed by our Company for the assessment year 2012 – 2013. Further our Company on August 26, 2013 filed certain documents with the Deputy Commissioner. The matter is currently pending.
5. Deputy Commissioner Sales Tax, Ballygunge vide assessment order dated May 24, 2011 (“Order”) determined the total sales tax due and payable by our Company for the assessment year 2008-2009 as ₹ 4.18 million. Subsequently a demand notice dated June 22, 2011 was issued to our Company demanding payment of ₹ 4.18 million. Company filed an appeal bearing number no. 837/2011 under section 8 of the West Bengal Taxation Tribunal Act, 1987 before West Bengal Taxation Tribunal praying inter alia to issue directions to the Deputy Commissioner Sales Tax, Ballygunge to not take any steps in regards the Order. The matter is currently pending.
6. Our Company received a show cause notice bearing number V-27(4)50/GEECL/ASN-I/09/4212 dated October 29, 2009 (“Show Cause Notice”) from the Assistant Commissioner of Central Excise, Burdwan (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 0.14 million inclusive of CENVAT, E. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period October 2008 to June 2009. Our Company has filed its reply dated November 27, 2009 and prayed that the Show Cause Notice be dropped. The matter is pending.
7. Our Company received a show cause notice bearing number V-27(4)49/GEECL/ASN-I/09/4210 dated October 29, 2009 (“Show Cause Notice”) from the Assistant Commissioner of Central Excise, Burdwan (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 0.26 million inclusive of CENVAT, E. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period October 2008 to June 2009. Our Company has filed its reply dated November 27, 2009 and prayed that the Show Cause Notice be dropped. The matter is pending.
8. Our Company received a show cause notice bearing number V-27(4)47/GEECL/ASN-I/09/4208 dated October 29, 2009 (“Show Cause Notice”) from the Assistant Commissioner of Central Excise, Burdwan (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 0.04 million inclusive of CENVAT, E. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period October 2008 to June 2009. Our Company has filed its reply dated November 27, 2009 prayed that the Show Cause Notice be dropped. The matter is pending.
9. Our Company received a show cause notice bearing number V-27(4)42/GEECL/ASN-I/2008/3406 dated September 14, 2011 (“Show Cause Notice”) from the Assistant Commissioner of Central Excise, Burdwan (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 0.01 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period July 2009 to January 2011. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.
10. Our Company received a show cause notice bearing number V-27(4)41/GEECL/ASN-I/2008/3403 dated September 14, 2011 (“Show Cause Notice”) from the Assistant Commissioner of Central Excise, Burdwan (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 0.21 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period July 2009 to January 2011. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.
11. Our Company received a show cause notice bearing number V-(15)196/Adj/CE/Bol/08/2815 dated July 14, 2011 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 1.00 million inclusive of CENVAT,

Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period September 2007 to September 2008. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.

12. Our Company received a show cause notice bearing number V-(15)195/Adj/CE/Bol/08/2811 dated July 14, 2011 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 1.62 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period January 2008 to September 2008. Further, Mr. YK Modi (our Promoter/Director?) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.
13. Our Company received a show cause notice bearing number V-(15)193/Adj/CE/Bol/08/2820 dated July 14, 2011 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 0.52 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period July 2008 to September 2008. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.
14. Our Company received a show cause notice bearing number V-(15)121/Adj/CE/Bol/10/2016 dated July 30, 2010 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 4.00 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period October 2008 to April 2010. Our Company has filed its reply prayed that the Show Cause Notice be dropped. The matter is pending.
15. Our Company received a show cause notice bearing number V-(15)32/Adj/CE/Bol/12/60 dated January 09, 2013 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 13.44 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period October 2009 to January 2011. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated March 07, 2013 prayed that the allegations made in the Show Cause Notice be set aside and no penalty and interest should be imposed on the Company. The matter is pending.
16. Our Company received a show cause notice bearing number V-(15)16/Adj/CE/Bol/12/633 dated February 24, 2012 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 7.43 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period February 2011 to December 2011. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated April 09, 2012 prayed that the proceedings initiated in the Show Cause Notice be dropped. The matter is pending.
17. Our Company received a show cause notice bearing number V-(15)09/Adj/ASN-I/CE/Bol/13/133 dated January 16, 2013 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 7.56 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period January 2012 to November 2012. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated March 22, 2013 prayed that the allegations made in the Show Cause Notice be set aside and no penalty and interest should be imposed on the Company. The matter is pending.

Civil Suits

1. Mr. Bijay Bauri and others filed a suit (T.S. No. 23/2012) against our Company, before the Court of Second Civil Judge (Junior Division), Bankura, alleging that our Company has forcibly '*filled*' the cultivable land of the disputed property and has constructed a road on the disputed property for movement of vehicles, thereby creating a hindrance on the peaceful possession of the plaintiff. Therefore, the plaintiff, through this suit, has prayed for declaration of his rights over the disputed property, a mandatory injunction to the effect that the illegal road constructed be removed and the land be made cultivable and an order of permanent injunction restraining the defendants from causing any obstacle or hindrance in peaceful possession of the plaintiff over the disputed property. The matter is currently pending.
2. Mr. Swadesh Gote filed a suit (T.S. No. 3 of 2012) against our Company and others before the Second Civil Judge (Junior Division), Bankura for partition of land in Bankura. Mr. Gote claims that he is facing interruption in the smooth and peaceful possession and title of the disputed land and has therefore prayed for a partition for his one-eighth share in the disputed land. The matter is currently pending.
3. Mr. Ashutosh Mondal filed a title suit (T.S. no. 77 of 2009) against our Company before the Civil Judge, Junior Division, Third Court, Asansol ("Title Suit"). In the Title Suit Mr. Mondal has alleged that he along with his co-sharers entered into an agreement with our Company on October 28, 2006 ("Agreement") pursuant to which our Company was given possession of the disputed land. Mr. Mondal has further alleged that our Company has been in default for payment of the contractual license fee/rent and has thus filed this suit for ejection of our Company from the land on the ground of non-payment of license fee. A notice was served upon our Company to produce and show to the Court at the first hearing of the Suit the Agreement, the registered deed of lease dated July 7, 2006 and other documents lying in the custody of our Company pertaining to the matter in question. The matter is currently pending.
4. Ms. Amita Dasguta and others ("Plaintiffs") filed a petition for temporary injunction in a title suit filed by them (T.S. no. 5 of 2010) against our Company before the Civil Judge, Junior Division, Third Court, Asansol ("Civil Judge"). The plaintiff has filed this suit along with an injunction petition claiming that they are the owners of the undivided 50% share in the disputed property and that the defendants 3 and 4 (Krishnendu Sengupta and Soumendu Sengupta) who sold the land to our Company had no right to sell the best portion of the land in excess of their share, without any partition and thereby claiming the sale to be fraudulent and illegal and hence liable to be set aside / cancelled. Therefore, the plaintiff has claimed for an order of injunction against our Company and another restraining them from entering, encroaching and/or constructing any road or doing any business over the property. The Civil Judge *vide* his order no. 42, dated May 18, 2013, extended the ad interim order of injunction in favour of the Plaintiffs. The matter is currently pending.
5. D.S. Steel and others filed a money suit (no. 33 of 2008) ("Suit") against our Company before the Civil Judge, Asansol for recovery of a sum of ₹ 8.01 million along with interest at the rate of 18% p.a. *pendent lite* till realization for non-payment of bills, along with an application for temporary injunction restraining our Company from alienating or disposing off the properties/sites developed by D.S. Steel for our Company. The disputed bills pertain to work order awarded by our Company to D.S. Steel for developing wells and enabling drilling to extract methane gas from certain sites. D.S. Steel has alleged that they executed the works as per the work order but were not paid the requisite amount against the bills raised. The Court by its order dated August 8, 2008 and January 14, 2011, directed that status quo be maintained and that our Company be restrained from alienating, transferring, selling or otherwise disposing off the properties/sites developed by D.S. Steel, to any third person, till the disposal of the Suit. Our Company filed an appeal against the order of the Civil Judge bearing no. F.M.A.T No. 425 of 2011 and the High Court of Kolkata, by its order dated May 18, 2011 set aside the order and dismissed the application of the plaintiffs for temporary injunction. The matter is currently pending.
6. Mr. Gobhardan Roy and others filed a title suit (T.S. no. 108 of 2002) against our Company before the Civil Judge, Junior Division, Asansol. In the title suit Mr. Roy (together with the other plaintiffs) has put forth a claim to title over the disputed land and sought the relief of permanent injunction against our Company alleging that our Company is building a road through the said property without obtaining the permission of the plaintiffs or acquiring the said land. The court by its orders dated November 30, 2006

disposed of the suit and passed orders against our Company declaring that our Company did not have the authority to tread or make any road through without purchasing/acquiring the same on payment of full consideration and accordingly issuing a permanent injunction restraining our Company constructing the road without purchase from or consent of the plaintiff. Against this order, our Company has filed an appeal (no. 12 of 2007) before the Civil Judge, Senior Division, Asansol in March 2007. The matter is currently pending for appeal.

7. Ms. Malati Chatterjee and others filed a title suit (T.S. no. 74 of 2008) against Mr. Sayeed Mohamed Taha and others, including our Company, before the Civil Judge, Junior Division, Asansol. In the title suit Malati Chatterjee (together with the other plaintiffs) has put forth a claim to title over the disputed land situated (“Disputed Land”). It has been alleged in the plaint that our Company has mobilized men and material for construction of a gas pipeline under the surface of the Disputed Land without taking the written permission or consent of the plaintiffs. Accordingly, our Company has been made a party to this suit. The plaintiffs have prayed for *inter alia* a decree for permanent injunction restraining the defendants, including our Company, from entering the Disputed Land and/or interfering with peaceful possession of the same. Ms. Malati Chatterjee and certain others have also filed a petition (Miscellaneous Case no. 11 of 2009) arising out of the above T.S. no. 74 of 2008 against Ms. Yasmin Taha and others, including our Company, before the Civil Judge, Junior Division, Asansol. The contempt proceedings have been allegedly initiated for violation of the order of the court dated July 24, 2008 directing that status quo be maintained in relation to the suit properties. Ms. Malati Chatterjee and other have alleged in the petition that the order of injunction was duly communicated to the defendants and that our Company acted contrary to such order by commencing digging and other activities for laying a pipeline. The matter is currently pending.
8. Ms. Basanti Paul has filed a case (T.S. No. 84 of 2010) before the Civil Judge, Senior Division, Asansol against our Company and others. The plaintiff has contested that one of the defendants has transferred the entire disputed property in favour of our Company by misrepresenting facts, in order to deprive the plaintiff’s legal right and therefore, the sale deed is void and therefore our Company has no legal rights over the disputed land to carry on its business. Therefore, the plaintiff has prayed for a partition and rendering of accounts and a decree of permanent injunction against our Company. The plaintiff filed an application for appointment of a receiver on May 13, 2010. The plaintiff has also filed a petition under section 151 of the Code of Civil Procedure, 1906 (“C.P.C”) praying for suspension of possession of the land which was rejected by the Civil Judge by its order no 23 dated March 13, 2013. The matter is currently pending.
9. Mr. Sasaadhar Dhibhar has filed a suit (T.S. no. 102 of 2010) before the Civil Judge, Junior Division, 3rd Court, Asansol against our Company for declaration and mandatory and permanent injunction. The plaintiff has alleged that he had leased the disputed property to our Company for which our Company had promised to provide the dependant of the plaintiff with service. However, the plaintiff alleges that our Company has not yet provided the dependants of the plaintiff with any services and therefore, the plaintiff has prayed for a declaration on its right of service and a mandatory injunction to provide services to dependants of the plaintiff. The matter is currently pending.
10. Ms. Pyari Chand Khilika Jew and others (“Plaintiffs”) have filed a suit (T.S. No. 144 of 2011) against our Company and another (“Defendants”) before the Civil Judge (Junior Division), 3rd Court, Asansol, claiming *inter alia* title over the disputed property and sought the relief of possession of disputed property and permanent injunction against our Company from disturbing the Plaintiffs’s ownership and possession over the disputed property. The Defendants filed a written statement denying the statements made in the plaint and prayed for dismissal of the suit with exemplary costs. The matter is currently pending.
11. Ms. Latika Pasi Choudhury has filed a suit (T.S. 8 of 2013) against our Company and others before the Civil Judge, (Junior Division), 3rd Court, Asansol, alleging that the disputed property has been illegally sold to our Company and she is the rightful owner of the disputed property. Therefore, the plaintiff, through this suit, has prayed for declaration of her rights over the disputed property, a declaration that the sale deed pursuant to which the property was transferred to our Company was void and illegal and a decree for permanent injunction restraining the defendants from entering and/or selling the disputed property to any third parties. The matter is currently pending.

12. Goel Constructions (India) Limited (“Goel”) filed a statement of claim against our Company before the sole arbitrator hon’ble Justice Pradipta Roy (retired). The tender of Goel was accepted by our Company and the tender allotted to Goel vide Order No. GEECL 5100000176. It was alleged that despite their being a stipulation for completion of the tender job within the stipulated period of time, our Company failed to deliver cement, steel and specific drawing / design / plan (“Plans”) within the stipulated period of time and revised the Plans. An arbitration petition bearing no. A.P. No 70 of 2010 was filed by Goel in the High Court of Calcutta for the appointment of an arbitrator. Goel claimed an amount of ₹ 13.07 million inclusive of security deposit, ₹ 1.09 million towards idle labour expenses, ₹ 5.39 million towards damages for prolongation of contract relating to staff and machineries, ₹ 2.61 million towards cost of equipment, machineries and metals lying at the site, value added tax impact of 12.5% on free supply material being ₹ 12.35 million, loss of profit of ₹ 2.29 million, ₹ 0.34 million towards loss of advance payments made to the vendors for supply of materials etc., the total claim amounting to ₹ 28.26 million with interest at the rate of 18%. The counter statement of defence was filed by our Company claiming an amount of ₹ 5.95 million. The matter is currently pending.
13. M/s. MR Associates and others filed a money suit (Money Suit 12 of 2007) before the Civil Judge, Senior Division, Asansol for recovery of money amounting to ₹ 0.84 million from our Company on account of completion of work awarded to M/s. MR Associates. The Civil Judge, by his order dated September 23, 2011, has awarded the suit in favour of the plaintiff. Our Company has filed an appeal before the High Court of Calcutta (F.A. No. 229 of 2012) against the order of the Civil Judge praying that the judgement rendered by the Civil Judge be set aside on various grounds, including that M/s. MR Associates is an unregistered partnership firm. In the interim, our Company filed an application for stay of the judgment dated September 23, 2011. The stay was granted, restraining the plaintiffs / respondents from putting the decree into execution for a period of 3 months, vide order of the High Court of Calcutta, dated September 5, 2012. The High Court of Calcutta also directed our Company to deposit ₹ 12,00,000/- without prejudice to its rights and contentions, subject to which the order of injunction shall continue till the disposal of appeal and in default whereof the order shall become immediately executable. Our Company deposited ₹ 12,00,000/- and thus the injunction is continuing. The matter is currently pending.
14. Ms. Sushila Gope and others have filed a suit (T.S. 4 of 2012) against our Company and others before the Civil Judge (Junior Division), Bankura, alleging that our Company is illegally trying to install a gas pipeline over the disputed property which is duly within her share. Therefore, the plaintiff, through this suit, has prayed for declaration of her rights over the disputed property and an order of permanent injunction restraining our Company from installing the gas pipeline till the time of partition of the property. The plaintiffs have also filed an application for temporary injunction pending disposal of the suit. The matter is currently pending.
15. Mr. Madhabendra Roy and others have filed a suit (T.S. 94 of 2011) against our Company and others before the Civil Judge (Junior Division), Bankura, alleging that our Company is illegally trying to construct over the disputed property which is duly within his share. Therefore, the plaintiff, through this suit, has prayed for declaration of his rights over the disputed property and an order of permanent injunction restraining the defendants from installing the gas pipeline till the time of partition of the property. In the interim, the plaintiff has also filed an application seeking temporary injunction against our Company restraining them from constructing on the disputed property or changing the agricultural nature of the land. Further, the petitioner, Mr. Manabendra Roy had filed a criminal petition under Section 144 (2) of the CrPC against our Company with the Sub Divisional Executive Magistrate, Bankura alleging that our Company was trying to construct forcefully on the land though a temporary injunction was pending. Through subsequent order dated 9 April 2013, the magistrate dismissed this petition since the matter was sub-judice under suit TS 94 of 2011 and that the police report substantiated that the law and order situation over the suit plot was normal.
16. Ms. Chabi Mondal has filed a suit (T.S. 34 of 2011) against our Company and others before the Civil Judge, Bankura, alleging that the disputed property has been illegally sold to our Company and our Company is effecting construction over the property forcibly. Therefore, the plaintiff, through this suit, has prayed for effecting division and partition of the property and declaration of her rights over the disputed property. The matter is currently pending.
17. Mr. Nirmal Mondal and others have filed a partition suit (T.S. No. 111 of 2010) against our Company and others before the Civil Judge (Junior Division), Bankura. The plaintiffs alleged that the other

defendants are illegally trying to sell off the disputed property to our Company, when the disputed property is the joint property of the plaintiffs and the other defendants. Hence, the plaintiffs have filed this suit for partition of the disputed property and permanent injunction restraining the other defendants from selling the disputed property to our Company. In the interim, the plaintiffs have filed an application for temporary injunction restraining the defendants from transferring the disputed portion of property to any other third party which was dismissed. The matter is currently pending.

18. Mr. Ajay Chakraborty and others have filed a petition (T.S. no. 40 of 2012) against our Company and others before the Civil Judge, Bankura. The plaintiff has filed this suit claiming that they are the owners of the undivided share in the disputed property and that the defendants who sold the land to our Company had no right to sell the land without any partition and thereby claiming the sale to be fraudulent and illegal. Further our Company allegedly tried to commence construction on the disputed property despite protests from the plaintiff. Therefore, the plaintiff has claimed for an order declaring the rights of the plaintiff over their portions of the disputed land and in the alternative, order for partition and demarcation of the property. Further, the plaintiffs have also filed an application for temporary injunction for *inter alia* restraining the defendants from effecting any construction on the disputed property. The matter is currently pending.
19. Ms. Niyoti Chatteraj and others have filed a petition (T.S. No. 113 of 2010) against our Company and others before the Civil Judge (Junior Division), 2nd Court, Bankura. The plaintiffs claim that the property which is the subject matter of this dispute is 'debuttar' property and the plaintiffs along with certain defendants are the shebiats / joint administrators of the property, being possessed by them jointly without effecting any division or distribution. The plaintiffs have alleged that the long term lease executed by certain of the defendants in favour of our Company is not legal and our Company is trying to occupy the valuable portions of the disputed property. Therefore, the plaintiffs have filed this suit, praying that the lease deed executed for the disputed land be declared void, for an order declaring the rights of the plaintiff over their portions of the disputed land and also praying for a permanent injunction restraining our Company from creating any obstacles in the '*ejmal status*' or the ownership and possession of the disputed property. The application for temporary injunction was dismissed. The suit was dismissed. Later the Petitioner filed a restoration application bearing number miscellaneous 10/2012 for restoration of title suit no. 113 of 2010. The matter is currently pending.
20. Mr. Pashupati Bauri and others have filed a petition (T.S. No. 115 of 2011) against our Company and others before the Civil Judge (Jr. Division), Bankura. The plaintiffs claim that they are the rightful owners of the property and the other defendants who have allegedly sold the disputed property to our Company have no right to the property as their names were erroneously recorded in the registers. As a result, the plaintiffs have alleged that the agreement to sell the property is illegal. Therefore, the plaintiffs have filed this suit praying for a declaration of their entire right and share on the disputed property, possession of the property and permanent injunction restraining the defendants from transferring any portion of the land. The matter is currently pending.
21. Mrs. Shipra Majhi has filed a case against our Company (T.S. No 39 of 2013) for declaration of title over the disputed property and permanent injunction before the Civil Judge (Jr. Division), Asansol. It was alleged that our Company forcibly and illegally tried to lay and pass a pipeline through the disputed property for the purpose of passing and taking methane gas. An application for temporary injunction had also been filed by the plaintiff. Both parties were directed to maintain status quo till March 28, 2013 by the Civil Judge (Jr. Division), Asansol. The matter is currently pending.
22. Our Company had purchased a plot no 31 admeasuring 1527.90 sq. mtrs. in Mehsana, Gujarat by virtue of a registered sale deed bearing sr. no. 143 dated January 11, 2008. The said property was permitted to be used for non-agricultural purposes by the District Development Officer (DDO), Mehsana, Gujarat on August 31, 2007. Thereafter, on September 7, 2010, the Secretary, Revenue Department (Dispute), Ahmedabad issued a show cause notice wherein the authority sought to seek revisions to the earlier order of conversion by the DDO under provisions of section 211 of the Mumbai Land Revenue Code, 1879. Further, inter alia a stay order was granted vide notice dated February 14, 2011 from carrying out any kind of construction work in the aforesaid disputed land.
23. An urgent application (OMP No. 270 of 2013) has been filed by Sopan Projects ("Sopan") against our Company in Delhi High Court under section 9 of Arbitration & Conciliation Act, 1996 for interim measures of injunction against encashment of performance bank guarantee by our Company. Our

Company entered into a contract dated September 17, 2010 with the Sopan for laying of pipeline. The Delhi High Court vide its order dated March 15, 2013 (“Order”) directed that *status quo* be maintained with respect to performance bank guarantee. Our Company filed an interim application no. 9137/13 for modification of the Order. The Delhi High Court vide its order dated May 31, 2013 modified the Order permitting our Company to encash demand draft amounting to ₹ 16 million subject to the deposit of ₹ 8 million with the Court. Our Company vide letter dated July 17, 2013 addressed to Sopan, appointed Mr. Justice Mukul Mudgal (retired) as the sole arbitrator. The High Court of Delhi vide its order dated July 29, 2013 accepted the appointment of Mr. Justice Mukul Mudgal (retired) as the sole arbitrator and directed to keep the bank guarantee amounting to ₹ 8 million alive till the completion of the arbitral proceedings. The High Court of Delhi disposed of the Petition vide its order dated July 29, 2013 in terms of its orders dated 31 May, 2013 and 9 July, 2013. The matter is pending with arbitration.

24. Mr. Pandian has filed a public interest litigation bearing W.P. No. 34471 of 2012 before the High Court, Madras against our Company and 4 others, praying inter alia for restraining our Company from exploration, testing of wells and commercial exploration of the Mannargudi Block as the same would cause irreversible environmental degradation in the area and would be destructive to the interest of framers and undermines food security, causes contamination of ground water and results in irreversible environmental degradation and thus violative of Article 21 of the Constitution of India. The matter is pending.
25. Pankaj Kumar Sinha, Director of M/s Cobra Sentinal Private Limited. (**Applicant**) filed a case bearing number T. Case No.93 of 2013 before the Presiding Officer, E. S. I., Kolkata against E. S. I. C. Durgapur, The Deputy Director, E. S. I. C. Durgapur, The Revenue Recovery Officer, E. S. I. C. Durgapur, our Company, and Chatterjee Enterprises (**Opposite Parties 1 to 5**) for setting aside the ex-parte order dated May 14, 2013 passed by Deputy Director E. S. I. C., Durgapur under section 45-A of the E. S. I. Act. (**the Order**) against M/s Cobra Sentinal Private Limited ordering payment of Rs. 15, 61, 560/- as E. S. I. C. contribution in respect of 324 persons. The Applicant alleged that the Deputy Director E. S. I. C., Durgapur illegally and arbitrarily assessed an amount of Rs. 15, 61, 560/- as E. S. I. C. contribution payable by the Applicant for the period October 2010 to May 2011 in respect of 324 persons. Aggrieved against the aforesaid Order the **Applicant** has filed the present case praying for setting aside the Order. The Applicant has also moved an application for injunction against the said Order. The matter is currently pending.
26. Jain Irrigation System Limited (“JISL”) filed a civil suit (no. 138 of 2007) dated May 15, 2007 against our Company and others before the Civil Judge, Jalgaon, for declaration that there is no concluded contract between the parties and permanent injunction restraining our Company from encashing the bank guarantee furnished by JISL amounting to Rs. 1.30 million. The matter is in relation to a bid made by JISL in response to an invitation for bids made by our Company in 2006. Post receipt of bid from JISL, our Company made certain variations to the terms of the bid through its letter dated March 13, 2007 including in respect of payment of excise duty, which changes were not acceptable to JISL. Thereafter, our Company attempted to encash the performance guarantee submitted by JISL pursuant to the bid but could not do so in view of an interim order of the Civil Judge dated May 15, 2007 which directed that status quo be maintained pursuant to which a stop payment was put on the encashment of the bank guarantee. Subsequently, JISL filed an application for an injunction restraining our Company from encashing the bank guarantee until the disposal of the suit, which application was dismissed by the order of the court dated April 29, 2008. Against this order, JISL filed an appeal (no. 31 of 2008) dated May 2, 2008 before the District Court, Jalgaon seeking dismissal of the order along with an application for a temporary injunction restraining the relevant bank from releasing the bank guarantee to our Company. The court by its order dated November 7, 2008 allowed the appeal of JISL, set aside the order of the court dated April 29, 2008, directed that our Company be restrained from encashing or making payment of encashment of the bank guarantee and further directed that Civil Judge, Jalgaon expedite the trial hearing of suit no. 138 such that the same may be disposed within six months from the date of receipt of record and proceedings. Against this order our Company has filed an appeal on December 19, 2008 before the High Court of Judicature at Bombay, Bench Aurangabad. Our Company has moved an application before the Civil Judge, Jalgaon praying for deletion of the name of our Company from suit as our Company does not desire to pursue and/or contest the case any further and has stated that our Company shall not assert any right for invocation/encashment of the aforesaid bank guarantee which is the subject matter of the present suit. The matter is currently pending and the next date of hearing will be intimated in due course.

27. A writ petition bearing number W.P. No. 23158 of 2013 has been filed by M. Mohamed Riyas (“Petitioner”) against the Union of India, represented by its Secretary, Ministry of Environment and Forests (“Respondent 1”), our Company and others, before the High Court of Judicature at Madras (“Court”) on August 16, 2013. Pursuant to the Mannargudi CBM Contract entered into between the Government of India and our Company in July 2010, the Company was permitted to extract natural gas from the delta region. The Petitioner has alleged that the same is not permitted under law or facts, the proposed project area falls within the Vadapur Birds Sanctuary, in which there should not be any developmental activity and that Thanjavur district ‘literally’ falls under the coastal areas, development activities in which are regulated by the Coastal Regulation Zone notifications. The Petitioner has also alleged that the associations and representatives of farmers and that the activists suspect that the proposal for the development of gas reserves may actually be an introduction to lignite mining and that protests against the project have accordingly been registered and objections raised against the said project in a public hearing held by the Tamil Nadu Pollution Control Board on January 23, 2012. It has been further alleged that permitting the said project in the delta region, may result in land degradation, groundwater toxication, deterioration of food security, loss of livelihood of people and detrimental to the environment, thereby violating Article 21, 48A and 51(A)(g) of the Constitution of India. The Petitioner has *inter alia* prayed that the Court issue a writ, order or direction, particularly in the nature of the writ of Mandamus, directing Respondent 1 to not proceed further with the project allocated to the Company, for exploration and exploitation of coal bed methane in the Mannargudi Block – IV of Thanjavur district and extracting natural gas from the delta region in any manner. The matter is currently pending.
28. Mrs. Chabi Mondal has filed a case bearing number M.P. Case No. 23 of 2013 in relation to tile suit bearing number 34 of 2011 against our Company and others before the Civil judge (Senior Division), Bankura, claiming inter alia that she is facing interruption in the possession of disputed land and our Company is trying to encroach the disputed property. The matter is currently pending.
29. Mr. Bikash Ghosh (“Plaintiff”) filed a suit bearing No. 62/2013 against our Company (“Defendant”), before the Court of Civil Judge (Senior Division), Asansol (“Court”), inter alia alleging that our Company has laid its pipeline on the assurance that two people would be provided employment. The Plaintiff has alleged that the company has not yet provided permanent employment to two people. The Plaintiff has also inter alia prayed for temporary injunction restraining the Defendant from continuing to further lay the pipeline from the scheduled land and prayed for damages for losses caused to the scheduled land. The Court vide order dated July 6, 2013 has inter alia rejected the prayer for temporary injunction. The matter is currently pending.

Cases filed by our Company

Civil cases

1. Our Company has filed writ petition (W.P. (C) No. 6929 of 2010) (“Writ Petition”) against the Union of India, Coal India Limited (“Coal India”) and Eastern Coal Fields Limited (“ECL”) before the High Court of Delhi (“High Court”), claiming that the demand of ECL for carrying on coal mining operations in a portion of the CBM Block exclusively allocated to our Company under the production sharing contract dated May 31, 2001, the petroleum exploration license dated November 9, 2001 and the grant in order for mining lease dated September 4, 2008 are arbitrary and violating of the exclusive rights of our Company. Our Company was granted exclusive rights for mining lease of 210 square kilometers from the Government of West Bengal. However, ECL has claimed rights of mining on 22.17 square kilometres of the CBM Block which overlapses with the area allotted to our Company. Therefore, our Company has prayed that a writ of mandamus or appropriate directions be issued directing the respondents to forbear from carrying on any mining operations in any part of the allocated area and/or interfering with the rights of our Company to carry on its exploration activities and production operations. On December 16, 2011, Bankura DRI Mining Manufacturers Company Private Limited (“Bankura”) has filed application for impleadment as party respondent in the Writ Petition on the grounds that the Ministry of Coal vide its letter dated February 20, 2007 had allocated mining rights on coal block of 10.50 sq. kms to Bankura. The High Court vide its order dated May 3, 2013 has allowed the impleadment of Bankura. The matter is pending
2. Our Company has filed a writ petition (W.P. No. 2040 of 2011) (“Writ Petition”) against the Union of India, through the Secretary, Ministry of Petroleum and Natural Gas (“MoPNG”) and the Petroleum

and Natural Gas Regulatory Board (“PNGRB”), through its Secretary before the High Court of Delhi against the order dated March 18, 2011 passed by the PNGRB against our Company. Our Company had entered into a production sharing contract dated May 31, 2001 with the MoPNG detailing the exact terms of such exploration. After obtaining the exploration license and the mining rights, our Company started commercial production of CBM as per the terms of the production sharing contract. However, further to the notification of the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand natural gas pipelines) Regulations, 2008 (“PNGRB Regulations”), the PNGRB informed our Company to seek authorization and submit an application for regularization under the PNGRB Regulations. Further, our Company specifically clarified that it does not fall within the purview of the PNGRB Regulations. On December 3, 2010, the PNGRB issued a show cause notice directing our Company to stop any incremental activities, PNGRB after hearing our Company, passed an order dated March 18, 2011 inter alia holding that the pipeline being laid down by our Company to transport CBM gas to service more than one consumer would be treated as a ‘common carrier’ and are illegal and unauthorised and fall within the purview of the PNGRB Regulations. PNGRB also further imposed a civil penalty of ₹ 2,500,000 with an additional penalty of ₹ 100,000 per day from the date of commencement of laying and building of the pipeline or the date of the decision of PNGRB conveyed to our company that the pipeline proposed did not fall within the definition of ‘dedicated pipeline’, whichever is later, till the date the illegal construction of the pipeline is stopped. The High Court of Delhi vide order dated March 25, 2011 stayed the penalty imposed by PNGRB subject to our Company depositing ₹ 5,000,000 within a period of two weeks. Our Company vide letter dated April 6, 2011 deposited ₹ 5,000,000. On August 24, 2011, the High Court of Delhi directed our Company to apply for provisional registration, without the Writ Petition being rendered infructuous. Further, to the aforesaid order of the High Court of Delhi, our Company applied for provisional registration. The matter is currently pending.

3. Our Company has filed a civil suit (C.S. (O.S) No. 478 of 2012) (“Suit”) against Executive Access (India) Private Limited (“Defendant”) before the District Judge (Saket) New Delhi. Our Company entered into two terms of engagement dated February 15, 2010 and February 16, 2010 (“Agreements”) with the Defendant to carry out executive search assignments for finding suitable candidates for our Company. However, the Defendant failed to honour its commitments and defaulted in performing its obligations under the Agreements. Our Company requested for refund of the consideration paid amounting to ₹ 0.74 million, which the Defendant never refunded. Our Company filed the Suit praying for a recovery of ₹ 0.74 million along with damages, interest and costs. The Defendant filed a written statement denying the allegation made by our Company and prayed amongst others to set aside the suit and has raised a counter claim of ₹ 794,312 along with interest at the rate of 18% per annum, against our Company. The matter is currently pending.
4. Our Company has filed a statement of claim (Claim no. 1857 of 2012) (“Claim”) against the Steel Authority of India Limited (“SAIL”) before the Arbitral Tribunal in relation to the dispute arising out of the agreement for supply of CBM gas dated December 12, 2009 (“Agreement”). Our Company alleged that despite repeated requests, SAIL had not provided our Company with any consumption pattern in accordance with the terms of the Agreement for the supply of gas initiated from February 7, 2010. However, SAIL continued to consume the CBM gas in an irregular manner and also made additional demands for its high structural rolling mills in violation of the terms of the Agreement. Further, our Company alleged that SAIL, by letter/fax dated October 18, 2010, unilaterally directed our Company to stop supply of gas and stopped consumption from October 25, 2010 in violation of the Agreement, causing loss to our Company. Our Company raised debit notes for the period from November 26, 2010 to October 31, 2012 and requested the respondents to release payments against such debit notes and return the metering cum regulatory station installed by our Company, which has not been complied with. Therefore, our Company filed the Claim praying for an amount of ₹ 36.05 million along with interest. A counter claim has been filed by SAIL of ₹ 2686.8 million for direct and indirect losses, to which a rejoinder was filed by our Company on April 3, 2013. The matter is currently pending.
5. Our Company has filed a statement of claim against Adkins Services Inc. (“Adkins”) before the arbitration panel in relation to the dispute arising from the agreement dated March 9, 1999, as amended (“Agreement”), for charter hire of rig for CBM exploration project at Raniganj (South) Block. Our Company alleged that there were delays in the deployment of the rig and spudding of well, which was to take place on November 6, 2001 in spite of advance payments made against future invoices for the work yet to be done. Our Company alleged that Adkins forged papers of movement of the machinery

and equipment from the suppliers. Owing to the alleged delays and the inability of Adkins to discharge its obligation under the Agreement, our Company terminated the Agreement by a letter dated October 21, 2002 and claimed losses and damages amounting to ₹ 82.05 million, interest amounting to ₹ 14.47 million and losses on account of loss of production/revenue amounting to ₹ 101.54 million, aggregating to a total of ₹ 198.05 million and an award for ₹ 2.55 million on account of unadjusted advances made by our Company. A counter statement of claim was filed by Adkins claiming that the project was a 'High Risk High Gain Project' and prayed for an award of ₹ 278.1 million by way of counter claim. A petition bearing number A.P. No. 952 of 2012 was filed by Adkins praying for the appointment of the presiding arbitrator in place of Mr. Rabindranath Bhattacharjee. High court of Calcutta, vide order dated August 2, 2013 appointed Retired Justice Mr. D.K. Seth as the presiding arbitrator. The matter is currently pending.

6. Our Company and others filed a writ petition (WP No. 709 of 2012) against the State of West Bengal and another before the High Court of Calcutta challenging the constitutional validity of the West Bengal Tax on entry of goods into Local Areas Act, 2012 and the West Bengal Tax on entry of goods into the Local Areas Rules, 2012 as they impose direct and immediate restrictions on the movement of goods in West Bengal and impose other unreasonable restrictions on the freedom of trade, commerce and intercourse that is violative of Article 301 of the Constitution of India. The matter is currently pending.
7. Our Company filed an execution petition (Execution case no 12387 of 2012) against Avsco Houston ("Defendant") before the Second Judge (Senior Division), Alipore for execution of the judgment and order dated May 10, 2011, subsequently corrected on September 9, 2011, passed in money suit no. 327 of 2008 for a sum of ₹ 1.54 million with interest at the rate of 15% against the Defendant before the Civil Judge, Senior Division, Alipore for recovery and damages amounting to ₹ 2.44 million in relation to allegedly faulty and defective equipment supplied to our Company by Avsco Houston. Our Company has prayed for transmission of the decree for execution in an appropriate Court of competent jurisdiction at Houtson, United States of America, which is the Defendant's place of business. The matter is currently pending.
8. Our Company filed a consumer complaint (CC no. 146 of 2013) ("Complaint") against AMP Motors Private Limited and another ("Defendants") before the District Consumer Disputes Redressal Forum, New Delhi, in relation to the sale of a defective car by the Defendants, deficiency in services and unfair trade practices. Our Company prayed for refund of ₹ 0.2 million paid by our Company along with interest and damages amounting to ₹ 0.2 million and costs. AMP Motors Private Limited filed their written statement denying the allegations raised in the plaint and interalia prayed for dismissing the Complaint with exemplary costs. The matter is currently pending.
9. Our Company filed a civil suit (10 of 2010) against Owen Oil Tools LP ("Defendant") before the Civil Judge, Asansol for recovery of ₹ 45.5 million and ₹ 3,609.78 million in damages along with interest. Our Company placed an order for supply of casing patches as well as installation and allied services in the wells of our Company. However, the Defendant failed to install the casing patch and was in breach of the contract. Further, the defendant failed to refund any amount that was paid to them. Our Company has therefore filed this suit praying for an amounting to ₹ 3,609.78 million and ₹ 45.5 million on account of loss and damage suffered due to the breach of the contract. The matter is currently pending.

Further, our Company has also filed a criminal complaint (CC no. 438 of 2010) against Owen Oil Tools LP before the Additional Chief Judicial Magistrate, Asansol under sections 420 and 120B of the Indian Penal Code, 1860 ("IPC") for cheating our Company by the acts as described above. The matter is currently pending.

10. Our Company filed a case (T.S. no. 63 of 2010) before the Civil Judge, Asansol against Mr. Nishapati Mondal and others, praying for a decree of declaration and permanent injunction restraining the defendants from creating any obstruction in the free movement of employees and vehicles of our Company. Our Company has been using the ISP Sail Air strip peripheral road for movement of vehicles and transportation of men and materials but on March 19, 2010, the defendants forcibly stopped the movement of vehicles and created unnecessary impediments. The Court, by its order dated May 4, 2010, granted a temporary injunction in favour of our Company. The matter is currently pending.

11. Our Company has also filed a miscellaneous petition (M.P. No. 276 of 2010) against Mr. Rammay Mondal and others under section 144 of the Code of Criminal Procedure, 1973 (“Cr.P.C.”) praying for an order restraining the defendants from entering into the disputed property and obstructing the vehicles of our Company from plying on the road situated over the disputed property.
12. Our Company filed a statement of claim dated April 24, 2006, for arbitration proceedings against the Union of India before the arbitration panel claiming *inter alia* an amount of ₹ 0.63 million with interest as signature bonus over-paid under the PSC. The signature bonus of USD 0.3 million to be paid under the PSC was to be adjusted against an amount of ₹ 10 million already paid by our Company in 1994 under a previous memorandum of understanding with Coal India Limited prior to the PSC. Disputes arose as to the exchange rate applicable to the signature bonus following which the GoI by its letter dated May 13, 2005 raised a demand of ₹ 4.10 million as signature bonus due. Hence, our Company has referred the matter to arbitration under the PSC. The Union of India has filed a counter claim for an amount of ₹ 8.55 million as the balance signature bonus due together with interest at the rate of 21% p.a. The arbitration panel, by its order dated February 14, 2012, rejected the contentions of our Company and directed our Company to pay a sum of ₹ 4.10 million along with an interest of 9% p.a from 31 May 2001 till the date of the award and thereafter, at the rate of 18% pa till the date of payment. Our Company has filed an application under section 33 of the Arbitration and Conciliation Act, 1996 contending that the arbitration panel has not considered its alternative prayer of granting interest at 21% p.a. from January 27, 1994 to May 31, 2001 on the ₹ 10 million held by the Union of India and utilized by it solely. Thereafter, there were exchange of correspondence between the Parties by way of (i) Letter dated 4 June 2012 wherein the Union of India has sought payment of the outstanding amounts as per the arbitral award and raised concerns on maintainability of the application under Section 33; and (ii) Letter dated 6 June 2012 by our Company stating that the application is pending adjudication and denying the allegations of the Union of India. MoPNG has filed an execution petition in the Delhi High Court for execution of award dated March 19, 2012. The matter is currently pending.
13. Our Company has filed a consumer complaint (S.C. Case No. 62 of 2011) against National Insurance Company Limited and another (“Respondents”) before the State Consumer Dispute Redressal Commission, West Bengal alleging that the Respondents had illegally and arbitrarily rejected the insurance claim of our Company for damages to the rig which was insured by the Respondents. Our Company claimed that it had a bona fide claim under the insurance policy and has therefore prayed for compensation and/or damages amounting to ₹ 2.77 million, along with interest at 18% per annum. The matter is currently pending.
14. Our Company has filed a consumer complaint vide dairy no 4831 of 2013 (“Complaint”) against United India Insurance Company Limited (“Opposite Party”) before the State Consumer Dispute Redressal Commission, New Delhi. Our Company had imported a 40T workover rig (“Rig”) from China. The Rig was insured with the Opposite Party. On May 21, 2012 the Rig was damaged while shifting from dock for temporary storage. Post survey, our Company lodged an insurance claim with the Opposite Party for ₹ 15.13 million. On June 26, 2013 our Company accepted a settlement letter for ₹ 13.61 million from the Opposite Party to avoid delay in payment of claim. Aggrieved, our Company filed the Complaint alleging deficiency in service and unfair trade practice. Our Company prayed for payment of ₹ 1.53 million being difference between claim amount based on surveyors’ report and the actual claim disbursed, damages amounting to ₹ 2 million and interest on delayed payment and losses amounting to ₹ 3.95 million. The matter is currently pending.

Criminal cases filed by our Company

1. Our Company filed an application/petition under Section 144 of the Criminal Procedure Code, 1973 against Mr Chandi Charan Ganguly and others (“Respondents”) (M.P. Case No. 73 of 2013) before the Sub Divisional Executive Magistrate, Bankura praying for restraining the Respondents and their men and agents from entering our schedule land and preventing them from threatening our employees from dire consequences and restraining the Respondents from obstructing the movement of our Company’s vehicles or not to create disturbances to daily work and pass any other order which may be deemed fit and proper. The matter is pending.
2. Our Company filed an application/petition under Section 107 of the Criminal Procedure Code, 1973 against Mr Bablu Mallick and others (“Respondents”) (M.P. Case No. 826/2011) before the Sub

Divisional Executive Magistrate, Bankura praying for restraining the Respondents and their men and agents from entering our schedule land and preventing them from threatening our employees with dire consequences and restraining the Respondents from obstructing the movement of our Company's vehicles or not to create any disturbances in laying out pipe line work and pass any other order which may be deemed fit and proper. The matter is pending.

3. Our Company filed an application/petition under Section 144 of the Criminal Procedure Code, 1973 against Mr Manish Singh and others ("Respondents") (M.P. Case No.245/2013) before the Sub Divisional Executive Magistrate, Bankura praying for restraining the Respondents, their men, agents and contractor from entering our schedule land and creating any sort of obstruction in ingress and egress of our employees, agent and contractor in our property and threatening the petitioners company, employee, agent and workmen with dire consequences and restraining the Respondents from obstructing the movement of our Company's vehicles or not create any disturbances in laying out pipe line work and pass any other order which may be deemed fit and proper. The Sub Divisional Executive Magistrate, Bankura vide an order dated March 25, 2013 directed the officer in charge to make an enquiry and submit the report. The matter is currently pending.
4. Our Company filed a criminal complaint (no. 84 of 2009) against Mr. Swapan Roy and others ("Respondents") before the Additional Chief Judicial Magistrate, Asansol. The Court by its order dated February 4, 2009 gave directions for investigating into the allegations and for treating it as an FIR under section 156(3) of the Code of Criminal Procedure, 1973. Accordingly, the FIR was lodged on February 5, 2009 (no. 35 of 2009) against Respondents in relation to offences under Sections 420, 465 to 468 and 120B of the IPC for sale of land to our Company by making false representation and failure to return consideration amount taken by such false representation. The Additional Chief Judicial Magistrate, Asansol vide order dated July 31, 2013 acquitted the respondents ("Order"). Our Company is in the process of filing an appeal against the Order. The matter is pending.
5. Our Company filed an application/petition (M.P. Case No. 797 of 2011) against Mr. Swadesh Gore and another ("Respondents") before the Sub-Divisional Executive Magistrate, Bankura under section 144 of the Code of Criminal Procedure, 1973 praying for restraining the Respondents, their men and agents from encroaching upon the land of our Company and preventing them from threatening our employees from dire consequences and restraining the Respondents from obstructing the movement of our Company's vehicles or not to create any disturbances in laying out pipe line work and pass any other order which may be deemed fit and proper. The matter is currently pending.
6. Our Company filed a petition (M.P. No. 742 of 2010) against Mr. Swapan Chattaraj and another ("Respondents") before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company had engaged the Respondents as security guards on a consultancy basis but on being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and encroachment over the property at the main entrance of well site 16. Our Company prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.
7. Our Company filed a petition (M.P. No. 744 of 2010) against Mr. Jiten Mondal and another ("Respondents") before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company had engaged the Respondents as security guards on consultancy basis. On being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and encroachment over the property at the main entrance of gas gathering station. Our Company prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.
8. Our Company filed a petition (M.P. No. 753 of 2010) against Mr. Swapan Chattaraj and another ("Respondents") before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company had engaged the Respondents as security guards on consultancy basis. On being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and encroachment over the property at the main entrance of central gas station. Our Company prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.

9. Our Company filed a petition (M.P. No. 755 of 2010) against Mr. Swapan Chattaraj and another (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company had engaged the Respondents as security guards on consultancy basis but on being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and encroachment over the property at the main entrance of the Registered Office. Our Company prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.
10. Our Company filed a petition (M.P. No. 45 of 2011) against Mr. Sanjay Singh and another (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company alleged that the villagers of the adjoining locality where our Company carries out operations are demanding jobs on an illegal basis and on being refused they have resorted to illegal activities which cause apprehensions of breach of peace. As a result, the business of our Company was forcibly closed down in the area. Therefore, our Company prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.
11. Our Company filed a complaint (MP Case No. 724 of 2011) against Subal Khan and Santiram Khan (“Respondents”) before the Sub Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company alleged that the Respondents are obstructing the movement of vehicles of our Company without any lawful right or authority and also resorting to threats causing an apprehension of breach of peace. Further, the activities of the Respondents resulted in stopping of movement of vehicles and substantial financial losses were sustained by our Company. Therefore, our Company prayed for an order restraining the Respondents from creating any obstruction in the movement of vehicles/transportation on the property. The matter is currently pending.
12. Our Company filed a case (T.S. No. 167 of 2011) against Mr. Bablu Ghosh and Mr. Prafulla Ghosh (“Respondents”) before the Civil Judge (Junior Division), Asansol. Our Company alleged that the Respondents were obstructing the roads used for transportation by keeping stones, bushes and bamboo sticks illegally. Our Company claimed that it acquired a right of easement over the disputed road for its continuous use and therefore prayed for a declaration of its right over the road and permanent injunction restraining the Respondents from creating any obstruction to the movement of vehicles. In addition, our Company has also filed an application for an ad interim order of temporary injunction, which was refused on April 2, 2013. The matter is currently pending.
13. Our Company filed a petition (M.P. No. 940 of 2011) against Mr. Bablu Ghosh and another (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company has alleged that the Respondents were obstructing the roads used for transportation by keeping stones, bushes and bamboo sticks illegally. The Respondents resorted to threats and other illegal activities which caused apprehensions of breach of peace. Therefore, our Company prayed for an order restraining the Respondents from causing any obstruction in the normal movement of vehicles/transportation through the area. The matter is currently pending.
14. Our Company filed a petition (M.P. No. 1116 of 2011) against Mr. Dakshineswar Mallik and others (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company alleged that the Respondents were trying to encroach over the disputed land by making temporary constructions with stone, mud etc. as well as creating obstructions in the movement of vehicles of our Company. The Respondents also resorted to threats and other illegal activities which causes apprehensions of breach of peace. Our Company prayed for an order restraining the Respondents from entering into the disputed property, causing any disturbance in the operations of our Company and obstructing the normal movement of vehicles/transportation through the area. The matter is currently pending.
15. Our Company filed a petition (M.P. No. 779 of 2010) against Mr. Srikanto Ghosh and another (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company engaged the Respondents as security guards on contract basis. On being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and encroachment over the property. Our Company prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.

16. Our Company filed a petition (M.P. No. 780 of 2010) against Mr. Chhotelal Hembram and another (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company engaged the Respondents as security guards on contract basis. On being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and encroachment over the property. Our Company prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.
17. Our Company filed a petition (M.P. No. 781 of 2010) against Mr. Ranjit Chakraborty and another (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company engaged the Respondents on contract basis. On being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and encroachment over the property. Our Company has prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.
18. Our Company filed a petition (M.P. No. 782 of 2010) against Mr. Barka Murmu and another (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company employed the Respondents on contract basis. On being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and encroachment over the property. Therefore, our Company prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.
19. Our Company filed a first information report (Case no. 224 of 2011) dated November 17, 2011 against Mr. Avijit Basak (“Respondents”) (contractually employed with our Company for more than 3.5 years) with the Asansol Police Station, alleging that the Respondent was extended a total advance payment of ₹ 0.12 million, out of which he had furnished receipts for only ₹ 0.005 million and had misappropriated the remaining amount. Based on this, a charge sheet (No. 19 of 2012) was filed under section 173 of the Cr.P.C before the Additional Chief Judicial Magistrate, Asansol. In the interim, the Respondents filed a petition for anticipatory bail. The matter is currently pending.
20. Our Company has filed a first information report (Case no. 35 of 2012) dated February 17, 2012 against Mr. Partha Sarathi Mukherjee with the Asansol Police Station, alleging that Mr. Mukherjee fraudulently collected some false quotations and invoices of vegetables, non – vegetables and some grocery items from some vendors from non-existent entities, thereby committing a criminal breach of trust. The matter is currently pending.
21. Our Company has filed a first information report (Case no. 60 of 2012) dated March 21, 2012 against Mr. Utpal Dutta with the Hrapur Police Station, alleging that Mr. Dutta was stealing diesel from the well site of our Company and four litres of diesel along with three containers were recovered from him. The matter is currently pending.
22. Our Company filed a first information report (Case no. 134 of 2012) dated June 14, 2012 with the Hrapur Police Station, alleging that certain persons had stolen fifteen ‘Y’ angle and fencing from our gas gathering station at Kalajharia on June 11, 2012. The matter is currently pending.
23. Our Company filed a complaint bearing number 03/2010 (“Complaint”) before the Judicial Magistrate against, Naresh Kumar Sharma and Director of Goel Constructions (India) Limited, alleging criminal breach of trust and violations of provisions of section 409/420/120‘B’ of the Indian Penal Code in relation to a memorandum of understanding dated October 22, 2009, praying that the officer in charge of the Asansol police station be directed to treat the complaint as first information report. The officer in charge of the Asansol police station treated the Complaint as first information report and numbered the first information report as 27/2010 dated February 3, 2010. The matter is currently pending.
24. Our Company filed a first information report (Case no. 204 of 2012) dated November 8, 2012 against Mr. Sudip Bhaumik and Mr. Rajat Subhra Mukherjee (“Respondents”) with the Asansol (North) Police Station, alleging that the Respondents had misused the funds of our Company for wrongful gain,

whereby they had taken approval for payment of ₹ 0.04 million per katha of land acquired but they had paid only ₹ 0.03 million per katha as compensation. The matter is currently pending.

25. Our Company filed a first information report (Case no. 350 of 2012) dated December 6, 2012 against Mr. Rajat Subhra Mukherjee, Mr Sudip Kumar Bhawmik and Mr. Uttam Nayek with the Hirapur Police Station, alleging that they had committed breach of trust, cheating and misappropriated a sum of ₹ 0.18 million from our Company. The matter is currently pending.
26. Our Company filed a first information report (Case no. 227 of 2012) dated December 6, 2012 against Mr. Rajat Subhra Mukherjee, Mr Sudip Kumar Bhawmik, Mr. Sopan Ghosh, Mr. Debajyoti Maji and Mr. Basudeb Goswami with the Asansol (North) Police Station, alleging that they had misappropriated a sum of ₹ 1.52 million from our Company. The matter is currently pending.
27. Our Company filed a criminal complaint (Case no. A.C. 68 of 2012) against Mr. Salil Kumar Chatterjee (“Respondent”) before the Additional Chief Judicial Magistrate, Alipore. Our Company alleged that the Respondent represented himself as the Director of ‘Fuel O Fill’, a private company registered under the provisions of the Companies Act, 1956. Further the Respondent misrepresented to the Government that our Company is a principal of Fuel O Fill, though Fuel O Fill was never appointed as an agent by our Company. Our Company has filed this complaint praying that the Officer in charge of the Jadavpur Police Station investigate into the matter under section 156(3) of the Cr.P.C. The matter is currently pending.
28. Our Company filed a case (M.P. Case No. 690 of 2012) against Joydeb Kumbhakar and others before the Sub Divisional Executive Magistrate, Asansol (“Respondents”). Our Company alleged that the Respondents were obstructing the disputed property by keeping stones, bushes and bamboo sticks illegally. Our Company prayed for temporary injunction restraining the Respondents from creating any obstruction to the movement of vehicles. The matter is currently pending.
29. Our Company filed a petition (M.P. No. 745 of 2010) against Mr. Swapan Chattaraj and another (“Respondents”) before the Sub-Divisional Magistrate, Asansol under section 144 of the Cr.P.C. Our Company had engaged the Respondents as security guards on consultancy basis but on being denied employment on a permanent basis with our Company, the Respondents resorted to demonstrations and have gheroud the entrance of the main gate well compound and have further not allowed the employees of our Company to enter the well compound. Our Company interalia prayed for an order restraining the Respondents from entering into the property and obstructing vehicles of our Company from plying on the road situated over the disputed property. The matter is currently pending.
30. Our Company filed complaint before the Additional Chief Judicial Magistrate, Asansol (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.003 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Asansol (North) police station be directed to treat the Complaint as a F.I.R.. Accordingly, the officer in charge Asansol (North) police station has registered a F.I.R. bearing number 205/13 and is currently under investigation. The matter is currently pending.
31. Our Company filed complaint bearing complaint case number 206 /2013 before the Additional Chief Judicial Magistrate, Durgapur (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.003 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Durgapur police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Durgapur police station has registered a F.I. R bearing number 607/13 and is currently under investigation. The matter is currently pending.
32. Our Company filed complaint bearing complaint case number 207 /2013 before the Additional Chief Judicial Magistrate, Durgapur (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.005 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Andal police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Andal (North) police station has registered a F.I.R bearing number 323/13 and is currently under investigation. The matter is currently pending.

33. Our Company filed complaint bearing complaint case number 204 /2013 before the Additional Chief Judicial Magistrate, Durgapur (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.001 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Kanksha police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Kanksha police station has registered a F.I. R bearing number 165/13 and is currently under investigation. The matter is currently pending.
34. Our Company filed complaint before the Additional Chief Judicial Magistrate, Asansol (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.003 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Jamuria police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Jamuria police station has registered a F.I. R bearing number 299/13 and is currently under investigation. The matter is currently pending.
35. Our Company filed complaint before the Additional Chief Judicial Magistrate, Asansol (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.13 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Raniganj, Asansol police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Raniganj, Asansol police station has registered a F.I.R. bearing number 278/13 and is currently under investigation. The matter is currently pending.
36. Our Company filed complaint before the Additional Chief Judicial Magistrate, Asansol (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.003 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Asansol (North) police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Asansol (North) police station has registered a F.I.R bearing number 205/13 and is currently under investigation. The matter is currently pending.
37. Our Company filed complaint before the Additional Chief Judicial Magistrate, Asansol (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.006 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Asansol (South) police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Asansol (South) police station has registered a F.I. R bearing number 336/13 and is currently under investigation. The matter is currently pending.
38. Our Company filed complaint before the Additional Chief Judicial Magistrate, Asansol (“Complaint”) alleging that unknown miscreants have stolen different equipment amounting approximately to the tune of ₹ 0.004 million and Our Company has prayed amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Hirapur police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Hirapur police station has registered a F.I. R bearing number 217/13 and is currently under investigation. The matter is currently pending.
39. Our Company filed a first information report (“F.I R”) bearing number 219 of 2012 with the Hirapur Police Station (“Complaint”), against unknown miscreants (“Accused”) alleging that the Accused have stolen different equipment amounting to the tune of ₹ 0.26 million. The matter is currently pending.
40. Our Company filed a first information report (“F.I.R”) bearing number 31 of 2013 with the Saltora Police Station, against certain employees of M/s Sopan Projects, (“Accused”) alleging interalihat that the employees of the Accused were damaging the vehicles of our Company and were also causing grievous hurt to the employees of our Company. The matter is currently under investigation. The matter is currently pending.
41. Our Company filed a suit bearing number M.P. No. 729 of 2013 against Mr. Alope Bauri and another (“Respondents”) before the Sub-Divisional Executive Magistrate, Bankura Sadar under section 144 of

the Cr.P.C. praying for an order for restraining the Respondents from disturbing the employees and workmen of our Company. The matter is currently pending.

42. Our Company filed a complaint before the Additional Chief Judicial Magistrate, Bankura (“Complaint”) alleging inter alia that unknown miscreants have stolen different equipment amounting to the tune of ₹ 1.6 million and has prayed that amongst others that the Complaint be treated as a first information report (“F.I.R.”) and that the officer in charge Saltora police station be directed to treat the Complaint as a F.I.R. Accordingly, the officer in charge Saltora police station has registered a F.I. R bearing number 48/13 and is currently under investigation. The matter is currently pending.
43. Our Company filed a first information report (“F.I R”) bearing no. 46 of 2013) with the Saltora Police Station (“Complaint”), against Chanchal Modal & Others (“Accused”) alleging wrongful restraint and for causing grievous hurt to the employees of our Company and also for creating obstruction at well site No. 34 situated under saltora Police Station. The matter is currently under investigation. The matter is currently pending.
44. Our Company filed an application/petition bearing number M.P. Case No. 782 of 2013 under Section 144 of the Criminal Procedure Code, 1973 against Askhay Ghosh and others (“Respondents”) before the Sub Divisional Executive Magistrate, Asansol inter alia praying for restraining the Respondents and their men and agents from entering our schedule land and preventing them from threatening our employees from dire consequences and for further restraining the Respondents from obstructing the movement of our Company’s vehicles or not to create disturbances to daily work and pass any other order which may be deemed fit and proper. The matter is pending.
45. Our Company filed an application/petition bearing number M.P. Case No. 783 of 2013 under Section 144 of the Criminal Procedure Code, 1973 against Askhay Ghosh and others (“Respondents”) before the Sub Divisional Executive Magistrate, Asansol inter alia praying for restraining the Respondents and their men and agents from entering our schedule land and preventing them from threatening our employees from dire consequences and for further restraining the Respondents from obstructing the movement of our Company’s vehicles or not to create disturbances to daily work and pass any other order which may be deemed fit and proper. The matter is pending.
46. Our Company filed an application/petition bearing number M.P. Case No. 784 of 2013 under Section 144 of the Criminal Procedure Code, 1973 against Askhay Ghosh and others (“Respondents”) before the Sub Divisional Executive Magistrate, Asansol inter alia praying for restraining the Respondents and their men and agents from entering our schedule land and preventing them from threatening our employees from dire consequences and for further restraining the Respondents from obstructing the movement of our Company’s vehicles or not to create disturbances to daily work and pass any other order which may be deemed fit and proper. The matter is pending.
47. Our Company filed an application/petition under Section 107 of the Criminal Procedure Code, 1973 against Mr Mahdabendra Nath Roy and others (“Respondents”) (M.P. Case No. 378/2013) before the Sub Divisional Executive Magistrate, Bankura praying for restraining the Respondents and their men and agents from entering our schedule land and preventing them from threatening our employees with dire consequences and restraining the Respondents from obstructing the movement of our Company’s vehicles or not to create any disturbances in laying out pipe line work and pass any other order which may be deemed fit and proper. The matter is pending.

Criminal complaints

Our Company has filed 140 criminal complaints against certain parties with various police stations for various matters, including blocking access and threatening our workers, theft of diesel and machinery and creating nuisance. These complaints are currently pending investigation.

Legal notices

Our Company has issued 9 legal notices to certain parties for various matters, including causing damage to pipeline, not allowing pipeline laying work and replacement of pool table and other matters.

B. Proceedings initiated against our Company for economic offences

Except as disclosed in this chapter, there are no proceedings initiated against our Company for any economic offences.

C. Details of past penalties imposed on our Company

Except as disclosed in this chapter, there are no past penalties imposed on our Company.

D. Potential Litigation against our Company

1. The Ministry of Environment & Forests issued a show cause notice bearing number F. No. J – 11011/615/2010 – IA II (I) dated July 8, 2013 to our Company (“Notice”) under section 5 of the Environment (Protection) Act, 1986, requiring our Company to show cause within 15 days of the receipt of the Notice as to why the environmental clearance accorded to our Company on September 12, 2012 (“Environmental Clearance”) for exploration of the Mannargudi CBM block, in district Thiruvarur & Thanjavur, Tamilnadu should not be revoked. Our Company replied vide letter dated July 18, 2013 denying all the allegations made in the Notice and stated that our Company has not started any activity in the Mannargudi CBM block as the Tamil Nadu Pollution Control Board has not yet granted the Consent to Establish to our Company. Our Company has further requested the Ministry of Environment & Forests to withdraw the Notice as the Environmental Clearance was granted *inter alia* after all the points raised in the Notice were duly considered and addressed to the satisfaction of the expert appraisal committee, Ministry of Environment and Forests. The matter is currently pending.
2. **Notices Received**
 - a. The Director of Mines Safety, Sitarampur Region No. 1, issued notices bearing reference nos. S 29018/02/2006/RN-1(EZ)/CBM Project/1476 dated August 25, 2006, S 29018/02/2006/RN-1(EZ)/CBM Project/02 dated January 2, 2007 and S 29018/03/2007/RN-1(EZ)/CBM Project/276 dated February 21, 2007 to our Company stating that certain violations of the Oil Mines Regulations by our Company were observed and asked our Company to ensure compliance with the Oil Mines Regulations. Our Company submitted a reply on September 8, 2006 to the letter bearing reference no. S 29018/02/2006/RN-1(EZ)/CBM Project/1476 dated August 25, 2006 stating that we had taken appropriate measures to ensure compliance with certain prescribed provisions of the Oil Mines Regulations. Subsequently, the Director of Mines Safety, Sitarampur Region No. 1, pursuant to a letter bearing reference no. S 29018/02/2006/RN-1(EZ)/CBM Project/1477 dated August 30, 2008, asked our Company to submit the notice of appointment of a fire officer as required under Regulation 6 of the Oil Mines Regulation and further, not to appoint a single person as safety officer as well as fire officer. Our Company submitted the necessary documents on October 20, 2006. No further communication has been received from the Director of Mines Safety on this matter.
 - b. The Director of Mines Safety, Sitarampur Region No. 1, issued notices bearing reference nos. S 29018/02/2006-RN 1(EZ)/CBM Project/1822 dated October 30, 2006 and S 29018/02/2006-RN 1(EZ)/CBM Project/1822 dated November 1, 2006 stating that though our Company had submitted a contingency plan for fire, which was found to be in violation of Regulations 72(1) and 72(2) of the Oil Mines Regulations. Our Company had been asked to ensure compliance with the Oil Mines Regulations. Our Company submitted a revised fire contingency plan on February 28, 2007. No further communication has been received from the Director of Mines Safety on this matter.
 - c. The Director of Mines Safety, Sitarampur Region, issued a notice bearing reference no. SI/CBMP/I5/2009/1115/Sitarampur dated July 14, 2009 stating that non-compliance of the Indian Electricity Rules, 1956 had been noted in relation to the size of cable glands connected to the motors, gaps between earth pits, maintenance of log book etc. Our Company was asked to ensure compliance with Rules 126(3)(c), 61, 131(1), 29 and 116 of the Indian Electricity Rules, 1956 and submit a compliance report within 15 days. Our Company through its letter dated October 20, 2009 (no. GEECL/DGMS/ELEC/2009-10/08) submitted that the process of procuring approved cables and cable glands was underway and that the detailed compliance letter would be submitted upon receipt of materials to make rectifications. No further communication has been received from the Director of Mines Safety on this matter.

- d. Mecon Limited vide two letters, both dated May 28, 2013 has issued notices for invocation of arbitration, for adjudication of disputes arising out of breach of contracts by our Company by denial of long outstanding dues of Mecon Limited in respect of contract for design and engineering and for PMS services (Notices). Mecon Limited has vide the Notices claimed an amount of ₹ 4,689,455 and ₹ respectively along with interest at the rate of 18% per annum from date of the respective amounts falling due for payment. Mecon Limited vide two letters, both dated July 5, 2013 appointed Mr. S.K. Singhal as sole arbitrator. Our Company vide two letters, both dated August 13, 2013 denied breach of any contractual obligation by our Company and denied that any payment was due from our Company to Mecon Limited and further appointed Mr. B.A. Ranganadhan to be the arbitrator from our Companies side for adjudication of the disputes. The matter is currently pending.
- e. Our Company received 3 notices bearing no. KAH/DED/581, KAH/DED/689 and KAH/DED/863 dated August 08, 2011, September 14, 2011 and November 23, 2011 respectively under Section 5(4) of the Bengal Electricity Duty Act & Rules, 1935 (“Act”) from Directorate of Electricity duty, Government of West Bengal for submission of electrical data & installation of KWH meter. Our company filed its reply vide letters dated September 05, 2011, September 09, 2011, September 30, 2011, October 20, 2011, November 4, 2011 and December 8, 2011 stating interalia that our Company is not using any electricity by operation of generator using diesel or coal or waste gas and hence our Company is not covered by the said Act and further stated that our power generating units are CNG Gas based which is not included in the category of Waste-gas based.

Further our Company received two memo’s bearing number 588/R.M./E.D and 1320/R.M./E.D. dated March 23, 2012 and August 29, 2012 (“Memo”) from the Collector, R. M. Section, Burdwan under Section 5(4) of the Bengal Electricity Duty Act & Rules, 1935 (“Act”) stating to pay the arrears of electricity duty amounting to ₹ 0.042 million for the period from January 1, 2010 to December 31, 2011. Our company has filed its reply dated April 23, 2012 and September 12, 2012 stating amongst others that our Company is not covered by the provisions of Section 3 of the Act and prayed that the Memo be withdrawn. The matter is pending.

- f. Our Company has received 8 notices from Employees provident fund organisation in relation to transfer of provident fund accumulation of ex-employees, settlement of claims of other employees and other matters.
- g. Our Company has received 25 legal notices form cerxtain parties for various matters, including demand of compensation for undivided portion of land, alleging illegal laying of pipeline, alleging laying of pipeline without permission and other matters.

E. Outstanding dues to small scale undertaking(s)

Nil

F. Outstanding Litigations against other companies whose outcome could have an adverse effect on our Company

Nil

II. Litigations against the Directors of our Company

A. Outstanding Litigations and Material Developments/Proceedings against our Directors

Except as disclosed in this section, there is no outstanding litigations involving our Directors including criminal prosecutions or civil proceedings involving our Directors, and there are no material defaults, non-payment of statutory dues, over dues to banks/financial institutions or defaults against banks/financial institutions by our Directors (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of part 1 of Schedule XIII of the Companies Act).

Mr. Yogendra Kumar Modi

SEBI Proceedings

Mr. Yogendra Kumar Modi had registered himself as the member of Bhubaneswar Stock Exchange vide SEBI registration no. INB 170924216 on July 1, 1996 under the trade name YKM Securities Services and subsequently surrendered it vide letter dated February 15, 1999. However, SEBI vide its letter dated July 15, 2009 initiated an inquiry against YKM Securities Services for non-payment of an amount of ₹ 0.02 million in favour of SEBI towards the amount due for failure to pay registration fees as on date. Mr. Yogendra Kumar Modi has tendered a demand draft for the said amount, despite having surrendered the registration, on July 17, 2009. Consequent upon the deposit of amount, SEBI vide its order no. WTM/MSS/MIRSD/12/2009 dated August 20, 2009 dropped the inquiry proceedings against Mr. Yogendra Kumar Modi.

Economic Offences

Adkins Services Inc. filed a complaint (no. 4308/1 of 2003) dated November 28, 2003, against our Company, Mr. Yogendra Kumar Modi and others, before the Additional Chief Metropolitan Magistrate under Section 190 of the CrPC, alleging commission of offences under Sections 420, 406, 403, 426, 506, 120B and 34 of the IPC. ASI has filed an application under Section 156(3) of the CrPC for directions to concerned police officials for registration and investigation of the matter. ASI filed the present complaint alleging *inter alia* that our Company misrepresented the fact of possessing permission for drilling wells and that our Company cheated ASI for an amount of ₹ 73.3 million by withholding machinery, equipment, tools and payments due. For further details, see the chapter titled “Outstanding Litigations and Material Developments – Litigation involving our Company – Criminal Complaint” on page 261.

Criminal Complaints

1. The Reserve Bank of India filed a criminal complaint (1358/2000) on November 29, 1999 before the Metropolitan Magistrate, Ballard Estate, Mumbai against Rossell Finance Limited, Mr. Yogendra Kumar Modi and others under Sections 58E, 58B and 58C of the Reserve Bank of India Act, 1934 (“**RBI Act**”) for violation of Section 45QA of the RBI Act due to the failure to repay certain depositors in accordance with the orders of the Company Law Board dated June 18, 1998 and August 22, 1998. Mr. Yogendra Kumar Modi is party to these proceedings in his capacity as the former chairman and director of Rossell Finance Limited. He filed an application in 2002 for dropping of his name from the array of accused on the ground that he ceased to be a director of Rossell Finance Limited with effect from February, 25, 1998, which is prior to the commission of the alleged offence. The matter is currently pending.

Tax Cases

1. The Commissioner of Wealth Tax, Delhi, has filed a Wealth Tax Reference no. 7 and 8 of 1997 before the High Court of Delhi against Mr. Yogendra Kumar Modi. The reference is in relation to whether the Wealth Tax Tribunal was correct in law in holding that the valuation of shares of Modipon Limited, held by Mr. Yogendra Kumar Modi, had to be taken as per the provisions of Rule 1D of the Wealth Tax Rules, II. The matter is currently pending.
2. The Commissioner of Income Tax, Ghaziabad filed an appeal (ITA no. 284 of 2005) dated October 5, 2005 before the Allahabad High Court against Mr. Yogendra Kumar Modi seeking to set aside a judgment (ITA no. 25/Del/2002) dated March 30, 2005 passed by the Income Tax Appellate Tribunal, New Delhi. The contention of the department is that interest amount of ₹ 0.18 million is not allowable deduction under section 57 (iii) of the Income Tax Act as it was not utilized for the purpose of acquisition of shares. The department is therefore disallowing deduction of ₹ 0.18 million from the total income. The matter is currently pending.
18. Our Company received a show cause notice bearing number V-27(4)42/GEECL/ASN-I/2008/3406 dated September 14, 2011 (“Show Cause Notice”) from the Assistant Commissioner of Central Excise, Burdwan (“Assessing Officer”) to show cause *inter alia* as to why an amount equal to ₹ 0.01 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period July 2009 to January 2011. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.
19. Our Company received a show cause notice bearing number V-27(4)41/GEECL/ASN-I/2008/3403 dated September 14, 2011 (“Show Cause Notice”) from the Assistant Commissioner of Central Excise,

Burdwan (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 0.21 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period July 2009 to January 2011. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.

3. Our Company received a show cause notice bearing number V-(15)196/Adj/CE/Bol/08/2815 dated July 14, 2011 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 1.00 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period September 2007 to September 2008. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.
4. Our Company received a show cause notice bearing number V-(15)195/Adj/CE/Bol/08/2811 dated July 14, 2011 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 1.62 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period January 2008 to September 2008. Further, Mr. YK Modi (our Promoter/Director?) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.
5. Our Company received a show cause notice bearing number V-(15)193/Adj/CE/Bol/08/2820 dated July 14, 2011 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 0.52 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period July 2008 to September 2008. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated October 14, 2011 prayed that the Show Cause Notice be dropped. The matter is pending.
6. Our Company received a show cause notice bearing number V-(15)32/Adj/CE/Bol/12/60 dated January 09, 2013 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 13.44 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period October 2009 to January 2011. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated March 07, 2013 prayed that the allegations made in the Show Cause Notice be set aside and no penalty and interest should be imposed on the Company. The matter is pending.
7. Our Company received a show cause notice bearing number V-(15)16/Adj/CE/Bol/12/633 dated February 24, 2012 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 7.43 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period February 2011 to December 2011. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated April 09, 2012 prayed that the proceedings initiated in the Show Cause Notice be dropped. The matter is pending.
8. Our Company received a show cause notice bearing number V-(15)09/Adj/ASN-I/CE/Bol/13/133 dated January 16, 2013 (“Show Cause Notice”) from the Commissioner of Central Excise, Bolpur (“Assessing Officer”) to show cause inter- alia as to why an amount equal to ₹ 7.56 million inclusive of CENVAT, Edu. CESS and SHE CESS only should not be demanded and paid by our Company along with interest and penalty for the period January 2012 to November 2012. Further, Mr. YK Modi (our Promoter) is also required to show cause before the Assessing Officer why penalty should not be imposed against him. Our Company has filed its reply dated March 22, 2013 prayed that the allegations

made in the Show Cause Notice be set aside and no penalty and interest should be imposed on the Company. The matter is pending.

Proceedings before the Debt Recovery Tribunal

1. Bank of India filed an application (no. 14 of 1997) before the Debt Recovery Tribunal, New Delhi against Mr. Mahendra Kumar Modi and Mr. Yogendra Kumar Modi for recovery of a sum of ₹ 15.80 million (along with interest pendent lite and future interest on decreed amount till realisation at 19.75% p.a. against credit facilities availed by SPL (previously known as Modi Champion Limited). The credit facilities availed by SPL were secured by a guarantee provided by Mr. Mahendra Kumar Modi and Mr. Yogendra Kumar Modi. Mr. Yogendra Kumar Modi filed an application in July 1998 and an affidavit of evidence on June 16, 2003 seeking discharge from this matter since pursuant to a memorandum of family settlement dated March 16, 1995 with retrospective effect from January 9, 1994 he had ceased to be a guarantor of SPL with effect from 1994. The application was heard by the Tribunal on August 6, 2009 and the order was reversed. The matter is currently pending.
2. Bank of India issued a notice dated July 20, 2005 under Sections 25 to 28 of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 and Rule 2 of the second schedule to the I.T. Act to the legal representatives of Mr. K.N. Modi including Mr. Yogendra Kumar Modi in RC 142 of 2004 before the Debt Recovery Tribunal, New Delhi for recovery of a sum of ₹ 40.19 million (inclusive of interest upto December 21, 2004) as per the recovery certificate drawn in OA 514 of 2000 dated March 27, 2004 along with future pendent lite interest at the rate of 11% with effect from September 22, 2000 till realisation. Mr. Yogendra Kumar Modi filed an application on September 22, 2005 and January 2, 2006 for deletion of his name as a legal representative of the late Mr. K.N. Modi and exemption from providing details of properties owned by him since pursuant to a memorandum of family settlement dated March 16, 1995 with retrospective effect from January 9, 1994 he had ceased to be associated with SPL and Mr. K.N. Modi. Mr. Yogendra Kumar Modi also filed an application on September 25, 2007 for modification of orders dated August 23, 2007 and September 17, 2007 to be limited to assets inherited by him on the death of Mr. K.N. Modi. The matter is currently pending.

Civil Cases

1. Mr. U.K. Modi has filed a suit (no. 2712 of 1998) before the High Court of Delhi against, Mr. K.N. Modi, Mr. Mahendra Kumar Modi, Mr. Yogendra Kumar Modi, Mr. Devendra Kumar Modi, Mr. V.K. Modi, Mr. S.K. Modi, Mr. B.K. Modi, IFCI, Godfrey Philips Limited, Modipon Limited, Quick Investment India Limited, Modi Rubber, Modi Spinning and Weaving Mills Company Limited and Modi Industries Limited for declaration and permanent injunction in relation to a scheme of separation proposed before the Modi family. The matter is currently pending.
2. Mr. V.K. Modi has filed a suit (no. 2694 of 1998) before the High Court of Delhi against Mr. Yogendra Kumar Modi, Mr. K.N. Modi, Mr. Mahendra Kumar Modi, Mr. Devendra Kumar Modi, Modi Industries Limited, Modipon Limited, Modi Xerox Limited, Godfrey Philips Limited, Bihar Sponage Iron Limited, Modi Rubber Limited, Modi Carpets Limited, Modi Threads Limited, Mr. K.K. Modi, Mr. S.K. Modi, Mr. B.K. Modi, Mr. U.K. Modi, Modi Spinning and Weaving Limited, Vishal Syntex Limited, Haryana Distillery Limited, Ambuja Cement Eastern Limited, Cloth and Abhor Mills, Modi Alkalies and Chemicals Limited and Indo Euro Industries Limited for declaration and recovery of ₹ 1 million along with interest at 18% p.a. in relation to certain disputes pertaining to a memorandum of understanding dated January 24, 1989. The matter is currently pending.
3. Dr. D.K. Modi has filed a suit (no. 991 of 2009) before the High Court of Delhi against Mr. Yogendra Kumar Modi, Mr. Mahendra Kumar Modi, Modi Industries Limited, Modi Rubber Limited, Mr. S.K. Modi, Mr. B.K. Modi, Mr. U.K. Modi, Mr. V.K. Modi, Mr. K.K. Modi, Modi Spinning and Weaving Limited, for permanent and mandatory injunction against the defendants restraining them from acting contrary to the terms of a memorandum of understanding entered into in 1989. The matter is currently pending.

Mr. Pejavar Murari

1. SEBI has instituted a criminal complaint (CC No. 66/SW OF 2004) against Silverline Technologies Limited ("**Silverline**") and others including Mr. Pejavar Murari (Accused No. 9) for alleged non-

payment of penalty amount imposed upon the Silverline *vide* its adjudication order dated October 10, 2003. Mr. Murari has been made a party to the suit in his capacity as a director of Silverline. Mr. Pejavar Murari had resigned from the Board of Silverline with effect from February 28, 2003. Mr. Pejavar Murari was neither a director of nor associated with Silverline at the time when the show cause notice was issued by the SEBI or when the cause of action arose or when the aforesaid criminal complaint was filed. Mr Pejavar Murari has not received any notice or summons regarding the alleged defaults. Further, SEBI vide application dated May 20, 2010 (“Application”) moved before Additional Chief Metropolitan Magistrate, 47th Court at Esplanade, Mumbai alleged that inspite of services of summons Mr. Murari has not remained present in the court, and hence has taken out the Application for issuing non bailable warrant against Mr. Murari. Mr Pejavar Murari filed a discharge application before the court of the Additional Chief Metropolitan Magistrate, 47th Court at Esplanade, Mumbai, which was subsequently rejected on July 14, 2010. The matter is currently pending.

Mr. Gurvirendra Singh Talwar

1. Mr. Gurvirendra Singh Talwar, our Director, in his capacity as a non-executive director of DLF Limited has received two notices from SEBI under Sections 11(1), 11(4) and 11B of the SEBI Act, 1992 dated 25th June, 2013 and under Rule 4 of SEBI (Procedure for Holding Inquiry and imposing Penalties by Adjudicating Officer) Rules, 1995 dated 28th August, 2013 in connection with a matter with respect to disclosures in the prospectus in relation to DLF Limited's IPO in 2007. The notice dated 25th June, 2013 has been responded to SEBI and the notice dated 28th August, 2013 shall be responded in due course.

B. Outstanding Litigations and Material Developments/Proceedings filed by our Directors

1. *Mr. Yogendra Kumar Modi*

Mr. Yogendra Kumar Modi has filed a civil suit (C.S. (OS) No. 1585 of 2008) before the High Court of Delhi at New Delhi against Mr. Mahendra Kumar Modi and Mr. Devendra Kumar Modi claiming recovery of a sum of ₹ 34.32 million along with interest pendent lite and future at the rate of 18% p.a. as sums paid to the State Bank of India (“SBI”) by Mr. Yogendra Kumar Modi in his capacity as a guarantor towards settlement of outstanding dues owed by SPL. Mr. Yogendra Kumar Modi was a director of SPL and as such had provided a personal guarantee for the repayment of debt owed by SPL. Mr. Yogendra Kumar Modi has claimed the reimbursement of the said amount of ₹ 34.32 million from Mr. Mahendra Kumar Modi *inter alia* on the ground that Mr. Mahendra Kumar Modi had failed to meet the obligations under the memorandum of family settlement dated March 16, 1995 with retrospective effect from January 9, 1994 between Mr. Yogendra Kumar Modi and Mr. Mahendra Kumar Modi pursuant to which Mr. Mahendra Kumar Modi had agreed to replace the personal guarantee provided by Mr. Yogendra Kumar Modi to SBI by a guarantee to be provided by Mr. Mahendra Kumar Modi to SBI and further agreed to indemnify Mr. Yogendra Kumar Modi against any financial losses arising out of the same. The High Court of Delhi at New Delhi vide order dated July 2, 2012 passed a decree for recovery of ₹2.89 million along with cost of ₹ 0.03 million. The matter is currently pending.

C. Proceedings initiated against the Directors for economic offences

Other than the litigation disclosed under the chapter titled “Outstanding Litigations and Material Developments – Litigation against the Directors of our Company – Economic Offences” on page 240, There are no proceedings initiated against the Directors for economic offences

D. Details of past penalties imposed on our Directors

Except Mr. Pejavar Murari against whom SEBI had instituted a criminal complaint for alleged non-payment of penalty amount imposed upon a company of which Mr. Murari was a director as detailed above on page 263, there are no past penalties imposed on our other Directors.

III. Outstanding Litigations and Material Developments/Proceedings against our Promoters

Except as stated below, there is no outstanding litigations involving our Promoters, including criminal prosecutions or civil proceedings involving our Promoters, and there are no material defaults, non-payment of statutory dues, over dues to banks/financial institutions or defaults against banks/financial institutions by our

Promoters (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of part 1 of Schedule XIII of the Companies Act).

A. Litigation involving Promoters

Outstanding Litigations and Material Developments/ Proceedings against our Promoters

Mr. Yogendra Kumar Modi

For details regarding the outstanding litigations against and by Mr. Yogendra Kumar Modi, see the chapter titled “Outstanding Litigations and Material Developments/Proceedings against our Directors” and “Outstanding Litigations and Material Developments/Proceedings filed by our Directors” on page 260 and 264.

YKM Holdings Private Limited

Nearly all of the litigations involving YKM Holdings Private Limited are in the name of Fame Securities & Credits Private Limited and Trend-Setter Securities & Credits Private Limited as all these cases have been transferred from these companies to YKM Holdings Private Limited pursuant to scheme of amalgamation and merger.

YKM Investment Limited, Trend-Setter Securities & Credits Private Limited, Bokel Investments Limited and Fame Securities & Credits Private Limited were merged with YKM Holdings Private Limited pursuant to the provisions of the scheme of merger as approved by the order dated February 29, 2008 of the High Court of Punjab and Haryana, Chandigarh in Company Petition number 153 of 2007.

Cases against YKM Holdings Private Limited

1. The Deputy Commissioner of Income Tax, Circle 18(1) New Delhi issued a notice of demand under Section 156 of the I.T. Act bearing reference no. ITA no. 4125/Del/2007 dated October 25, 2004 for the AY 1997 to 1998 imposing a penalty of ₹ 0.74 million on YKM Holdings Private Limited, which was subsequently set aside by the Commissioner of Income Tax (Appeals) pursuant to its order dated June 5, 2007. Against this order the income tax authorities filed an appeal on October 15, 2007 before the Income Tax Appellate Tribunal, which restored the case back to the Commissioner of Income Tax (Appeals) for consideration on merits. The matter is currently pending before the Commissioner of Income Tax (Appeals).
2. Income Tax officer vide order dated November 28, 2011 in relation Assessment Year 2009 – 2010 disallowed income to the extent of ₹ 1.26 million and added the same back to the taxable income. Further penalty proceedings under section 271(1) (c) were initiated (“Order”). YKM Holdings Private Limited filed an appeal praying interalia for setting aside the Order on the grounds that the order passed was bad in law and that the assessing officer had grossly erred in law and on facts and circumstances in making addition of ₹ 1.26 million on account of disallowance of bad debts (“Appeal”).The Commissioner of Income Tax (Appeals) – XXI, New Delhi vide order dated July 31, 2012 dismissed the Appeal and upheld the Order. The matter is currently pending.
3. Assessing officer issued a notice dated July 31, 2012 under section 143(2) of the Income Tax Act, 1961 requiring attendance on August 13, 2012 along with documents, accounts or any other evidence in relation to the return for the assessment year 2011 - 12 filed by YKM Holdings Private Limited. YKM Holdings Private Limited vide letter dated August 13, 2012 attached the return of income for the assessment year 2011 – 12. The matter is currently pending.
4. The Income Tax Officer, ITO Ward 18 (4) (“Income Tax Officer”) issued a show cause notice dated August 7, 2013 under section 143(2) requiring YKM Holdings Private Limited to attend the office of the Incoe Tax Officer on August 19, 2013 or produce at the said time any documents, accounts or any other evidence that our Company may rely in support of the return filed by our Company for the assessment year 2012 – 2013. Further our Company on August 19, 2013 filed certain documents with the Deputy Commissioner The matter is currently pending.
5. The court of S.D.M / Revenue Assistant (Vasant Vihar), New Delhi vide an ex parte order dated January 31, 2003 (“Order”) ejected YKM Holdings Private Limited from the suit property on account

of using agricultural land for non agricultural purposes and vested the suit property in the Gaon Sabha, Rangpur with immediate effect. YKM Holdings Private Limited moved an application (“Application”) before the court of S.D.M / Revenue Assistant (Vasant Vihar), New Delhi for setting aside the Order on the grounds that the Order is bad and is untenable in law. Vide order dated January 27, 2005 the court of the Financial Commissioner Delhi, dismissed the Application (“Order II”). Aggrieved YKM Holdings Private Limited filed a writ petition before the High Court of Delhi, bearing number W.P. (C) 2881/2005 & CM 2068/05 praying inter alia for setting aside the Order II. The High Court of Delhi vide order dated March 9, 2005 set aside Order and Order II and directed the Revenue Assistant to consider the representations of YKM Holdings Private Limited, in accordance with law. The Revenue Assistant vide order dated September 27, 2006 dropped the proceedings against YKM Holdings Private Limited as the construction over the suit property was used for dwelling purposes (“Order III”). Aggrieved, Gaon Sabha, Rangpuri filed an appeal bearing number 142/2006 before court of Deputy Commissioner/Collector, Delhi praying inter alia for setting aside the Order III and for ejection of YKM Holdings Private Limited from the suit property (“Appeal”). YKM Holdings Private Limited filed its reply and prayed inter alia that the Appeal be dismissed with costs as there are no merits in the contentions raised in the Appeal. The matter is currently pending.

Cases filed by YKM Holdings Private Limited

1. Fame Securities & Credits Private Limited (“Plaintiff”) filed a civil suit (no. 153 of 2004) in February 2004 before the High Court of Delhi against Mr. P. Dinakaran and others (“Defendants”) for declaration and permanent injunction in relation to a general power of attorney executed by Mr. Dinkaran (former President of the company) in favour of certain parties. The company has sought a declaration that the general power of attorney dated December 12, 2003 executed by Mr. Dinkaran in favour of a third party authorizing such third party to deal with and dispose of agricultural land belonging to the company be declared null and void. The company has also sought permanent injunction restraining the defendants from dealing in such properties. An application bearing application number 1046 of 2004 was filed by the Plaintiff praying inter alia for granting temporary injunction in the nature of restraining the Defendants from either selling, alienating or in any matter dealing with the agricultural property till the pendency of the suit. The Hon’ble court vide an order dated August 5, 2013 passed a decree in favour of the Plaintiff declaring the general power of attorney dated December 12, 2003 registered with the office of the Sub-Registrar-IX, New Delhi as serial no. 8686 in book no. IV, Volume No. 534 at page 75 to 78 as null and void and also granted permanent injunction against the Defendants. The matter is currently pending.
2. Trend-Setter Securities & Credits Private Limited (“Plaintiff”) filed a civil suit (no. 154 of 2004) in February 2004 before the High Court of Delhi against Mr. P. Dinkaran and others (“Defendants”) for declaration and permanent injunction in relation to a general power of attorney executed by Mr. Dinkaran (former President of the company) in favour of certain third parties. The company has sought a declaration that the general power of attorney dated December 12, 2003 executed by Mr. Dinkaran in favour of a third party authorizing such third party to deal with and dispose of agricultural land belonging to the company be declared null and void. The company has also sought injunction restraining the defendants from dealing in such properties. An application bearing number 1047 of 2004 was filed praying inter alia for granting temporary injunction in the nature of restraining the Defendants from either selling, alienating or in any matter dealing with the agricultural property till the pendency of the suit. The Hon’ble court by an order dated August 5, 2013 passed a decree in favour of the Plaintiff declaring the general power of attorney dated December 12, 2003 registered with the office of the Sub-Registrar-IX, New Delhi as serial no. 8686 in book no. IV, Volume No. 534 at page 71 to 784 as null and void and also granted permanent injunction against the Defendants. The matter is currently pending.
3. YKM Holdings Private Limited filed a suit against Unitech Limited and another (“Defendants”) in the Court of the Civil Judge (Senior division), Gurgaon being suit no. 293 of 2010 for declaration and permanent injunction praying for a decree of declaration that YKM Holdings Private Limited is not liable to pay surface parking charges and to restrain the Defendants from claiming or realising any amount as parking charges. On August 2, 2010, the Civil Judge (Junior Division), Gurgaon (“Order”) allowed the application for temporary injunction to restrain the defendants from levying parking charges with a further direction to the Defendants to maintain a separate account of the amount received by it under the head of parking charges to deposit the same in a separate account and submit the

statement every month. In August 2010, the Defendants filed an appeal against the Order. The matter is pending.

B. Details of past penalties imposed on our Promoters

Except as disclosed in this section, there are no past penalties imposed on our Promoters.

C. Proceedings initiated against our Promoters for economic offences

Except as disclosed in this section, there are no proceedings initiated against our Promoters for economic offences.

Economic Offences

Adkins Services Inc. filed a complaint (no. 4308/1 of 2003) dated November 28, 2003, against our Company, Mr. Yogendra Kumar Modi and others, before the Additional Chief Metropolitan Magistrate under Section 190 of the CrPC, alleging commission of offences under Sections 420, 406, 403, 426, 506, 120B and 34 of the IPC. ASI has filed an application under Section 156(3) of the CrPC for directions to concerned police officials for registration and investigation of the matter. ASI filed the present complaint alleging *inter alia* that our Company misrepresented the fact of possessing permission for drilling wells and that our Company cheated ASI for an amount of ₹ 73.3 million by withholding machinery, equipment, tools and payments due. For further details, see the chapter titled “Outstanding Litigations and Material Developments – Litigation involving our Company – Criminal Complaint” on page 240.

D. Litigation/Defaults in respect of companies / firms / ventures with which our Promoters were associated in the past

Except as in the chapter titled “Outstanding Litigations and Material Developments – Litigation against the Directors of our Company – Outstanding Litigations and Material Developments/Proceedings against the Directors – Mr. Yogendra Kumar Modi – SEBI Proceedings”, there is no outstanding litigations/default wherein our Promoters continue to be named in respect of companies/firms/ventures with whom our Promoters were associated with in the past.

Our Promoter, Mr. Yogendra Kumar Modi continues to be named in certain litigation in respect of Rossell Finance Limited and SPL (previously known as Modi Champion Limited) being companies with whom he was associated with in the past. For further details of litigation pending against Mr. Yogendra Kumar Modi see the chapter titled “Outstanding Litigations and Material Developments – Litigation against the Directors of our Company – Outstanding Litigations and Material Developments/Proceedings against the Directors” on page 260.

IV. Litigations involving our Group Companies

Outstanding Litigations and Material Developments/Proceedings involving our Group companies and entities

Great Eastern Energy City Gas Private Limited (“GEECGPL”)

GEECGPL filed a writ petition no. 5611/2011 (“Writ Petition”) before the High Court of Delhi against Union of India and Petroleum and Natural Gas Regulatory Board (“PNGRB”) for deleting the “Note” inserted by PNGRB in its letter dated June 29, 2011. On August 6, 2010 PNGRB invited application cum bid for grant of authorization for laying, building, operation or expanding city or local natural gas distribution networks in the geographical area of Asansol-Durgapur. On February 18, 2011, GEECGPL submitted its bid. PNGRB by letter dated June 29, 2011 asked for clarification on the bid and inserted a “Note” wherein the eligibility of GEECGPL was made subject to the outcome of the matter of our Company v/s PNGRB pending before the High Court of Delhi. GEECPGL by letter dated July 4, 2011 clarified the queries raised by PNGRB. Subsequently, PNGRB issued another letter dated July 26, 2011 and gave reasons for insertion of “Note”. GEECPGL again replied by letter dated July 28, 2011 stating therein that reasoning given by PNGRB was incorrect. Despite of repeated requests, PNGRB did not delete the Note. Aggrieved, GEECGPL filed the Writ Petition. On August 9, 2011, the High Court of Delhi passed an order that subject to pending of the Writ Petition, directing PNGRB to process bid of GEECGPL along with other bidders. The matter is pending.

Great Eastern Energy Gas Private Limited

Nil

Modi Telecommunications Limited

Cases filed against Modi Telecommunications Limited

1. The Deputy Commissioner of Income Tax, New Delhi has issued an assessment order dated December 24, 2008 against Modi Telecommunications Limited (at the time known as Modi Korea Telecom Limited) as per which the Assessing Officer has disallowed the expenses amounting to ₹ 0.17 million in absence of satisfactory explanation and an amount of ₹ 4.44 million bad debts written off on account of absence of satisfactory explanation and the pre-operative expenses of Modi Telecommunications Limited and has computed the total loss for Modi Telecommunications Limited for AY 2006 to 2007 to be ₹ 18.03 million as against the total loss of ₹ 22.64 million as declared by Modi Telecommunications Limited in its return filed on November 26, 2006 and has instituted penalty proceedings under Section 247(1)(c) of the Income Tax Act, 1961. Modi Telecommunications Limited has preferred an appeal to the Commissioner of Income Tax (Appeals), New Delhi, dated January 16, 2009, challenging the order of the Assessing Officer. The Deputy Commissioner of Income Tax, New Delhi vide order dated August 17, 2011 disallowed bad and doubtful debts written off ₹ 1.77 million and reduced the total loss to 18.08 million. Further penalty proceedings under section 271(1)(c) have been initiated. The matter is currently pending.
2. The Union of India has filed a petition (OMP no. 351 of 2005) against Modi Telecommunications Limited (at the time known as Modi Korea Telecom Limited) before the High Court of Delhi. The petition filed is in appeal against an arbitral award dated May 20, 2005, wherein the arbitrator awarded a sum of ₹ 6.75 million along with interest at 12% p.a. in favour of Modi Telecommunications Limited in relation to termination of the license agreement for providing radio paging services in the West Bengal circle on account of impossibility of performance due to delay in clearance from Standing Advisory Committee for Frequency Allocation. Modi Telecommunications Limited has filed its reply on February 7, 2007. The matter was finally argued and the judgement was passed on 21st May, 2009 in which the Hon'ble Court was pleased to allow the petition of the Union of India. Pursuant to the above judgement, an appeal was preferred by the Modi Telecommunications Limited (F.A.O.(O.S) No. 281 of 2009). Notice was issued in the matter on July 14, 2009 and the matter was admitted on November 16, 2012 for further proceeding. The matter is currently pending.
3. The Union of India has filed a petition (OMP no. 350 of 2005) against Modi Telecommunications Limited (at the time known as Modi Korea Telecom Limited) before the High Court of Delhi. The petition filed is in appeal against an arbitral award dated May 20, 2005, wherein the arbitrator awarded a sum of ₹ 7.51 million along with interest at the rate of 12% p.a. from February 18, 2000 till the date of the award and future interest at the rate of 12% p.a. from the date of the award till actual date of payment in favour of Modi Telecommunications Limited in relation to in relation to termination of the license agreement for providing radio paging services in the Madhya Pradesh circle on account of impossibility of performance due to delay in clearance from Standing Advisory Committee for Frequency Allocation. Modi Telecommunications Limited has filed its reply on February 7, 2007. The matter was finally argued and the judgment was passed on May 21, 2009 in which the High Court was pleased to allow the petition of the Union of India. Pursuant to the above judgement, an appeal was preferred by the Modi Telecommunications Limited (F.A.O.(O.S) No. 282 of 2009). Notice was issued in the matter on July 14, 2009 and the matter was admitted on November 16, 2012 for further proceedings. The matter is currently pending.
4. United India Insurance Company Limited filed an appeal (F.A. no. 792 of 2007) against Modi Telecommunications Limited (at the time known as Modi Korea Telecom Limited) before the National Consumer Dispute Redressal Commission. The appeal has been filed against the order of the State Consumer Dispute Redressal Commission dated October 11, 2007 whereby United India Insurance Company Limited was directed to pay an amount of ₹ 1.10 million to Modi Telecommunications Limited as the amount of compensation claimed pursuant to an insurance claim lodged by the company. The matter is currently pending.

5. Assistant Commissioner of Income – Tax Circle 5(1), New Delhi (“Assistant Commissioner”) issued a show cause notice dated August 6, 2013 under section 143(2) requiring Modi Telecommunications Limited to attend the office of the Deputy Commissioner on August 26, 2013 or produce at the said time any documents, accounts or any other evidence that Modi Telecommunications Limited may rely in support of the return filed by our Company for the assessment year 2012 – 2013. Further Modi Telecommunications Limited on August 26, 2013 filed certain documents with the Deputy Commissioner. The matter is currently pending.

Cases filed by Modi Telecommunications Limited

1. Modi Telecommunications Limited has filed an objection (No. 306 of 2005), under section 34 of the Arbitration and Conciliation Act, 1996 before the High Court of Delhi against the award dated May 20, 2005 passed by the arbitrator in favour of the Union of India, Department of Telecommunications. Modi Telecommunications Limited and the Department of Telecommunications had entered into a license agreement for commissioning of the radio paging service for the Rajasthan Circle. The Department of Telecommunications had alleged that Modi Telecommunications Limited had defaulted in the performance of its obligations as per the terms of the license agreement and had also failed to pay the license fee. The Department of Telecommunications had invoked the financial bank guarantees and the performance guarantees furnished by Modi Telecommunications Limited at the time of entering into the license agreement. Modi Telecommunications Limited has claimed a refund of ₹ 14.16 million with interest at the rate of 12% p.a. The matter was finally argued and the judgment was passed on May 21, 2009 in which the Hon’ble Court was pleased to allow the petition of the Union of India. Pursuant to the above judgement, an appeal was preferred by the Modi Telecommunications Limited (F.A.O.(O.S) No. 283 of 2009). Notice was issued in the matter on July 14, 2009 and the matter was admitted on November 16, 2012 for further proceedings. The matter is currently pending.

Prarthana Art Photography Private Limited

Nil

YKM Holdings International Limited

Nil

Past Penalties paid by the Group Companies

No past penalties have been paid by the Group Companies.

Material developments since the last balance sheet date

Except as disclosed in the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 220, in the opinion of our Board, there have not arisen, since Fiscal 2013, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or its ability to pay its material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

In view of the approvals listed below, our Company can undertake the Issue and our current business activities, and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. Certain approvals have elapsed in their normal course and our Company has either made an application to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications. For further details in connection with the regulatory and legal framework within which our Company operates, please see chapter titled “Regulations and Policies” on page 134.

1. Approval for the Issue

Corporate approvals

- The Board of Directors has, pursuant to a resolution dated February 20, 2013, authorized the Issue, subject to the approval of our shareholders under Section 81(1A) of the Companies Act.
- The shareholders have, pursuant to special resolution dated March 26, 2013 under Section 81(1A) of the Companies Act, authorised the Issue. Authority for the Issue is required under section 62 of the 2013 Act. Accordingly, if the consummation of the transaction takes place after the coming into effect of section 62 of the 2013 Act, the authority for the issue obtained in the meeting of shareholders on March 26, 2013 by way of a special resolution under section 81(1A) of the Companies Act shall be deemed to qualify as an authority for the Issue (in accordance with section 465 of the 2013 Act), subject to such rules as may be notified in this regard.
- The Board of Directors has, pursuant to its resolution dated September 15, 2013, approved the DRHP.
- In-principle approval from the BSE and NSE dated [•] and [•], respectively.

Regulatory approvals

- SEBI, pursuant to its letter dated January 7, 2013 has permitted our Company to get listed on the Stock Exchanges by offering and allotting 25% of the Indian Equity Share Capital, which excludes the Equity Shares underlying the GDRs, to the public.
- Our Company received approval dated May 4, 2011 from Central Government under section 309 (4) and 310 of the Companies Act for payment of total remuneration of ₹ 3,616,500 per annum to Mr. Paul Zukerman for a period of 5 years w.e.f. November 7, 2010 to November 6, 2015.
- Our Company received approval dated April 18, 2013 from Central Government under section 314 (1B) of the Companies Act for payment of total remuneration of ₹ 24,750,000 per annum for a period from July 1, 2013 to June 30, 2014 and ₹ 27,225,000 per annum for a period from July 1, 2014 to March 31, 2015 to Mr. Prashant Modi.

2. Business approvals

Key approvals in relation to our business in Raniganj (South) Block

The key approvals required, and obtained by our Company in relation to its business in Raniganj (South) Block are as follows (“Key Approvals”):

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
1.	Contract for exploration and production of coal bed methane with respect to an area of approximately 210	Government of India, through MoPNG		May 31, 2001	Coextensive with the petroleum mining lease.

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
	square kilometers located in Raniganj Coal Field, West Bengal identified as Raniganj (South) Block.				
2.	Environmental clearance under the Environment Impact Assessment Notification, 2006 for 100 commercial CBM wells, 5 gas gathering stations and associated pipelines in an area of 210 square kilometers	Director, I.A. Division, Ministry of Environment and Forests		June 28, 2007	NA
3.	Environmental clearance under the Environment Impact Assessment Notification, 2006 for additional 200 commercial CBM wells, 5 gas gathering stations, 5 central gathering stations and associated pipelines in an area of 210 square kilometers	Director, I.A. Division, Ministry of Environment and Forests		November 24, 2011	NA
4.	Consent to establish, under the Air Act and Water Act for exploration and production of CBM from 100 wells at Raniganj coal block, District Burdwan, West Bengal	West Bengal Pollution Control Board	599-2N-334/2005	January 16, 2008	September 30, 2010
5.	Consent to establish, under the Air Act and Water Act for laying of 150 km long medium density polyethylene pipelines and 109 km long steel pipelines	Chief Engineer, West Bengal Pollution Control Board	141-2N-334/2005	March 5, 2009	January 31, 2014
6.	Consent to establish, under the Air Act and Water Act for exploration and production of additional 200 pilot cum production wells, 5 gas gathering stations and interconnecting pipelines	Senior Environmental Engineer, West Bengal Pollution Control Board	196-2N-334/2005	April 12, 2012	March 31, 2017
7.	Consent to operate, under the Air Act and Water Act for the following: (i) Producing CBM gas, having maximum production capacity	Assistant Environmental Engineer, West Bengal Pollution Control Board	883-WPBA/Red(Bwn)/Cont(526)/06	May 23, 2012	February 28, 2014

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
	<p>of 14,160 cubic meter per day per well and Average production Capacity of 4,700 cubic meter per day per well.</p> <p>(ii) 100 CBM wells;</p> <p>(iii) 1 gas gathering station;</p> <p>(iv) 1 central gathering station;</p> <p>(v) 77.47 km long steel pipelines;</p> <p>(vi) 55.42 km long high density polyethylene pipelines</p>				
8.	Authorisation under the Hazardous Wastes Rules for operating a facility for <i>inter alia</i> generation, handling, collection, treatment, storage and disposal of hazardous wastes, at Asansol.	Senior Environmental Engineer Incharge, West Bengal Pollution Control Board	32/2S(HW)-2461/2008	February 19, 2009	December 31, 2013
9.	Grant of petroleum mining lease for commercial sale of CBM for an area of 210 square kilometres in Raniganj, West Bengal	Government of West Bengal		September 4, 2008	September 3, 2028
10.	Petroleum exploration license for exploration of CBM over an area of 210 square kilometres in Raniganj South CBM Block in districts Burdwan, Purulia and Bankura, West Bengal.	Government of West Bengal		September 11, 2001	September 3, 2028
11.	License to possess for use of explosives (shaped charges, detonating fuse and detonators) from magazine at survey nos. JL No. 15, plot no. 1899(P), Hirapur, district Burdwan, West Bengal	Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, Ministry of Commerce and Industry, GoI	E/EC/WB/22/4 15(E49737)	August 13, 2009	March 31, 2014
12.	Application for approval for laying of 12 inch diameter steel gas pipelines from gas gathering station to city gate station at Raniganj Block, Burdwan, West Bengal	Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, GoI	P-2(4)587	October 09, 2007	-

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
13.	Permission for commissioning of 12 inch diameter steel gas pipeline from gas gathering station to central gathering station at the Raniganj Block	Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, Ministry of Commerce and Industry, GoI	P-2(4)587	July 23, 2009	N.A.
14.	Approval of the proposal for laying 12 inch diameter steel pipelines from Bhagat Singh More (branching from the main pipeline from GGS to CGS) to SAIL Growth Works, Kulti.	Joint Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, GoI	P-2 (4) 620	September 16, 2009	N.A.
15.	License for the possession of cylinders filled with compressed gas in the licensed premises situated at KSTP, ADDA village Asansol and at D-6, JL no.12, mouza Ganrvi, KSTP, ADDA village Asansol.	Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, Ministry of Commerce and Industry, GoI	G/HO/WB/06/151 (G24471)	August 23, 2011	September 30, 2014
16.	License to fill compressed gas in cylinders in the licensed premises situated at KSTP, ADDA village Asansol and at D-6, JL no.12, mouza Ganrvi, KSTP, ADDA village Asansol.	Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, Ministry of Commerce and Industry, GoI	G/HO/WB/05/174 (G24471)	August 23, 2011	September 30, 2014
17.	Approval under the Gas Cylinder Rules, 2004 for site layout and construction plan of the filling-cum-storage facilities at plot no. KSTP, ADDA village Asansol, district Burdwan, West Bengal	Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, Ministry of Commerce and Industry, GoI	A/G/HO/WB/05/147 & A/G/HO/WB/06/123 (G24471)	March 25, 2009	Subject to compliance with the conditions prescribed in the approval
18.	License to dispense CNG in a CNG dispensing station as automotive fuel granted to Indian Oil Corporation Limited at the premises situated at KSTP, Asansol, district Burdwan, West Bengal.	Chief Controller of Explosives, Petroleum and Explosives Safety Organisation, Ministry of Commerce and Industry, GoI	G/HO/WB/07/10(G26112)	September 14, 2010	September 30, 2014
19.	Approval for construction of a magazine at survey nos. JL No. 15, plot no.	Deputy Chief Controller of Explosives, Petroleum and	A/E/EC/WB/22/449(E49737)	May 8, 2009	

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
	1899(P), Hirapur, district Burdwan, West Bengal	Explosives Safety Organisation, Ministry of Commerce and Industry, GoI			
20.	Permission for construction of a group gathering station at Shyamidh as shown in plan No. GEECL/DGMS/08/09/01 and Mouza/surface Plan No. GEECL/DGMS/08-09/02 both dated July 19, 2008	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour, GoI	S29020/1//100047/2008/1511	September 30, 2008	This certificate is valid until it is withdrawn
21.	Permission for construction of a group gathering station – 1 at CBM project, Surrjanagar, near Well No. 2, as shown in plan No. S-154-01 dated August 12, 2004 and Mouza/surface plan No. GEECL/AL-1 dated February 12, 2006	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour, GoI	S1/CBM Project/794	April 28, 2006	
22.	Permission for laying gas pipeline from well no. 5, 6, 7, 8, and 23 to gas gathering station both located in village Samdhi, Hirapur, district Burdwan, West Bengal	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	S29020/45/2009/RN-1(EZ)/100047/1315	September 11, 2009	This certificate is valid until it is amended or withdrawn.
23.	Permission for laying gas pipeline from well no. 19, 10, 21 and 9 to gas gathering station both located in village Samdhi, Hirapur, district Burdwan, West Bengal	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	S29020/45/2009/RN-1(EZ)/100047/1311	September 11, 2009	This certificate is valid until it is amended or withdrawn.
24.	Permission for laying gas pipeline from well no. 12 to gas gathering station both located in village Samdhi, Hirapur, district Burdwan, West Bengal	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	S29020/18/2009-RNI(EZ)/100047639	May 5, 2009	This certificate is valid until it is amended or withdrawn.
25.	Permission for laying gas pipeline from well nos. 17, 22, 15, 14, 16, 18, 13, 20 and 11 to gas gathering station located in village Shayamdih, Hirapur, district Burdwan, West Bengal	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	S29020/23/2009/RN-1(EZ)100047/1195	August 3, 2009	This certificate is valid until it is amended or withdrawn.
26.	Permission for laying	Director of Mines	S29020/36/201	October 13,	This

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
	gas pipeline from well no. 37 to 27 and connecting it to the existing pipe line L-2 to gas gathering station located in village Shayamdih, district Burdwan, West Bengal	Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	0/RN-1(EZ)100047/1016	2010	certificate is valid until it is amended or withdrawn.
27.	Permission for laying gas pipeline from well nos. 35, 32, 33, 36, 34, 52, 43, 38, 28, 29 54, 47, 50, 49, 46, 42, 48, 31, 41, 24, 30, 25 and 53 it to the existing pipe line L-3 to gas gathering station located in village Shayamdih, Hirapur, district Burdwan, West Bengal	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	S29020/29/2011/RN-1(EZ)100047/1333	September 26, 2011	This certificate is valid until it is amended or withdrawn.
28.	Permission for laying gas pipeline from well no. 26 and connecting it to the existing pipe line L-1 to gas gathering station located in village Shayamdih, district Burdwan, West Bengal	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	S29020/35/2010/RN-1(EZ)100047/1013	October 13, 2010	This certificate is valid until it is amended or withdrawn.
29.	Permission for laying 12 inch carbon steel pipe line for transport of coal bed methane from central gathering station situated at D-6 ADDA, Industrial Estate Garui, Asansol to the premises of M/S Mackeil Ispat and Forging Limited situated at village Bamunara, Durgapur	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	S29020/7/2011/RN-1(EZ)100047/266	March 09, 2011	This certificate is valid until it is amended or withdrawn.
30.	Permission for laying 12 inch carbon steel pipe line for transport of coal bed methane from central gathering station situated at village Shayamdih, district Burdwan, West Bengal to D-6 ADDA, Industrial Estate Garui, Asansol	Director of Mines Safety, Sitarampur Region – I, Ministry of Labour and Employment, GoI	S29020/6/2011/RN-1(EZ)100047/263	March 09, 2011	This certificate is valid until it is amended or withdrawn.
31.	Permission for laying gas pipeline for interconnecting CBM wells (well nos. S-3, S-4, S-7, S-8, S-9, S-11, S-12, S-13, S-14, S-17, S-18, S-19, S-20, S-21, S-	Director of Mines Safety, Sitarampur Region – I,	No. S 29020/2013/RN-1(EZ)/100047/2056	August 12, 2013	This certificate is valid until it is amended or withdrawn.

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
	23, S-27, S-28 and S-29)				
32.	Permission for laying gas pipeline for interconnecting CBM wells (well nos. S-01, S-02, S-05, S-15, S-16, S-22, S-24, S-25, S-26, S-30, S-33, S-34, S-40, S-41, S-42 and S-43 named L-II (S))	Director of Mines Safety, Sitarampur Region – I,	No. S 29020/2013/RN -1(EZ)/ 100047/2059	August 12, 2013	This certificate is valid until it is amended or withdrawn.
33.	NOC for electrical apparatus (less than 650V) installed at CBM well sites at Shyamdih, Burdwan, West Bengal	Director of Mines Safety (Electrical) East Zone, Sitarampur, Ministry of Labour and Employment, GoI	EZ/Elec/DIR/S TR/2012/1442	December 05, 2012	This certificate is valid until it is amended or withdrawn.
34.	Approval to install, commission and put into use generators at the CBM project	Director of Mines Safety (Electricity), Sitarampur, Eastern Division, GoI	EZ/Elect/DIR/HT/Underground/ 2008/482E	March 26, 2008	This certificate is valid until it is amended or withdrawn

Key approvals and applications in relation to Mannargudi, Tamil Nadu

Approvals

Sr. No.	Authority	Particulars	Date	Validity
1.	Government of India, through MoPNG	Contract for exploration and production of coal bed methane with respect to an area of 667 square kilometers located in the Mannargudi Block out of which 392.944 square kilometres is located in Thiruvarur District and 274.056 square kilometres is located in Thanjavur District of Tamil Nadu	July 29, 2010	Coextensive with the petroleum exploration license or petroleum mining license granted, if any
2.	Government of India, Ministry of Environment and Forests	Environmental clearance under the Environment Impact Assessment Notification, 2006 for exploration, testing of wells and commercial exploration of CBM in districts Thiruvarur and Thanjavur, Tamil Nadu in an area of 667 square kilometres.	September 12, 2012	NA
3.	Government of Tamil Nadu	Petroleum exploration license for an area of 392.944 square kilometres in Thiruvarur District, Tamil Nadu	September 13, 2011	Four years
4.	Government of Tamil Nadu	Petroleum exploration license for an area of 274.056 square kilometres in Thanjavur District, Tamil Nadu	November 4, 2011	Four years

Applications

Sl. No.	Authority	Particulars	Date
1.	Tamil Nadu	Application for consent to establish to start geophysical	July 23, 2012

Sl. No.	Authority	Particulars	Date
	Pollution Control Board	study by drilling 38 core holes in the Thiruvarur district	
2.	Tamil Nadu Pollution Control Board	Application for consent to establish to start geophysical study by drilling 12 core holes in the Thanjavur district	July 23, 2012

3. Other approvals

Tax and others

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
1.	Permanent Account Number	Director of Income Tax	AAACG3345F	-	N.A.
2.	Allotment of Service Tax code number	Assistant Commissioner of Service Tax	AAACG3345FST001	July 18, 2006	N.A.
3.	Registration as employer under the West Bengal State Tax on Professions, Trades, Calling and Employments Act, 1979	Profession tax officer	RCS-1060198	September 11, 2002	N.A.
4.	Amendment to registration as employer under the West Bengal State Tax on Professions, Trades, Calling and Employments Act, 1979 for additional place of work at Asansol	Profession tax officer	RCS-1060198	March 19, 2007	N.A.
5.	Allotment of importer-exporter code number	Office of Zonal Director General of Foreign Trade	0202012972	November 14, 2002	N.A.
6.	Registration under the West Bengal Value Added Tax Rules, 2005	Assistant Commissioner of Sales Tax	19394051088	November 23, 2005	N.A.
7.	Registration under the Employees Provident Fund and Miscellaneous Provisions Act, 1952	Regional Provident Fund Commissioner	WB/PRB/44229	January 27, 2005	N.A.
8.	Registration under section 69 of the Finance Act, 1994 – Service tax registration	Office of Assistant Commissioner, Central Excise	AACG3345FXM005	November 21, 2011	N.A.
9.	Registration under u/s 40 of the WB VAT Act, 2003	Joint/Deputy commissioner of sales tax, STDS Cell	510000195	13/04/2012	N.A.
10.	Allotment of Service Tax code number	Assistant Commissioner of Service Tax	AAACG3345FSD005	June 28, 2012	N.A.

Sr. No.	Particulars	Issuing	Reference / Registration Number	Date	Validity
11.	Registration under the Central sales tax act, 1956	Assistant Commissioner of Sales Tax	19394051282	September 10, 2003	N.A.

Intellectual Property

Sr. No.	Trademark	Class	Registration Number	Registration Date	Expiry
1.	Graphical depiction of 'YKM Holdings' 	1 (Gas), 4 (Petroleum), 16 (Paper, cardboard and goods made therefrom), 35 (Management of blocks) and 37 (Beneath ground construction work relating to gas supply)	1630866	December 13, 2007	December 12, 2017
2.	The logo 	4 (Goods being industrial oils and greases, etc.)	1392368	October 18, 2005	October 17, 2015
3.	The logo: 	4 (Goods being industrial oils and greases, etc.)	1392369	October 18, 2005	October 17, 2015
4.	The logo "  GREAT EASTERN ENERGY CORPORATION LIMITED"	4 (Goods being industrial oils and greases, etc.)	1392370	October 18, 2005	October 17, 2015
5.	Graphical depiction of corporate logo along with the term "CNG" 	1 (Gas), 4 (Petroleum), 16 (Paper, cardboard and goods made therefrom) and 37 (Beneath ground construction work relating to gas supply)	1630864	December 13, 2007	December 12, 2017
6.	The logo 	1 (Gas), 4 (Petroleum), 16 (Paper, cardboard and goods made therefrom), 35 (Management of blocks) and 37 (Beneath ground construction work relating to gas supply)	1630865	December 13, 2007	December 12, 2017

Approvals to be applied for

Our Company is yet to apply for permission for conversion of usage of land from agricultural to non agricultural purposes for land acquired in relation to the Raniganj (South) Block. For details in relation to the same, see section titled "Risk Factor" on page 16.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

Corporate Approvals

- Our Board has, pursuant to its resolution dated February 20, 2013, authorised 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 26, 2013 and authorised the Board to take decisions in relation to this Issue.
- Further, our Board of Directors has approved this DRHP through its resolution dated September 15, 2013.
- The board of directors of the Selling Shareholder, by way of resolution dated July 25, 2013 has authorized the transfer of upto 400,000 Equity Shares pursuant to the Offer for Sale and has agreed to offer 400,000 Equity Shares for transfer in the Issue. Additionally In the event the non – Promoter/Promoter Group GDR holders, convert their GDRs into underlying Equity Shares, at any time prior to the filing of the Red Herring Prospectus with the RoC, the Selling Shareholder will offer such number of additional Equity Shares, so as to ensure that atleast 25%, of the fully diluted post-Issue paid up Indian Equity Share Capital, is offered to the public. The Selling Shareholder has confirmed that it has held the Equity Shares proposed to be offered and sold in the Offer for Sale for more than one year prior to the date of this DRHP and they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. YKM Holdings International Limited has also confirmed that it is the legal and beneficial holder(s) of and has full title to, the Equity Shares being offered under the Offer for Sale.

Prohibition by RBI

Except as stated in the chapter titled “*Our Promoters and Promoter Group - Other Undertakings and Confirmations*” on page 161, our Company, our Directors, our Promoters, relatives of our Promoters or our Group Companies have not been declared as wilful 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, Selling Shareholder, Promoters, Promoter Group, Directors, Group Companies or persons in control of our Promoters 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 the entities associated with the securities market and with which our Directors are associated.

Except as stated below, none of the Directors are associated in any manner with any entities, which are engaged in securities market related business and are registered with the SEBI for the same. No action has been initiated by SEBI against such entities:

Sr. No.	Name of Director	Name of the SEBI registered entity	Designation
1	Mr. Paul Sebastian Zuckerman	JM Financial Institutional Securities Private Limited	Independent Director

Further Mr. Gurvirendra Singh Talwar, our Director, in his capacity as a non-executive director of DLF Limited has received two notices from SEBI under Sections 11(1), 11(4) and 11B of the SEBI Act, 1992 dated 25th June, 2013 and under Rule 4 of SEBI (Procedure for Holding Inquiry and imposing Penalties by Adjudicating Officer) Rules, 1995 dated 28th August, 2013 in connection with a matter with respect to disclosures in the prospectus in relation to DLF Limited's IPO in 2007. The notice dated 25th June, 2013 has been responded to SEBI and the notice dated 28th August, 2013 shall be responded in due course.

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:

- The Company has net tangible assets of at least ₹ 30.00 million in each of the preceding three full years (of 12 months each), of which not more than 50.00% are held in monetary assets. Provided that if more than 50.00% of the net tangible assets are held in monetary assets, our Company has made firm commitments to utilize such excess monetary assets in its business or project;
- The Company has a minimum average pre-tax operating profit of ₹ 150.00 million, calculated on a restated basis, during the three most profitable years out of the immediately preceding five years;
- The Company has a net worth of at least ₹ 10.00 million in each of the three preceding full years (of 12 months each);
- The aggregate of the proposed Issue and all previous issues made in the same financial years in terms of the issue size is not expected to exceed five times the pre-Issue net worth of our Company as per the audited balance sheet of the preceding financial year; and
- The Company has not changed its name in the last fiscal year.

Our Company does not have a minimum average pre-tax operating profit of ₹ 150 million, 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.”

Section 39(3) of the 2013 Act states as follows:

“If the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed.”

Further, section 40(3) of the 2013 Act states that *“all monies received on application from the public for subscription to the securities (Equity Shares) shall be kept in a separate bank account in a scheduled bank and shall not be utilized for any purpose other than ... for the repayment of monies within the time specified by SEBI, received from applicant in pursuance of the Prospectus, where the company is for any other reason unable to allot securities”*. The penalty for the failure to comply with the provisions of section 40(3) of the 2013 Act would amount to not less than ₹ 500,000, and which may extend to ₹ 5,000,000 and every officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to one year a fine not exceeding Rs. 300,000 or both.

Accordingly, in compliance with Regulation 26(2) of the SEBI Regulations read with sections 39(3) and 40(3) of the 2013 Act, this Issue is being made through the Book Building Process, with at least 75% of the Issue being proposed to be Allotted to QIB Bidders. In case we do not receive subscriptions of at least 75% of the 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 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, our 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, our Company shall pay interest on the application money at the rate of 15% p.a. for the period of delay.

SEBI, pursuant to its letter dated January 7, 2013 has permitted our Company to get listed on the Stock Exchanges by offering and allotting 25% of the Indian Equity Share Capital, which excludes the Equity Shares underlying the GDRs, to the public. Our 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 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 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, subject to valid Bids being received at or above the Issue Price. Our Company and the Selling Shareholder 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 the chapter titled “*Issue Procedure*” on page 302.

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 NSE and the BSE for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue and has received the in-principle approvals from the NSE and the BSE pursuant to their letters dated [●] and [●], respectively. For the purposes of this Issue, the [●] shall be the Designated Stock Exchange;
- (c) Our Company has entered into agreements dated March 11, 2005 and May 6, 2009 with NSDL and CDSL respectively, for dematerialisation of the Equity Shares;
- (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; and
- (e) All the requirement of funds for investment in drilling and completion of CBM wells in the Raniganj (South) Block and general corporate purposes would be funded from the Net Proceeds. Accordingly, we confirm that there is no need for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue. For further details in this regard, see chapter titled “Objects of the Issue” on page 86.

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, ICICI SECURITIES 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, ICICI SECURITIES 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 SEPTEMBER 15, 2013 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKERS 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, THE GOVERNMENT OF INDIA AND ANY OTHER COMPETENT AUTHORITY IN THIS 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, AS THE ISSUE SIZE IS MORE THAN ₹ 100 MILLION. THE ALLOTMENT OF EQUITY SHARES IS TO BE MADE COMPULSORILY IN DEMATERIALIZED FORM ONLY, PURSUANT TO SECTION 68B OF THE COMPANIES ACT, 1956 AND SECTION 29 OF THE 2013 ACT.**
- 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 BANKERS (WHO ARE 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 AND SECTION 34 AND SECTION 36 OF THE 2013 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 and Section 32 of the 2013 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 and Section 32 and 33 of the 2013 Act.

Disclaimer from our Company, the Selling Shareholder, the Directors, the Book Running Lead Manager.

Our Company, the Selling Shareholder, 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.geecl.com, 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 and the Underwriting Agreement to be entered into between the Underwriters, our Company and the Selling Shareholder.

All information shall be made available by our Company, the Selling Shareholder and 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 Centres or elsewhere.

Neither our Company nor the Selling Shareholder nor any member of the Syndicate are 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, the Selling Shareholder 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 Selling Shareholder, 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, the Selling Shareholder does not express any opinion with respect to nor does it assume any responsibility for the statements and disclosures made by our Company or any other person, whether or not relating to our Company, their respective businesses, our Promoters, the financial information or any other disclosures and statements and the directors and officers of the Selling Shareholder shall not be liable in any situation whatsoever. The Selling Shareholder assumes responsibility only for the statements about the Selling Shareholder and relating to the ownership and title of the Equity Shares sold by it in the Offer for Sale in this Draft Red Herring Prospectus.

The Book Running Lead Manager and its 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 ₹ 250 million and pension funds with minimum corpus of ₹ 250 million, VCFs and permitted Non-Residents including FIIs, their Sub-Accounts, FVCIs, multilateral and bilateral financial institutions and Eligible NRIs, Eligible 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 New Delhi 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.

Filing

A copy of this Draft Red Herring Prospectus will be filed with the SEBI office (East Zone) at the Securities and Exchange Board of India, L&T Chambers, 3rd Floor, 16 Camac Street, Kolkata 700 017.

A copy of the Red Herring Prospectus, along with the other documents required to be filed under Section 60B of the Companies Act and Section 32 of the 2013 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 and Section 32 of the 2013 Act will be delivered for registration with the RoC located at the address mentioned below:

Registrar of Companies, Kolkata

Nizam Palace
2nd MSO Building
2nd Floor, 234/4, A.J.C.B. Road
Kolkata 700020
West Bengal, India.
Telephone: +91 33 2287 7390
Facsimile: + 91 33 2290 3795
E- Mail: roc.kolkata@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. The [●] 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/Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and the Selling Shareholder, 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 and Section 40 of the 2013 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

The price information of past issues handled by ICICI Securities is as follows:

Sr. No.	Issue Name	Issue Size Rs. (Mn.)	Issue Price (Rs.)	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 date	Benchmark index as on 10th calendar days from listing day (Closing)	Closing price as on 20th calendar day from listing date	Benchmark index as on 20th calendar days from listing day (Closing)	Closing price as on 30th calendar day from listing date	Benchmark index as on 30th calendar days from listing day (Closing)
1	Bharti Infratel Limited	41,727.60	220*	28-Dec-12	200	191.65	-12.89%	5,908.35	207.40	5,988.40	204.95	6,039.20	210.30	6,074.80
2	Credit Analysis and Research Limited	5,399.78	750	26-Dec-12	940	922.55	23.01%	5,905.60	929.25	5,988.40	931.05	6,056.60	924.85	6,074.65
3	Tara Jewels Limited	1,794.99	230	6-Dec-12	242	229.9	-0.04%	5,930.90	230.25	5,857.90	223.75	5,905.60	234.00	5,988.40
4	Future Ventures India Ltd.	7,500.00	10	10-May-11	9.00	8.20	-18.00%	5,541.25	8.30	5,486.35	8.10	5,473.10	9.30	5,521.05
5	Muthoot Finance Ltd.	9,012.50	175	6-May-11	196.60	175.90	0.51%	5,551.45	160.50	5,499.00	157.60	5,412.35	175.25	5,532.05

*Discount of Rs. 10 per equity share offered to retail investors and Premium of Rs. 10 per equity share to Anchor investors. All calculations are based on Issue Price of Rs 220.00 per equity share

Note:

- All above data is of NSE (Website www.nseindia.com)
- Benchmark Index considered above in all the cases was NIFTY
- 10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing date of the next trading date / day

Summary statement of price information of past issues handled by ICICI Securities:

Financial Year	Total No. of IPO's	Total Funds Raised (Rs. Mn.)	Nos. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			
			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%	
2013-14	0	Nil	0	0	0	0	0	0	0	0	0	0	0	0	0
2012-13	3	48,922.37	0	0	2	0	0	1	0	0	0	1	0	0	2
2011-12	2	16,512.50	0	0	1	0	0	1	0	0	1	0	0	0	1

Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the websites of the BRLM, as set forth in the table below:

Sr. No	Name of the BRLM	Website
1.	ICICI Securities Ltd.	www.icicisecurities.com

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:

- (a) makes in a fictitious name, an application to a company for acquiring or subscription, 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.”

Attention of the applicants is also specifically drawn to the provisions of sub-section (1) of Section 38 of the 2013 Act, which is reproduced below:

Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to ten years.”

Consents

Consents in writing of (a) our Directors, our Company Secretary and Compliance Officer, the Book Running Lead Manager, the Auditors, Domestic legal counsel to our Company and Domestic legal counsel to the Book Running Lead Manager, the International legal counsel to the Underwriters, 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 and Section 32 of the 2013 Act. Further, such consents will not be withdrawn upto the time of delivery of the Red Herring 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, our Company has not obtained any expert opinions:

Our Company has received consent from the Auditors namely, M/s. BSR & 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’ and the report of the Auditors dated September 15, 2013 and September 13, 2013 respectively, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. Our Company has also received consent from Advanced Resources International, Inc. for inclusion of their Resource and Reserve Assessment Reports in 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 Issue related expenses shall include listing fees, underwriting fees, selling commission, fees payable to the BRLM, legal counsel, processing fee to the SCSBs for processing Bid cum Application Forms submitted to the SCSBs, Registrar to the Offer, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The Issue expenses other than the listing fee comprising the fees and expenses of the Book Running Lead Manager, Domestic legal counsel to our Company, Domestic legal counsel to the Book Running Lead Manager, the International legal counsel to the Underwriters, underwriting commission, procurement commission if any, brokerage due to the underwriters and stock brokers/sub-brokers and the SCSBs payable in relation to the Issue shall be shared by our Company and the Selling Shareholder in proportion to the number of Equity Shares sold to the public in the Fresh Issue and the Offer for Sale, respectively. The listing fee shall be paid by our Company.

The estimated Issue expenses are as under:

Activity	Amount* (₹ million)	% of the Issue Expenses*	% of total Issue Size*
BRLM fees (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/Processig fees for SCSB**	[●]	[●]	[●]
Commission payable to Non Syndicate Registered Brokers	[●]	[●]	[●]
Registrar's fees	[●]	[●]	[●]
Advertisement and marketing expenses	[●]	[●]	[●]
Printing, stationery and distribution expenses	[●]	[●]	[●]
Others (SEBI filing fees, bidding software expenses, depository charges, listing fees, legal fees, IPO grading etc.)	[●]	[●]	[●]
Total	[●]	[●]	[●]

*Will be incorporated at the time of filing of the Prospectus with RoC.

** SCSBs would be entitled to a processing fees of ₹ [●] per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate or Non Syndicate Registered Brokers and submitted to SCSBs

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 Members (including underwriting commission and selling commission) will be as mutually agreed among our Company, the Selling Shareholder and the BRLM and the details of the fees will be disclosed in the Prospectus.

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 August 29, 2013 entered into, between our Company, the Selling Shareholder 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 the Registered Office.

Previous Issues of securities otherwise than for cash

Our Company has not issued any securities for consideration other than cash.

Public or Rights Issues in the Last Five Years

Our Company has not made any previous public issues of Equity Shares (including any rights issues to the public) since incorporation.

Our Company has made the following issues of GDRs since incorporation:

- (a) The issued share capital of our Company includes 36,919,873 Equity Shares underlying the two GDR issuances made by our Company. The details of both the GDR issues made by our Company are as below:

GDR Issue I: Placement of 18,803,504 GDRs by our Company in 2005 representing 94,017,520 equity shares of ₹ 1 each (at the time each GDR representing five equity shares of ₹ 1 each of our Company) on the Alternative Investment Market of the London Stock Exchange, London, at a price of 101.00 pence (₹ 82.49 as per the exchange rate prevailing on December 13, 2005) per GDR. The placement comprised of a fresh issue of 12,000,000 GDRs representing 60,000,000 equity shares of ₹ 1 each and a sponsored issue of 6,803,504 GDRs representing 34,017,520 equity shares of ₹ 1 each by certain existing shareholders of our Company. Currently, each GDR represents 0.5 Equity Shares.

GDR Issue II: Sponsored issue of 57,418,843 GDRs by our Company in 2006 representing 287,094,215 equity shares of ₹ 1 each (at the time each GDR representing five equity shares of ₹ 1 each of our Company) on the Alternative Investment Market of the London Stock Exchange, London, by way of offer for sale by certain existing shareholders of our Company. Currently, each GDR represents 0.5 Equity Shares.

On May 28, 2010, the GDRs of our Company were admitted to the standard list on the official list of the UK Listing Authority and to trading on the main market of the London Stock Exchange for listed securities. Simultaneously, the trading in the GDRs of our Company ceased on the Alternative Investment Market.

On January 7, 2012 our Company made rights issue of 1,500,000 Equity Shares at a price of ₹ 450 per Equity Share (including a premium of ₹ 440 per Equity Share) in the ratio of 7 Equity Shares for every 271 Equity Shares held by the existing equity shareholders on the record date, November 18, 2011.

Performance vis-à-vis Objects – Public/rights issue of our Company and/or listed 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

Except as stated in the chapter titled "*Capital Structure*" on page 67, 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 in India.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue, our Company and the Selling Shareholder 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 Mr. Diviy Chadha, as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

Signature Towers-A,
14th Floor, South City,
NH-8, Gurgaon 122 001,
Haryana, India
Telephone: +91 124 455 9900
Facsimile: +91 124 258 0467
E-mail: investors@geecl.com
Website: www.geecl.com

Disposal of investor grievances by listed Group Companies

There are no investor complaints pending against our Group Companies.

Change in Auditors

There have been no changes in our Company's auditors in the last three years except as stated below.

Name of Auditor	Date of appointment	Date of cessation	Reason
M/s Price Waterhouse	July 3, 2009	August 20, 2010	Removed#
M/s B S R & Co.	August 20, 2010	-	Appointment

Removed pursuant to special notices dated June 21, 2010 and June 17, 2010 from Mr. Utkarsh Munot and Mr. Dev Mohan Gupta respectively and as confirmed vide shareholders resolution dated August 20, 2010.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time since its incorporation.

Scheme of Arrangement, acquisitions of business undertakings and revaluations of assets

Our Company has not been involved in any scheme of arrangement or acquisition of any business undertaking in the past five years. Our Company has not revalued our assets in the past five years.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue are subject to the provisions of the SEBI Act, the SEBI Regulations, the Companies Act, the 2013 Act, the SCRA, SCRR, the Memorandum and Articles, the terms of the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, 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 or such other conditions as may be prescribed by the SEBI or any other authorities while granting its approval for the Issue.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 Act and the Memorandum and Articles and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under the Issue, 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, 2013 Act and the Articles. See the section titled “*Main Provisions of the Articles of Association*” on page 351 for a description of significant provisions of our Articles.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to its shareholders as per the provisions of the Companies Act, 2013 Act, the Memorandum and Articles and the provisions of the Listing Agreements. In relation to the Offer for Sale, the dividend, if any declared by our Company, after the date of Allotment will be payable to the transferees and subsequent transferees for the entire year. The declaration and payment of dividends will be recommended by our Board of Directors and our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. We shall pay dividends in cash.

Face Value and Issue Price

As on the date of this Draft Red Herring Prospectus, 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 and the minimum Bid lot size will be determined by our Company and the Selling Shareholder 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 and will be advertised in all editions of one English national daily, one Hindi national daily and one Bengali newspaper, each with wide circulation, and made available on the websites of the Stock Exchanges, at least five Working Days prior to the Bid/Issue Opening Date. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid-cum-Application Forms available at the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of 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 the 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 2013 Act, the terms of the listing agreements to be executed with the Stock Exchanges, and the Memorandum and Articles.

For a detailed description of the main provisions of the Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see section titled “*Main Provisions of the Articles of Association*” on page 351.

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. Further as per Section 29 of the 2013 Act, Equity Shares shall be issued only in dematerialised form. Hence, the Equity Shares being offered through the Red Herring Prospectus and 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 and the Selling Shareholder, 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 Bengali daily newspaper, each with wide circulation, being the newspapers in which the pre-Issue advertisements were published, at least five Working Days prior to the Bid/Issue 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 holders with benefits of survivorship.

Jurisdiction

Any dispute arising out of this Issue will be subject to the jurisdiction of competent court(s) in New Delhi, 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 in accordance with section 109 A of the Companies Act, 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 and/or 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 the Registered Office or to 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 to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

In the event our Company does not receive a minimum subscription of 100% of the Issue, subject to the Issue being made for at least 25% of the post-Issue paid up Indian Equity Share capital of our Company, in accordance with Rule 19(2)(b)(i) of the SCRR and the SEBI Letter, including devolvement to the Underwriters within 60 days from the Bid/Issue Closing Date, we shall forthwith refund the entire subscription amount received not later than 70 days from the Bid/Issue Closing Date. If there is a delay beyond eight days after the expiry of 70 days from the Bid/Issue Closing Date, our Company and Selling Shareholder shall pay such interest prescribed under Section 73 of the Companies Act and Section 40 of the 2013 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. If the number of Allottees in the proposed Issue is less than 1,000 Allottees, we shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after we become liable to pay the amount, we shall pay interest at the rate of 15.00% per annum for the delayed period.

Further, as per the 2013 Act, if the “stated minimum amount” has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. In the event of any failure to refund the application money within the specified period, a penalty of ₹ 1,000 for each day during which the default continues or ₹ 100,000, which ever is less. Additionally, section 40(3) of the 2013 Act requires application money to be refunded in the event of failure to Allot Equity Shares for any reason. The penalty for the failure to comply with the provisions of section 40(3) of the 2013 Act would amount to not less than ₹ 500,000, and which may extend to ₹ 5,000,000 and every officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to one year a fine not exceeding Rs. 300,000 or both.

If at least 75% of the Issue is not Allotted to the QIBs, the entire application money shall be refunded forthwith. The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

Application by Eligible NRIs, FIIs, Eligible QFIs 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, Eligible QFIs, 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 Equity 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*" on page 67 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting. See the section titled "*Main Provisions of the Articles of Association*" at page 351.

Withdrawal of the Issue

Our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company and the Selling Shareholder would issue a public notice in the same newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date, providing reasons for not proceeding with the Issue. 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. Our Company and the Selling Shareholder shall also inform the same to the Stock Exchanges.

If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with 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 upto 8,200,000 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 ₹ [●]. The Issue comprises a Fresh Issue to the public of 7,800,000 Equity Shares aggregating to ₹ [●] million by our Company and an Offer for Sale of upto 400,000 Equity Shares aggregating up to ₹ [●] million, by the Selling Shareholder. Additionally in the event the non – Promoter/Promoter Group GDR holders, convert their GDRs into underlying Equity Shares, at any time prior to the filing of the Red Herring Prospectus with the RoC, the Selling Shareholder will offer such number of additional Equity Shares, so as to ensure that at least 25%, of the fully diluted post-Issue paid up Indian Equity Share Capital, is offered to the public. The Issue shall constitute 26.94% and 12.17% of the fully diluted post-Issue paid up Indian Equity Share Capital and Equity Share Capital of our Company, respectively.

The Issue is being made through the Book Building Process.

	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation *	At least 6,150,000 Equity Shares.	Not more than 1,230,000 Equity Shares or Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not more than 820,000 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 other 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/allocation if respective category is oversubscribed*	Proportionate as follows: (a) 215,250 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and (b) Remaining Equity Shares in the Net QIB portion shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. Our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager, may allocate upto 30% of the QIB Portion to Anchor	Proportionate.	Not less than the minimum Bid Lot (subject to availability of Equity Shares), and the remaining Equity Shares, if any, shall be allotted on a proportionate basis as explained in the section “Basis of Allotment – For Retail Individual Investors”.

	QIBs	Non-Institutional Bidders	Retail Individual Bidders
	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 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
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 of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
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/ Market Lot	One Equity Share.	One Equity Share.	One Equity Share.
Who can Apply **	Public financial institutions, as specified in Section 4A of the Companies Act: scheduled commercial banks, mutual funds registered with SEBI, foreign institutional investor and sub-account registered with SEBI (other than a sub-account which is a foreign corporate or foreign individual), multilateral and bilateral development financial institutions, VCF, FVCI, AIFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds, (subject to applicable laws) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million in accordance with applicable law, National Investment Fund set up by Government of India, insurance funds set up and managed by the army, navy and air force of the Union of India and insurance funds set up and	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.

	QIBs	Non-Institutional Bidders	Retail Individual Bidders
	managed by the Department of Posts, India.		
Mode of Bidding	Only through ASBA (Other than Anchor Investors)	Only through ASBA	Through ASBA or Non-ASBA
Terms of Payment	Full Bid Amount at the time of submission of the Bid – cum-Application Form through the ASBA Process (other than for Anchor Investors). Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form. Any balance amount payable by the Anchor Investors, due to a difference between the Issue Price and the Bid Amount paid by the Anchor Investors, shall be payable by the Anchor Investors within two Working Days of the Bid/Issue Closing Date.	Full Bid Amount at the time of submission of the Bid-cum-Application Form through the ASBA Process	Full Bid Amount at the time of submission of the Bid – cum-Application Form either through ASBA or through the Non-ASBA Process

* 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 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, 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 and the Selling Shareholder 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 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.

Under-subscription, if any, in any category, except in the QIB category, would be met with spill-over from other categories at the discretion of our Company and the Selling Shareholder in consultation with the BRLM and the Designated Stock Exchange.

Bid/Issue Programme*

FOR ALL BIDDERS	ISSUE OPENS ON [●]
FOR QIB BIDDERS**	ISSUE CLOSES ON [●]
FOR ALL OTHER BIDDERS	ISSUE CLOSES ON [●]

* Our Company and the Selling Shareholder may in consultation with the BRLM consider participation by Anchor Investors. The Anchor Investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid / Issue Opening Date.

** Our Company and the Selling Shareholder may in consultation with the BRLM consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/Issue 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, or in the case of Bids submitted through ASBA, the designated branches of the SCSBs or to the Syndicate Member(s)/sub-syndicate members at the Syndicate ASBA Centres, **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/Issue 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/Issue 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/Issue 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/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue 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. If such Bids are not uploaded, our Company, BRLM and member of the Syndicate shall not be responsible. 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. Our Company, the Selling Shareholder 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 and the Selling Shareholder, 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/Issue 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 at the time of making the Bid.

Please note that pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2012, certain aspects, such as withdrawal and revision of Bids, manner of allocation to Retail Individual Bidders and announcement of Price Band, have been modified. Please note that such modifications have come into effect from October 12, 2012 and all Bidders are advised to read this section carefully before participating in the Issue.

Pursuant to Securities and Exchange Board of India circular no. CIR/CFD/14/2012 dated October 4, 2012, and circular no. CIR/CFD/DIL/4 /2013 dated 23/01/2013 and in partial modification of the Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, 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 and NSE i.e. www.bseindia.com and www.nseindia.com respectively.

ASBA Bidders may submit ASBA Bids to a Designated Branch (a list of such branches is available on the website of the SEBI (www.sebi.gov.in) or to the Syndicate at the Syndicate ASBA Bidding Locations (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat) or to the Registered Brokers at the Broker Centers. Non-ASBA Bidders are required to submit Bids to the Syndicate, only on a Bid cum Application Form bearing the stamp of a member of the Syndicate or the Registered Broker. ASBA Bidders are advised not to submit Bid cum Application Forms to Escrow Collection Banks, unless such Escrow Collection Banks are also SCSBs.

All Bidders are required to pay the full Bid Amount or, in case of ASBA Bids, ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

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

Our Company, the Selling Shareholder, the BRLM and Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. 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 the Red Herring Prospectus and the Prospectus.

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 our Company and the Selling Shareholder may, in consultation with the Book Running Lead Manager, 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 the 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 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.

Our Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. The Selling Shareholder undertakes that it will comply with the SEBI Regulations and any other directions issued by SEBI, as applicable to the Selling Shareholder in relation to the Equity Shares offered by the Selling Shareholder under the Offer for Sale.

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 and the Selling Shareholder, in consultation with the Book Running Lead Manager, and advertised in an English national daily newspaper, a Hindi national daily newspaper and a Bengali daily newspaper, 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.

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 (other than Bids made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts), 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 signatures 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 NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to Bid/Issue 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*
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and non ASBA)**	White

Category	Colour of Bid cum Application Form*
Non-Residents and Eligible NRIs, Eligible QFIs, 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)**	Blue
Anchor Investors***	White

* Excluding electronic Bid cum Application Forms.

** Bid cum Application forms will also be available on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.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).

*** Bid cum Application Forms for Anchor Investors shall be available at the offices of the Book Running Lead Manager.

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 the 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 Bid/Issue Opening Date. Copies of the Red Herring Prospectus shall, on a request being made by any Bidder, be furnished to such Bidder at the 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 through the Non Syndicate Registered Brokers. **However, ASBA Bids through the Syndicate ASBA or through the 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 bidding through a BRLM should ensure that the Bid cum Application Form is submitted to a BRLM only in the Specified Cities. ASBA Bidders should also note that Bid cum Application Forms submitted to the BRLM in the Specified Cities will not be accepted if the SCSB where 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 BRLM to deposit Bid cum Application Forms (A list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). ASBA Bidders bidding through a Registered Broker should note that Bid cum Application Forms submitted to the Registered Brokers will not be accepted if the SCSB where 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 Registered Brokers to deposit Bid cum Application Forms. ASBA Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

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 and the Selling Shareholder 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 and Eligible Employees	Either (i) ASBA or (ii) non-ASBA	Bid cum Application Form	<p>In case of ASBA Bidder</p> <p>(i) If using physical Bid cum Application Form, to the members of the Syndicate only at Syndicate ASBA Centres or to the Designated Branches of the SCSBs where the ASBA account is maintained, or to the Non Syndicate Registered Brokers at the Non Syndicate Broker Centres; or</p> <p>(iii) If using electronic Bid cum Application Form, to the SCSBs, electronically through internet banking facility, where the ASBA account is maintained.</p> <p>In case of non-ASBA Bidder:</p> <p>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>
Non-Institutional Bidders and QIBs (excluding Anchor Investors)	ASBA (<i>Kindly note that ASBA is mandatory and no other mode of Bidding is permitted</i>)	Bid cum Application Form	(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 ASBA account is maintained, or to the Non Syndicate Registered Brokers at the Non Syndicate Broker

Category of bidder	Mode of Bidding	Application form to be used for Bidding	To whom the application form has to be submitted
			Centres; or (iii) If using electronic Bid cum Application Form, to the SCSBs, electronically through internet banking facility, where the ASBA account is maintained.
Anchor Investors	Non- ASBA	Bid cum Application Form	To the BRLM.

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;
- 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;
- Foreign corporates or individuals Bidding in the QIB portion, in accordance with all applicable law.
- 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, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative 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 individuals 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;
- Eligible QFIs under the Non-Institutional Bidders category;
- 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.

Participation by associates and affiliates of the Book Running Lead Manager and the Syndicate Members

The Book Running Lead Manager and the Syndicate Members 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 Members 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 Members, our Promoters, the Promoter Group and any persons related to them cannot apply in the Issue under the Anchor Investor Portion.

Anchor Investor Portion

Our Company and the Selling Shareholder, 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 is atleast ₹ 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 Bid/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 and the Selling Shareholder, 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 Book Running Lead Manager 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 nor lower the size of their Bid at any stage.
- 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 215,250 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, our 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 banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 2, 2012 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Bids by Eligible NRIs

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 Equity Share Capital of our Company or 5% of the total paid-up Equity Share Capital of our Company in case such sub-account is a foreign corporate or a foreign individual.

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 Members 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, our Company.

Bids by Eligible QFIs

Eligible QFIs are permitted to invest in the equity shares of Indian companies on a repatriation basis subject to certain terms and conditions. Eligible QFIs have also been permitted to invest in equity shares of Indian companies which are offered to the public in India in accordance with the SEBI Regulations. The individual and aggregate investment limits for Eligible QFIs in an Indian company are 5.00% and 10.00% of the paid up capital of the Indian company respectively. These limits are in addition to the investment limits prescribed under the portfolio investment scheme for FIIs and NRIs. However, in cases of those sectors which have composite foreign investment caps, Eligible QFI investment limits are required to be considered within such composite foreign investment cap. An Eligible QFI may make investments in the equity shares of an Indian company through both the FDI route and the QFI route. However, the aggregate holding of such Eligible QFI shall not exceed 5.00% of the paid-up capital of the Indian company at any point of time.

QFIs shall be eligible to Bid under the Non-Institutional Bidders category. Further, SEBI in its circular dated January 13, 2012 has specified, amongst other things, eligible transactions for Eligible QFIs (which includes investment in equity shares in public issues to be listed on recognised stock exchanges and sale of equity shares held by Eligible QFIs in their demat account through SEBI registered brokers), manner of operation of demat accounts by Eligible QFIs, transaction processes and investment restrictions. SEBI has specified that transactions by Eligible QFIs shall be treated at par with those made by Indian non-institutional investors in various respects including, margins, voting rights, public issues, etc.

Eligible QFIs shall open a single non interest bearing Rupee account with an AD category-I bank in India for routing the payment for transactions relating to purchase of equity shares (including investment in equity shares in public issues) subject to the conditions as may be prescribed by the RBI from time to time.

Eligible QFIs who wish to participate in the Issue are advised to use the Bid cum Application Form meant for Non- Residents (blue in colour). Eligible QFIs shall compulsorily Bid through the ASBA process to participate in the Issue.

Eligible QFIs are not permitted to issue off-shore derivative instruments or participatory notes.

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, Eligible QFIs, 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, our Company and the Selling Shareholder reserve 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, our Company and the Selling Shareholder reserve 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, including the offer for sale, 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, our Company and the Selling Shareholder reserve the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the Book Running Lead Manager, the Directors, the officers of our 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, Eligible QFIs, 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, our Company and the Selling Shareholder reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of a Bid by way of ASBA pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Bid-cum-Application Form.

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, Eligible QFIs 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.
- (e) Our Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

Maximum and Minimum Bid Size

- (a) **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 indicating their agreement to Bid for and purchase the Equity Shares at the final Issue Price as determined at the end of the Book Building Process. Retail Individual Bidders can revise their Bid during the Bid/Issue period and withdraw their Bids until finalisation of Basis of Allotment.

Retail Individual Bidders bidding at the Cut-Off Price shall ensure payment at the Cap Price at the time of making the Bid. Retail Individual Bidders, who are not bidding at Cut-Off Price, should ensure that the Bid price per Equity Share (within the Price Band) shall be mentioned in the Bid cum Application Form.

- (b) **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.

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.

- (c) **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.

Bidders are advised to make independent enquiries and ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

Information for the Bidders:

- (a) Our 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 an English, a Hindi national daily newspaper and a Bengali daily newspaper, each with wide circulation. This advertisement shall be in the prescribed format.
- (b) Our Company will file the Red Herring Prospectus with the RoC at least three Working Days before the Bid/Issue Opening Date.
- (c) Our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager, will determine the Price Band and minimum Bid Lot and the same shall be advertised in an English, a Hindi national daily newspaper and a Bengali daily newspaper, 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 an English, a Hindi national daily newspaper and a Bengali daily newspaper, 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 the 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 the Book Running Lead Manager or Syndicate Members, 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/Issue 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. 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.
- (t) All Registered Brokers of NSE and BSE (list available at http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm and http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) which are part of the nationwide broker network of the Stock Exchanges, are enabled to accept application forms. The Registered Broker shall be responsible for uploading the bid on the Stock Exchange platform, banking the cheque / submitting the ASBA form to the SCSBs, etc. and liable for any failure in this regard.

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 our Company, the Selling Shareholder 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

1. The SCSBs and Syndicate, at Syndicate ASBA Centres and at the terminals of the Registered Brokers, will make such copies of Bid-cum-Application Forms available to investors applying under the ASBA process. Additionally, our Company shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the Bid-cum-Application Form. The SCSBs shall make such documents available on their websites. The BRLM shall ensure that certain information, including a soft copy of the abridged prospectus, is provided to the Stock Exchanges at least two days prior to the Bid/Issue Opening Date to enable the Stock Exchanges to include such information in the Bid-cum-Application Form before it is made available on their websites.
2. Bid cum Application Forms in physical form will be available with the Designated Branches with the members of the Syndicate at Syndicate ASBA Centres and at the terminals of the Registered Brokers; 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.
3. 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.
4. ASBA Bidders should approach the Designated Branches to register their Bids, except for the ASBA Bidders Bidding through Syndicate ASBA process or the Registered Brokers, who should approach the members of the Syndicate in case of Bid by way of Syndicate ASBA process or the Registered Brokers to upload their Bids who shall in turn submit the same to the SCSBs after uploading the Bids and other

relevant details of Bid-cum-Application Forms in the bidding platform provided by the Stock Exchanges.

5. 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.
6. 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.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act and Section 33 of the 2013 Act, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, an English, a Hindi national daily newspaper and a Bengali daily newspaper, each with wide circulation. The pre-Issue advertisement shall state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the Bid/Issue Closing Date applicable to QIBs.

Method and Process of Bidding

- (a) Our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager, will determine the Price Band and minimum Bid Lot and the same shall be advertised in an English national daily newspaper, a Hindi national daily newspaper and a Bengali daily newspaper, 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 and shall not exceed 10 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 one English national daily newspaper, one Hindi national daily newspaper and one Bengali daily newspaper, 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 refer to 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*”. Please 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. All accepted applications made at the Broker Centres shall be stamped and thereby acknowledged by the Registered Brokers at the time of receipt, which shall form the basis of any complaint.
- (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*” on page 302.
- (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. The SCSBs shall block the application amount only against/in a funded deposit account and ensure that clear demarcated funds are available for ASBA applications. The SCSB shall block an amount equivalent to the Payment Amount mentioned in the Bid-cum-Application Form and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- (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) With regard to ASBA Bidders Bidding through the Non-Syndicate Registered Brokers, post acknowledgment of the accepted applications made at the Broker Centres which shall be stamped and thereby acknowledged by the Registered Brokers at the time of receipt, the Registered Brokers shall forward a schedule (containing application number and amount) along with the Bid-cum-Application Form to the branch named for ASBA of the respective SCSBs for blocking of funds.
- (n) 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 Controlling Branch of 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.

- (o) All Registered Brokers of NSE and BSE (list available at http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm and http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) which are part of the nationwide broker network of the Stock Exchanges, are enabled to accept application forms. The Registered Broker shall be responsible for uploading the bid on the Stock Exchange platform, banking the cheque / submitting the ASBA form to the SCSBs, etc. and liable for any failure in this regard.

Bids at Different Price Levels

- (a) In accordance with the SEBI Regulations, our Company and the Selling Shareholder, 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 at least five Working Days prior to the Bid/Issue Opening and 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 terminals of the members of the Syndicate.
- (b) Our Company and the Selling Shareholder, 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) Our Company and the Selling Shareholder, 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 Draft Red Herring Prospectus.
- (g) In accordance with the 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, see “*Payment Instructions*” on page 331.

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) The Registered Brokers shall upload the Bids and update the electronic schedule (containing application details including the application amount) as downloaded from platform of the Stock Exchange and send it to local branch of the collecting bank.
- (e) None of the Book Running Lead Manager, our Company, the Selling Shareholder 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 or (v) with respect to Bids accepted and uploaded by the Non-Syndicate Registered Brokers at the platform of the Stock Exchanges.
- (f) 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. It shall be presumed that for Bids uploaded by the Syndicate for the Syndicate ASBA Bidders, the full Bid Amount has been blocked in the relevant ASBA Account.
- (g) 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).
- (h) 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.
- (i) 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.

(j) 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: Bidders should ensure that the name given in the Bid-cum-Application Form is exactly the same as the name in which the Depository Account is held. In case the Bid-cum-Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid-cum-Application Form;
- 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:

1. Name of the Bidder: Bidders should ensure that the name given in the Bid-cum-Application Form is exactly the same as the name in which the Depository Account is held. In case the Bid-cum-Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid-cum-Application Form;
2. Bid cum Application Form Number;
3. PAN (of the sole/first bidder);
4. Investor Category and sub-category;
5. DP ID and Client ID;
6. Numbers of Equity Shares Bid for;
7. Price per Equity Share;
8. Bid Amount;
9. Bank account number of the ASBA Bidder;
10. Location of Syndicate ASBA Bidding Location; and
11. Bank code for the SCSB, where the ASBA Account is maintained.

(k) A system generated 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 either by our Company or the Selling Shareholder.

- (l) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (m) 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. 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.
- (n) 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 our Company, the Selling Shareholder 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 our Company, the Selling Shareholder, the management or any scheme or project of our 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.
- (o) 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.
- (p) 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.
- (q) The details uploaded in the electronic bidding system shall be considered as final and Allotment will be based on such details.
- (r) The members of the Syndicate located at the Syndicate ASBA Centres and the Non-Syndicate Registered Brokers shall before accepting the Bid-cum-Application Form satisfy themselves that the SCSBs whose name has been filled in the Bid-cum-Application Forms also have the name of the branch of the SCSBs where such Bid-cum-Application Forms are to be submitted

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 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) Our Company and the Selling Shareholder, 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.
- (k) If an ASBA Bidder, excluding QIBs and Non-Institutional Bidder, wants to withdraw its Bid during the Bidding/Issue Period, the ASBA Bidder shall submit the withdrawal request to the SCSB or to the members of the Syndicate, as the case may be, which shall perform the necessary actions, including deletion of details of the withdrawn Bid-cum-Application Form from the electronic bidding system of the Stock Exchanges and unblocking of funds in the relevant bank account. QIBs and Non-Institutional Bidders cannot withdraw Bids at any time of Bidding/Issue Period.
- (l) If an ASBA Bidder, excluding QIBs and Non-Institutional Bidder, wants to withdraw its Bid after the Bid/Issue Closing Date, such ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB once the basis of Allotment has been approved by the Designated Stock Exchange.

Price Discovery and Allocation

- (a) Based on the demand generated at various price levels, our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the number of Equity Shares to be allotted to each category of Bidder.
- (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. If at least 75% of the Net Issue cannot be Allotted to QIBs, then the entire application money shall be refunded forthwith.
- (c) Only Bids that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/Allotment. The members of the Syndicate in case of Bid by way of Syndicate ASBA, the SCSBs 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 SCSBs will be given up to one Working Day after the Bid/Issue Closing Date to modify/verify certain selected fields uploaded in the online system during the Bidding/Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.
- (d) In case no corresponding record is available with the Depositories, which matches any of the three parameters, namely, DP ID, Client ID and PAN, then such Bids are liable to be rejected.
- (e) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, and FIIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- (f) Allocation to Anchor Investors shall be at the discretion of our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.
- (g) 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) Our Company, the Selling Shareholder, Book Running Lead Manager and the Syndicate Members 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

Our 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 our Company and the Selling Shareholder 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 Allotment 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) Our 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.
- (b) In accordance with the SEBI Regulations, Equity Shares will be issued and transferred 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, the 2013 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, our 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) QIBs (other than Anchor Investors) and Non Institutional Bidders should submit their Bids through the ASBA process only
- (i) Ensure that you have Bid by way of ASBA (for QIBs and Non-Institutional Bidders);
- (j) Ensure that you request for and receive a TRS for all your Bid options;
- (k) 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;
- (l) 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;

- (m) Ensure that the Demographic Details are updated, true and correct in all respects;
- (n) Ensure that the names given in the Bid cum Application Form is exactly the same as the names available in the depository database; and
- (o) 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.
- (p) Ensure that a branch of the Escrow Collection Banks / Designated Branch is available at the location of the Non-Syndicate Registered Broker Centre where the Bid-cum-Application Form is being submitted

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 submit a Bid in case you are not eligible to acquire Equity Shares under applicable laws or your relevant constitutional documents or otherwise.
- (r) Do not submit a Bid that does not comply with the securities laws of your respective jurisdictions.
- (s) Do not Bid through the ASBA process if you are an Anchor Investor;
- (t) Do not Bid if you are an OCB.

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 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;
- (c) Ensure that you use the Bid-cum-Application Form specified for the purposes of ASBA and read all the instructions carefully and complete the Bid cum Application Form;
- (d) 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, the Selling Shareholder or the Registrar to the Issue;
- (e) 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, the Selling Shareholder or the Registrar to the Issue or the members of the Syndicate;
- (f) For ASBA Bids by SCSBs on own account, ensure that a separate ASBA Account in its own name is opened with any other SCSB;
- (g) Ensure that the Bid cum Application Form is signed by the ASBA Account holder in case the ASBA Bidder is not the account holder;
- (h) Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
- (i) 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;
- (j) 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;
- (k) 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;
- (l) 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;

- (m) 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, the SCSBs and the Non-Syndicate Registered Brokers, 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 312.
- (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 303.

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, our Company or the Selling Shareholder 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 and the Selling Shareholder, 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 Draft 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 our Company, the Selling Shareholder 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.

Refund, dividends and other distributions will be credited to their NRE Accounts registered with the depositories and in case of QFIs, will be payable to a single non interest bearing rupee account opened with AD Category-I bank in India and the same shall be operated by the qualified depository participant of each QFI.

There is no reservation for Eligible NRIs, Eligible QFIs and FIIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by Non Residents including Eligible NRIs, FIIs registered with SEBI

Bids and revision to Bids must be made in the following manner:

1. 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.
2. In a single name or joint names (not more than three and in the same order as their Depository Participant details).
3. Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs, Eligible QFIs, 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. In case of QFIs, the refunds, dividends and other distributions, if any, will be payable

to a single non-interest bearing rupee account opened with AD Category-I bank in India and the same shall be operated by the qualified depository participant of each QFI. Our Company or the Selling Shareholder 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

Our Company, the Selling Shareholder 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 (including the amount due to the Selling Shareholder and other than ASBA funds with the SCSBs) 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 our Company, the Selling Shareholder, the Syndicate, the Escrow Collection Banks and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for ASBA Bidders

For ASBA Bids submitted to the Syndicate/ Sub Syndicate at the Syndicate ASBA Centres or to the Registered Brokers at the Registered Broker Centres, the Syndicate/ Sub Syndicate or the Registered Broker, as the case may be, shall upload the ASBA Bid onto the electronic bidding system of the Stock Exchanges and deposit the Bid-cum-Application Form with the relevant branch of the SCSB at the Syndicate ASBA Centres or the Registered Broker Centres, authorized to accept such Bid-cum-Application Forms relating to ASBA Bids from the Syndicate or the Registered Broker (a list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Payment Amount specified in the Bid cum Application Form.

The ASBA Bidders submitting their Bids directly to SCSBs, 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 and Anchor Investors.

Each such 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 303.

All Registered Brokers of NSE and BSE (list available at http://www.nseindia.com/products/content/equities/ipo/ipo_mem_terminal.htm and http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) which are part of the nationwide broker network of the Stock Exchanges, are enabled to accept application forms. The Registered Broker shall be responsible for uploading the bid on the Stock Exchange platform, banking the cheque / submitting the ASBA form to the SCSBs, etc. and liable for any failure in this regard.

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, all payments will be made out the Bid cum Application Form should contain only in favour of the name of the first Bidder whose name should also appears first in the Bid-cum-Application or Revision Form 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 scrutinised 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 321. 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.

Our 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:

1. 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.
2. 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 (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 Non-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

Our 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 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. 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 our Company, the Selling Shareholder 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.
- 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;
- ASBA Bids by SCSBs on their own account, through an ASBA Account maintained in its own name with itself.

FOR BID-CUM-APPLICATION FORMS FROM NON-ASBA BIDDERS, THE BASIS OF ALLOTMENT WILL BE BASED ON THE REGISTRAR'S VALIDATION OF THE ELECTRONIC BID DETAILS WITH THE DEPOSITORY RECORDS, AND THE COMPLETE RECONCILIATION OF THE FINAL CERTIFICATES RECEIVED FROM THE ESCROW COLLECTION BANKS WITH THE ELECTRONIC BID DETAILS IN TERMS OF THE SEBI CIRCULAR CIR/CFD/DIL/3/2010 DATED APRIL 22, 2010. THE REGISTRAR TO THE ISSUE WILL UNDERTAKE TECHNICAL REJECTIONS BASED ON THE ELECTRONIC BID DETAILS AND THE DEPOSITORY DATABASE. IN CASE OF ANY DISCREPANCY BETWEEN THE ELECTRONIC BID DATA AND THE DEPOSITORY RECORDS, THE ISSUER RESERVES THE RIGHT TO PROCEED AS PER THE DEPOSITORY RECORDS OR TREAT SUCH BID AS REJECTED.

IN TERMS OF THE SEBI CIRCULAR CIR/CFD/DIL/3/2010 DATED APRIL 22, 2010, FOR BID-CUM-APPLICATION FORM, THE REGISTRAR TO THE ISSUE WILL RECONCILE THE COMPILED DATA RECEIVED FROM THE STOCK EXCHANGES AND ALL SCSBS, AND IN TERMS OF THE SEBI CIRCULAR CIR/CFD/14/2012 DATED OCTOBER 4, 2012, FOR BID-CUM-APPLICATION FORMS, THE REGISTRAR TO THE ISSUE WILL RECONCILE THE SCHEDULES RECEIVED FROM ALL SCSBS WITH THE STOCK EXCHANGE DATA, AND MATCH THE SAME WITH THE DEPOSITORY DATABASE FOR CORRECTNESS OF DP ID, CLIENT ID AND PAN. IN CASES WHERE ANY DP ID, CLIENT ID AND PAN MENTIONED IN THE BID FILE FOR AN ASBA

BIDDER DOES NOT MATCH THE ONE AVAILABLE IN THE DEPOSITORY DATABASE THE ISSUER RESERVES THE RIGHT TO PROCEED AS PER THE DEPOSITORY RECORDS ON SUCH ASBA BIDS OR TREAT SUCH ASBA BIDS AS REJECTED. THE REGISTRAR TO THE ISSUE WILL REJECT MULTIPLE ASBA BIDS BASED ON COMMON PAN.

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 THE SELLING SHAREHOLDER, 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 DEMATERIALISED FORM WITH NSDL OR CDSL

As per the provisions of Section 68B of the Companies Act and Section 29 of the 2013 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 our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated March 11, 2005 among NSDL, our Company and the Registrar to the Issue;
- Agreement dated March 6, 2009 among CDSL, our 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) 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.
- (b) The Bidder must necessarily fill in the details (including the PAN, DP ID and Client ID) appearing in the Bid cum Application Form or Revision Form.
- (c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- (d) 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 necessarily contain the names in the same sequence as they appear in the account details in the Depository. 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.
- (e) 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.
- (f) 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.
- (g) 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.
- (h) The trading of the Equity Shares of our Company would be in dematerialised form only for all Bidders in the demat segment of the respective Stock Exchanges.

- (i) 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 Selling Shareholder, 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 Registrar to the Issue 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 our Company and the Selling Shareholder.
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 our 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 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, our 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/Issue 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 12 Working 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.

Our Company and the Selling Shareholder 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 2013 Act, the requirements of the Stock Exchanges and the SEBI Regulations, our Company and the Selling Shareholder 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

- Our Company and the Selling Shareholder, 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 or 12 Working Days from the Bid/Issue Closing Date, whichever is later, 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 our Company and the Selling Shareholder become liable to repay, our Company, every Director of our Company who is an officer in default and the Selling Shareholder (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. Further, as per the 2013 Act, if the “stated minimum amount” has not been subscribed, the application money has to be returned within such period as may be prescribed. In the event of any failure to refund the application money within the specified period, a penalty of ₹ 1,000 for each day during which the default continues or ₹ 100,000, whichever ever is less. Additionally, section 40(3) of the 2013 Act requires application money to be refunded in the event of failure to Allot Equity Shares for any reason. The penalty for the failure to comply with the provisions of section 40(3) of the 2013 Act would amount to not less than ₹ 500,000, and which may extend to ₹ 5,000,000 and every officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to one year a fine not exceeding Rs. 300,000 or both.

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:

- makes in a fictitious name, an application to a company for acquiring or subscribing 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.”

Attention of the applicants is also specifically drawn to the provisions of sub-section (1) of Section 38 of the 2013 Act, which is reproduced below:

Any person who—

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be punishable with imprisonment for a term which may extend to ten 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 820,000 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 820,000 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 344.

- 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 1,230,000 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 1,230,000 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 6,150,000 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 our Company and the Selling Shareholder, 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

Allotment to Anchor Investors shall be on a discretionary basis and not on a proportionate basis. Subject to valid Bids being received, allocation of Equity Shares to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

In the event of the Issue being over-subscribed, our 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 our Company and the Selling Shareholder, 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 Offer)*

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	1,75,000

Procedure for Allotment to 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 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 1,230,000 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 1,230,000 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 4,200,000 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 and the Selling Shareholder, 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. Our Company and the Selling Shareholder 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 12 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.

Our Company and the Selling Shareholder agree 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 Selling Shareholder shall provide all reasonable cooperation in this regard as requested by our Company and the Book Running Lead Manager, to the extent of the Equity Shares offered by each such Selling Shareholder in the Issue. Our Company and the Selling Shareholder further agree that they 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 our Company and the Selling Shareholder become liable to repay, our Company, every Director of our Company who is an officer in default and the Selling Shareholder (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.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our 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.

Our Company and the Selling Shareholder will provide adequate funds required for dispatch of refund orders or Allotment Advice to the Registrar to the Issue. Each Selling Shareholder shall provide all reasonable cooperation as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and refund orders to the extent of the Equity Shares offered by each such Selling Shareholder in the Issue.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That if our 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 if the Selling Shareholder withdraw the Offer for Sale after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
- That the complaints received in respect of the Issue shall be attended to by our 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 shall be undertaken within the timelines specified by law;
- 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 our Company;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 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 and 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
- Our 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.

UNDERTAKINGS BY THE SELLING SHAREHOLDER

The Selling Shareholder undertakes that:

- they are the legal and beneficial owner of the Equity Shares proposed to be transferred pursuant to the Offer for Sale;
- the Equity Shares proposed to be transferred by the Selling Shareholder in the Issue (a) have been held by the Selling Shareholder for a minimum period as specified in Regulation 26(2)(6) of the SEBI Regulations; (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialized form at the time of transfer;
- that it shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained; and
- that it shall be liable to refund the application monies as required under applicable laws and statutory time limits, and in the event of failure to do so, shall pay interest to the non-ASBA Bidders as provided under the Companies Act or any other applicable laws and regulations, provided such refund and interest shall be shared by our Company and the Selling Shareholder in proportion to the number of

Equity Shares sold in the Fresh Issue and Offer for Sale, respectively.

- it shall provide all reasonable cooperation as requested by our Company in relation to the completion of allotment and dispatch of the allotment advice and Anchor Investor allocation note, if required, and refund orders to the extent of the Equity Shares offered by it pursuant to the Issue;
- it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Book Running Lead Manager in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Issue;
- if our Company does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given by our Company 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. It shall extend all reasonable cooperation requested by our Company and the Book Running Lead Manager in this regard;
- it shall not further transfer Equity Shares during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Issue;
- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer for Sale are available for transfer in the Offer for Sale; and
- it shall comply with all applicable laws including the Companies Act, the 2013 Act, the SEBI Regulations, FEMA and the applicable circulars, guidelines and regulations issued by SEBI and the RBI, in relation to the Equity Shares offered by it in the Offer for Sale.

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 and section 40 of the 2013 Act;
- details of all monies utilised out of Fresh 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 our Company indicating the purpose for which such monies have been utilised and
- details of all unutilised monies out of the Fresh 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.

Our Company shall transfer to the Selling Shareholder, the net proceeds from the Offer for Sale, on the same being permitted to be released in accordance with applicable laws.

Withdrawal of the Issue

Our Company and / or the Selling Shareholder, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event our 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 Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the accounts of the ASBA Bidders.

If our Company and / or the Selling Shareholder withdraw 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

Pursuant to Schedule II of the Companies Act, Section 26 of the 2013 Act and the SEBI Regulations, the main provisions of our Articles relating to, inter alia, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

No regulation contained in Table “A” in the First Schedule to the Companies Act apply to our Company but the regulations for the management of our Company and for the observance of the members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act and subject to any exercise of the statutory powers of our Company with reference to the repeal or alteration of or addition to its regulations by special resolution as prescribed by the Companies Act as are contained in the Articles unless the same are repugnant or contrary to the provisions of the Companies Act. In case of any inconsistency between the Articles of Association of our Company and the Companies Act and 2013 Act, the Companies Act and the 2013 Act shall prevail over the Articles of Association of our Company.

CAPITAL		
III.		The Authorised Share Capital of the Company shall be the amount as specified in Clause V i.e. Capital Clause of the Memorandum of Association of the Company.
		Increase of Capital by the Company and how carried into effect
IV		Subject to the provisions of these Articles and in particular Article 102A, the Company in general meeting may, from time to time increase the capital by creation of new shares, such increase to be of such aggregate amount and to be divided into Shares of such respective amount as the resolution shall prescribe. The new share shall be issued upon such terms and conditions and in particular, such shares may be issued with a preferential or qualified right to dividends and the distribution of assets of the Company and with a right of voting at the general meeting of the Company In conformity with Section 87 and Section 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.
		Issue of Shares
IV(A)	(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 either out of the unissued capital or out of the increased share capital then:
		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 near as circumstances admit, to the capital paid up on those Shares at that date.
		*Deleted by shareholders resolution passed in the extra-ordinary general meeting held on April 10, 2005.
		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.
		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) hereof 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.
		d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he 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.
	(2)	Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.

		<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 the general meeting, (including the casting vote, if any, of the Chairman) by the 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>
	(3)	Nothing in sub-clause (c) of clause (1) hereof shall be deemed;
		<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>
	(4)	Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debenture issued or loans raised by the Company:
	(i)	To convert such Debentures or loans into shares in the Company; or
	(ii)	to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).
		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>(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 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 General Meeting before the issue of the Debentures or raising of the loans.</p>
		Subject to the provisions of section 81 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 off 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 of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
		New Capital same as existing capital
	(5)	Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of a new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
		Redeemable Preference Shares
	(6)	Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or the option of the Company are to be liable, to be redeemed at any time but not later than 10 years from the date of Issue and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
		Provision to apply on issue of Redeemable Preference Shares

	(7)	On the issue of redeemable preference shares under the provisions of Article 6 hereof the following provisions shall take effect:
		<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 the proceeds of a fresh issue of the 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 than out of the proceeds of a fresh issue, there shall out of the profits, which would otherwise have been available for dividends, be transferred to a reserve fund to be called "The Capital Redemption Reserve Account" a sum equal to nominal amount of the share redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in the Section 80 of the Act, apply as if the Capital 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
	(8)	The Company may (subject to the provisions of Section 78, 80 and 100 to 105, and other applicable provisions, if any, of the Act) from time to time, by special resolution, reduce (a) its share capital (b) any capital redemption reserve account or (c) any share premium account 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 in derogation of any power that the Company would have if it is omitted.
		Consolidation, division, sub-division and cancellation of shares
	(9)	Subject to the provisions of Sections 94 and 95 of the Act, the Company in general meeting may, from time to time, after the conditions of its Memorandum as follows:
		<p>a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.</p> <p>b) Sub-divide its shares, or any of them into shares of smaller amount than fixed by the Memorandum of Association, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.</p> <p>c) Cancel any shares which, at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</p>
		Modification of Rights
	(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 or 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, mutatis mutandis, apply to every such meeting. This article is not to derogate from any power the Company would have if this article was omitted.
		Return of Allotment
	(11)	The Board of Directors shall cause to be made the returns as to allotment provided for in Section 75 of the Act.
		Share under control of Directors

	(12)	Subject to the provisions of these Articles and of the Act, the Shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such person on such terms and conditions and at such times as they think fit and with power to issue any shares as fully paid up in consideration of services rendered to the Company in its formation or otherwise.
		Application of Premium received on shares
	(13)	Subject to the provisions of these Articles, the Board may give any person the option to call for and be allotted shares of any class of the company either at a premium or at par or at a discount subject to the provisions of Sections 78 and 79 of the Act and for such time and for such consideration as the Directors think fit.
(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 SHARE 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 share premium account were paid up share capital of the Company.
	2.	The share premium account may, notwithstanding anything in clause (1) hereof, be applied by the company
		<ul style="list-style-type: none"> a) in paying up unissued shares of the company, to be issued to the members of the Company, as fully paid bonus shares. b) In writing off the preliminary expenses of the Company c) In writing off the expenses of or the commission paid or discount allowed, on any issue of shares or debentures of the Company, or d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.
		Power also to Company in general meeting to issue shares
15.		In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 13 and 14, 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 at a premium or at par or at a discount (subject to compliance with the provisions of Sections 78 and 79 of the Act) as such general meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or at a discount (subject to compliance with the provisions of Section 78 and 79 of the Act) such option being exercisable at such time and for such consideration as may be directed by such general meeting or the Company in general meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares.
		Shares at a discount
16.		The Company may issue at a discount shares of the Company of a class already issued, if the following conditions are fulfilled namely:
	1)	The issue of the shares at a discount is authorised by a resolution passed by the Company in general meeting and sanctioned by the Central Government.
	2)	The resolution specified the maximum rate of discount (not exceeding ten percent or such higher percentage as the Central Government may permit in any special case) at which the shares are to be issued and
	3)	The shares to be issued at a discount are issued within two months after the date on which the issue is sanctioned by the Central Government or within such extended time as the Central Government may allow.
		Installments on shares to be duly paid
17.		If by the conditions of any allotment of any shares the whole or any part of the amount or issue 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 the case of non-payment the provisions of these Articles as to the payment of interest, expenses or forfeiture and the like and all the other relevant provisions of the Articles shall apply as If such installments were a call duly made and notified as hereby provided.
		The Board may Issue shares as fully paid-up
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 of any property sold or transferred to for service rendered to the Company in the conduct of its business or in satisfaction of any shares which may be so issued shall be deemed to be fully paid-up shares.
		Acceptance of Shares
19.		Any application signed by or on behalf of an applicant for shares in the Company followed by allotment of any share therein shall be an acceptance of shares 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 shall, for the purpose of these articles be a member.
		Deposit and call etc. to be debt payable
20.		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 or shares which may, for the time being remain unpaid thereon in such amount 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 regulations, require or fix for the payment thereof.
		Liability of members
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 or shares which may, for the time being remain unpaid thereon in such amount 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 regulations, require or fix for the payment thereof.
		Share Certificate
22.		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 so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery, such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be. 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, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
		Renewal of share certificate and new certificates to be granted on delivery of old certificates
23.		If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed, then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

		<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 rules made under Securities Contracts (Regulation) Act 1956 or any other Act, or rules applicable thereof in this behalf.</p> <p>The provision of this Article shall mutatis mutandis apply to Debentures of the Company.</p>
24.		Deleted*
		The first named of joint holders deemed sole holder
25.		<p>If any share stands in the name of two or more persons, the person first named in the register shall record receipt of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a shares shall severally as well as jointly be liable for the payment of all installments and calls due in respect of such share and for the incidents thereof according to the Company's regulations.</p>
		Company not bound to recognize any interest in share other than of registered holders
26.		<p>Except as ordered by a Court of Competent jurisdiction or as by law required the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent future or partial interest provided 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>
		* Deleted by shareholders resolution passed in the extra-ordinary general meeting of the Company held on September 8, 2008.
		Trust not recognised
26. A		<p>a) Save as herein otherwise provided, the Company shall be entitled to treat the member registered in respect of Shares as the absolute owner thereof and accordingly shall not (except, as ordered by a Court of Competent jurisdiction or as by law required) be bound to recognize any benami, trust or equity or equitable, contingent, future or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or limited notice thereof the provisions of Section 153 of the Act shall apply.</p> <p>b) Shares may be registered in the names of an incorporated Company or other body corporate but not in the name of a minor (except in case where they are fully paid) or in the name of a person of unsound mind or in the name of any firm or partnership.</p>
26B		Power to require disclosure of an interest in a Share
		<p>Subject to the provisions of section 153 and section 187C of the Companies (Central Government's) General Rules and Forms, 1956 as amended and other applicable provisions of the Act, the Company shall have power by notice in writing to require any person whose name is entered in the register of members of the Company as required to be maintained under section 150 of the Act ("Registered Member") to disclose to the Company (i) the identity of any person other than the Registered Member who has any legal or beneficial interest or right in relation to a Share including but not limited to an absolute or contingent right to acquire a Share created, allotted or issued or to be created, allotted or issued and for the avoidance of doubt a person will be deemed to have a legal or beneficial interest in a Share if he has a legal or beneficial interest in either a registered global depository receipt issued by any overseas depository under the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended representing all or part of a Share which are from time to time outstanding ("GDR") or in CREST depository interests representing GDRs issued by Euroclear UK and Ireland Limited which are from time to time outstanding ("CDI") and (ii) the nature and the extent of such interest.</p>

		<p>Any such notice shall require any information in response to such notice to be given in writing within such reasonable time as the Board shall determine.</p> <p>In the event that a Registered Member fails to any extent to disclose to the Company any details requested by the Company pursuant to the Article above then, the overseas depository under the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended will ignore any voting instructions received for the Shares relating to the GDR or CDI in respect of which the details requested by the Company have not been forthcoming.*</p>
		Funds of Company not to be applied in purchase of share of the Company
27.		None of the funds of the Company shall 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 sanction in pursuance of Sections 78, 80, and 100 to 105 of the Act and these Articles or in giving either direct or indirectly and whether by means of a loan, guarantee, the provisions of security of 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.
27A		Power of the Company to dematerialise, rematerialise and numbering thereto and options available to the Investors.
	1)	Notwithstanding anything contained in these Articles, the shareholders/debentureholders of the Company shall be entitled to dematerialise their existing shares, debentures and other securities, rematerialise their securities held in the Depository and the Company shall offer fresh shares, debentures and other securities for subscription in a dematerialized form pursuant to the Depositories Act.
	2)	The shares in the Capital shall be numbered progressively according to their several denominations. Provided that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialized in future or issued in future in dematerialized form. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
	3)	Every person subscribing to shares, debentures or other securities offered by the Company shall have the option to receive such shares, debentures or securities in physical form or to hold the same with a Depository in dematerialized form. Such a person who is the Beneficial Owner of the securities can at any time opt out of a depository, if permitted and in the manner provided by law and the Company shall, in the manner and within the time prescribed, issued to the Beneficial Owner, the required Certificates.
	4)	In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any Certificate and where such shares, debentures or securities are being held in an electronic and fungible form by a Depository, the provisions of the Depositories Act shall apply.
	5)	If the shares of the Beneficial Owner are held with a Depository, the Company shall intimate such Depository, the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records, the names of the allottees as the Beneficial Owners of the security.
		* Inserted Clause 26B by shareholders resolution passed in the Annual General Meeting of the Company held on June 9, 2011.
	6)	A Depository shall be deemed to be the registered owner of the securities for the purposes of effecting transfer of ownership of shares of the Company on behalf of the Beneficial Owner. However, the Depository as the registered owner of the securities shall not have any voting rights and such rights shall be vested with the Beneficial Owner of the shares of the Company.
	7)	In respect of the shares, debentures and other securities held by the Depository on behalf of a Beneficial Owner, Sections 153, 153A, 187B, 187C and 372A of the Act, shall not apply to the Depository.
27B		Beneficial Owner deemed as absolute owner.
		Save as herein otherwise provided, the Company shall be entitled to treat the persons whose names appear as the Beneficial Owners of the shares, debentures and other securities in the records of the Depository as the absolute owners thereof as regard receipt of dividend or bonus on shares, interest, premium on debentures and other

		securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required), be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities, as the case may be, on the part of any other person, whether or not it shall have express or implied notice thereof.
27C		Issue of Certificates, if required, in the case of dematerialized shares/ debentures/ other securities and rights of Beneficial Owner of such shares / debentures / other securities.
		Certificate, if required, for dematerialized share, debenture or any other security shall be issued in the name of the Depository and all the provisions contained in Articles 22, 23 and 24 in respect of the rights of a member / debentureholder of the Company shall mutatis mutandis apply to the Depository as if it was a member / debentureholder / securityholder, except that and notwithstanding that the Depository shall have been registered as the holder of a dematerialized share, debenture or any other security, the person who is the Beneficial Owner of such shares, debentures or other securities shall be entitled to all the rights (other than those set out in the Articles 22, 23, and 24) available to the registered shares, debentures or other securities, in the Company, as set out in the other provisions of these Articles.
UNDERWRITING AND BROKERAGE		
		Commission may be paid
28.		Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, (whether absolutely or unconditionally) for any Shares in or debentures of the Company, but so that the commission shall not exceed in the case of shares 5% (five per cent) of the price as satisfied by the payment of cash or by allotment of fully or partly paid shares or debentures as the case may be partly in one way and partly in the other.
		Brokerage
29.		The Company may on any Issue of shares or debentures pay such brokerage as may be reasonable and lawful.
		Commission to be Included In the Annual Return
30.		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 of any shares or debentures such statement thereof shall be made in the Annual Return as required by Part I of Schedule V to the Act.
INTEREST OUT OF CAPITAL		
		Interest out of Capital
31.		Where any shares are issued for the purposes of raising money to defray the expenses of the construction or any works or buildings 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 provision of the provision of the plant.
DEBENTURES		
		Debentures with voting rights not to be issued
32.		<p>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 Debentures stock, bonds or other securities with the right to allotment of or conversion into shares except with the sanction of the Company in General Meeting and subject to the provisions of these articles.</p> <p>(i) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act.</p> <p>(ii) 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>(iii) Certain charges (with expression includes mortgages) mentioned in Section 125</p>

		<p>of the Act shall be void against the Liquidator or creditors unless registered as provided In Section 125 of the Act.</p> <p>(iv) A contract with the Company to take up and pay any debentures of the Company may be enforced by a decree for specific performance.</p> <p>(v) 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 months after the application for the registration of the transfer of any such debentures or debenture stock have complete and ready for delivery the certificate of all debenture stock allotted or transferred.</p> <p>(vi) 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>(vii) The Company shall comply with the provisions of Section 123 to 145 of the Act as regards registration of charges.</p>
CALLS		
		Directors may make calls
33.		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 whether on account of the nominal value of 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 at such times and places as 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. The option or right to call on shares shall not be given to any person except with the sanction of the Company in general meetings.
		Notice of calls
34.		Not less than thirty days notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.
35.		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 on such subsequent date as shall be fixed by the Board of Directors.
		Directors may extend time
36.		The Board of Directors may, from time to time and at its discretion, extend the time fixed for the payment of any call and may extend such time to all or any of the members as 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 favour.
		Amount payable at fixed time or by installments to be treated at calls
37.		If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the share or by way or 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 of installment accordingly.
		When Interest on call or Installment payable
38.		It 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 as Directors shall fix from the day appointed for the payment thereof till the time of actual payment, subject to the provisions of the act. However, the Directors may waive payment of such Interest wholly or in part.
		Evidence In actions by Company against shareholders
39.		On the trial or hearing of any action or suit brought by the company against any member or his legal representatives for the recovery of any moneys 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 and entered on the register of member 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 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 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
40.		<p>The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the Member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company</p>
LIEN		
		Company to have lien on shares
41.		<p>The Company shall have a 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 shall be created except upon the footing and condition that this Article will have full effect and that fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares. Any such lien shall extend to all Dividends and bonuses from time to time declared in respect of such Shares/ Debentures.</p> <p>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/Debentures. The Directors may, at any time, declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article.</p>
		As to enforcing lien by sale
42.		<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:</p> <p>a) unless a sum in respect of which the lien exists is presently payable, or</p> <p>b) until the expiration of thirty 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 thereof on behalf of and in the name of such members.</p> <p>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.</p>
		Application of proceeds of sale
43.		<p>a) The net proceed 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</p>

		is presently payable and b) The residue, if an 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 share before the sale.)
FORFEITURE OF SHARES		
		If money payable on share not paid notice to be given
44.		If any member fails to pay any part of any call or any installments of a call on or before the day appointed for the payment of the same 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 call
45.		For the purposes of the provisions of these presents 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
46.		The notice shall name a day (not being less than thirty days from the day of the notice) and place or places on, and at which such call or installment, and such interest thereon at such rate as may be prescribed and as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in event of the non-payment at or before the time and at the place appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.
		In default, of payments shares to be forfeited
47.		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, interest 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 subject to Section 205 of the Act.
		Notice of forfeiture to a member
48.		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 entry aforesaid.
		Forfeited share to be the property of the Company and may be sold etc.
49.		Any share so forfeited shall be deemed to be the property of the company and may be sold, reallocated 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 to pay money owing at the time of forfeiture and interest
50.		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 call, 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 per cent 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.
		Effect of forfeiture
51.		A person whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
		Power to annual forfeiture
52.		The Board of Directors may at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed of, annual the forfeiture thereof such conditions as it thinks fit.
		Declaration of forfeiture
53.	1)	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 a 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.
	2)	The Company may receive the consideration if any, given for the share on any sale, 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 of.
	3)	The person to whom such share is sold re-allotted or disposed off shall thereupon be registered as the holder of the shares.
	4)	Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, Interest 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.
	5)	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 affected by the irregularity or invalidity in the proceedings in reference to the forfeiture sale, allotment or other disposal of the shares.
		Provision of these articles as to forfeiture to apply In case of non-payment of any sum
54.		The provision 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 a share or by way of premium as if the same had been payable by virtue of a call duly made and notified.
		Cancellation of share certificates In respect of forfeited shares
55.		Upon sale, allotment or the other disposal under the provisions of these articles, the certificate or certificates originally issued in respect of the relative 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.
		Surrender of shares
56.		The Directors may subject to the provisions of the Act accept a surrender of any share from or for any member desirous of surrendering on such conditions as they think fit.
TRANSFER AND TRANSMISSION OF SHARES		
		No transfer to minor etc.
57.		The Board shall not issue or register a transfer of any share to a minor (except in case where they are fully paid) or insolvent or person of unsound mind.
		Form of transfer
58.		The instrument of transfer shall be in writing and shall be in a common form and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
		Application for Transfer
59.	1)	An application for registration of a transfer of the share in the Company may be made either by the transferor or the transferee.
	2)	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.
	3)	For the purposes of clause (2) 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
60.		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 attested. 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.

		Applicability of Depositories Act
60A		Nothing contained in Section 108 of the Act or Article 61 of the Articles shall apply to the transfer of shares, debentures or other securities affected by the transferor or transferee, both of whom are entered as Beneficial Owners in the records of the Depository.
		Transfer by legal representatives
61.		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
62.		The Board of Directors shall have power on giving not less than seven days previous 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 Debenture Holders at a time for more than 30 days, and not exceeding in the aggregate forty five days in each year, as it may deem expedient to the Board.
		Directors may refuse to register transfers
63.		The provisions of Section 111 of the Act regarding powers to refuse registration of the transfer and appeal against such refusal and Section 22A of the Securities Contracts (Regulation) Act, 1956, should be adhered to. Provided that the registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever, except when the company has a lien on the shares. Transfer of debentures or shares in whatever lot shall not be refused. The Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a Member of the Company but in such cases, the Director shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Transfer of shares/ Debentures in whatever lot shall not be refused.
64.		If the Company refuses to register the transfer of any shares or transmissions of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and the transferor or to the person giving the intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act or any statutory modification or re-enhancement thereof for the time being in force shall apply.
		Death of one or more joint- holders of shares
65.		If case of the Death of any one or more of the persons named in the Register of Members as the joint holders of any shares, the survivor or survivors shall be the only persons recognized by the Company as having any title to 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 to share of deceased members
66.		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 recognised 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, as the Directors in their absolute discretion thinks fit. The Board upon such terms as to indemnify or otherwise as the Directors may deem proper dispense with production of Probate or letter of administration or succession certificate and register under Article 70 shares standing in the name of a deceased member as a member.
		Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)
67.		Subject to the provisions of Article 66 and 67, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or 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 of Directors (which it shall not be under an obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under these Articles, or of his title, as Board of the Directors shall require, and upon giving such indemnity as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Board of Directors, registered as a member in respect of such shares PROVIDED NEVERTHELESS THAT, if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the election by executing in favour of his nominee 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 such shares, this clause is herein referred to as "THE TRANSMISSION CLAUSE".
		Refusal to register nominee
68.		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 shares 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 member
69.		A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or money as is herein after 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 or transmission
70.		No fee shall be charged for registration of transfer, Probate, Succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or similar other documents.
		Transfer to be presented with evidence of title
71.		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 custody of the Company until destroyed by order of the Board.
		The Company not liable for discharge of a notice prohibiting registration of a transfer
72.		The Company shall incur no liability or responsibility whatever 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 claiming any 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 or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or 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 liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.
SHARE WARRANTS		
		Power to Issue share warrant
73.		The Company may issue share warrants, subject to and in accordance with the provisions of Section 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 person 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
74.	1)	The bearer of a share warrant may, at any time, deposit the warrant at the office of the Company, so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of the member at any meeting hold 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 including in the deposited warrant.
	2)	Not more than one person shall be recognized as depositor of the share warrant.
	3)	The Company shall, on two days written notice, return the deposited share warrant to the depositor.
		Privileges and disabilities of the holders of share warrant
75.	1)	Subject as herein otherwise expressly provided no person shall, as bearer of share warrant, 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 Company.
	2)	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 holder of share included in the warrant and he shall be a member of the Company.
		Issue of new share warrant or coupon
76.		The Board may, from time to time, make bye-laws as to the 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		
		Share may be converted into stock
77.		The Company may, by Ordinary Resolution:
		a) convert any paid-up shares into stock, and b) reconvert any stock into paid-up shares, of any denomination.
		Transfer of stock
78.		The several holders of such stock may transfer their respective interest there in or any part thereof in the same manner and subject to the same regulations under which the shares from 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 the stock arose.
		Rights of Stock holders
79.		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 meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in 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.
		Regulations applicable to stock and share warrants
80.		Such of regulations of the Company as are applicable to 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		
		Power to Borrow
81.		Subject to the provisions of Sections 58A, 292, 293, 370 and 372A of the Act and of these Articles, the Board of Directors may, from time to time and at its discretion by a resolution passed at a meeting of the Board, accept deposits from members either in advance of the calls or otherwise and generally raise or borrow or secure the payment of any such sum of sums of money for the purpose of the Company from any source, PROVIDED HOWEVER, 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 debt incurred by the Company in the excess of the limit imposed by the 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

82.		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 debenture stock of the Company, (Both present and future), including its uncalled capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between Company and the person to whom the same may be issued.
		Terms of issue of debentures
83.		Any debentures, 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. 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
84.		If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Director may, subject to the provisions of the Act 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 is executed.
MEETING OF MEMBERS		
		Statutory Meeting
85.		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 and the persons entitled to attend
86.	1)	The Company shall convene and hold a general meeting, every year, as its Annual General Meeting in accordance with the provisions of Sections 166 and 210 of the Act and shall specify the meeting as such in the notice calling it, except in the case where the Registrar of Companies, has given an extension of time for holding any Annual General Meeting and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. PROVIDED THAT if the Registrar shall have for special reason, extended the time within which any Annual General Meeting shall be held, such annual general meeting may be held within such additional time
	2)	Every Annual General Meeting shall be called for any time during business hours, on a day that is not a public holiday and shall be held either at the registered office of the Company or at the some other place within the city or town or village in which the registered office of the Company is situated for the time being.
	3)	Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.
		Report, statement and Registers to be laid before the annual general meeting
87.		The company shall in each year hold, in addition to any other General Meeting an Annual General Meeting before which shall be laid on the table the Directors' Report and Audited Statement of Accounts, the proxy register with proxies and the Register of Directors' Share holdings which latter Register shall remain open and accessible to members during the continuance of the meeting.
		Extraordinary General Meeting
88.		All general meetings other than Annual General meeting shall be called Extraordinary General Meeting.
89.	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 Annual General Meeting otherwise resolves) at the expense of the requisitionists.
		a) give to the members of the Company entitled to receive a notice of the next Annual General Meeting, notice of any resolution which may properly be moved or is intended to be moved at that meeting.

		b) Circulate to 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 the business to be dealt with at that meeting.
	2)	The number of members necessary for a requisition under clause (1) hereof shall be:
		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 requisition a right to vote on the resolution or business to which the requisition relates; or b) not less than one hundred members having the right aforesaid and holding shares in the Company on which there has been paid-up an aggregate sum of not less than rupees one lakh in all.
	3)	Notice of any such resolution shall be given and any such statement shall be circulated to the members of the Company entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each member in any manner permitted by the Act for service of notice of the Company by giving notice of the General effect of resolution in any manner permitted by the Act for giving him notice of the meeting of the Company. The copy 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 that time, it shall be served or given as soon as practicable thereafter.
	4)	The Company shall not be bound under this article to give notice of any resolution or to circulate any statement unless:
		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.
		i) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting; and ii) in the case of any other requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.
		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 purpose thereof.
	5)	the Company shall 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.
	6)	Notwithstanding anything in these Articles contained, the business which may be dealt with at any Annual General Meeting shall include any resolution of which notice is given in accordance with this article and for the purpose of this clause notice shall be deemed to have been so given notwithstanding the accidental omission in giving it to one or more members.
		Extraordinary General Meeting by Board and by requisition
90.	1	The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of the members as hereinafter provided forthwith proceed to convene Extraordinary General Meeting of the company.
		When a Director or any two members may call an extraordinary general meeting
	2	If 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 may call an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be called by Directors.
		Contents of requisition and number of requisitionists required and the Conduct of meeting
91.		In case of requisition the following provisions shall have effect:
	1)	The requisition shall set out the matters for the consideration 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.
	2)	The requisition may consist of several documents in like form, each signed by one or more requisitionists.
	3)	The number of members entitled to requisition a meeting in regard to any matter shall be such number as holding 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 at that date carries the right of voting in regard to that matter.
	4)	Where two or more distinct matter 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 these matters in regard to which the conditions specified in that clause is fulfilled.
	5)	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 deposit of the requisition, the meeting may be called.
		<p>a) by the requisitionists themselves, or</p> <p>b) 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 referred to in sub-clause (3) whichever is less. PROVIDED THAT, for the purpose of this sub-clause the Board shall, in the case of a meeting at which 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>
	6)	A meeting called under Clause (5) by requisitionists or any of them shall be called in the same manner as nearly as possible as that in which meeting is to be called by the Board but shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT, nothing in such-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 day after the expiry of that period.
	7)	Where two or more persons hold any shares in the Company jointly, a requisition on a notice calling a meeting by one or some only of them shall for the purposes of this article have the same force and effect as if it had been signed by all of them.
	8)	Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company and any sums so repaid shall be retained by the Company out of any sums due or other remuneration for their services to such of the Directors as were in default. Length of notice of meeting.
92.	1)	A general meeting may be called after giving shorter notice than that specified in clause (1) hereof if consent is accorded thereto.
		<p>i) in the case of an annual general meeting by all the members entitled to vote thereto: and</p> <p>ii) in the case of any other meeting, by members of the Company holding not less than 95% (ninety-five percent) of such part of the paid-up shares 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 resolution or resolutions and not in respect of the latter.</p>
		Contents and manner of service of notice
93.	1)	Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and contain a statement of the business to be transacted there at.
	2)	Subject to the provisions of the Act, notice of every general meeting shall be given:
		<p>a) to every member of the Company in the manner authorised by subclause (1) to (4) of section 53 of the Act.</p> <p>b) to the persons entitled to a share in consequence of the death, or insolvency of member, by sending it through the post in a prepaid letter addressed to them by name, or by the title of representative of the deceased or assignee of the insolvent, or by like</p>

		<p>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>c) to the Auditor or Auditors for the time being of the Company, in any manner authorised by Section 53 of the Act.</p> <p>PROVIDED THAT, where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the 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 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>
	3)	<p>Every notice convening a meeting of the Company shall state with reasonable prominence that members entitled to attend and vote at the meeting shall be entitled to appoint one or more proxies to attend and vote (on poll only) instead of himself and that a proxy need not be a member of the Company.</p>
		Special and ordinary business and explanatory statement
94.	1)	<p>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 and 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 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>
	2)	<p>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 items 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 per cent of the paid-up share capital of that other Company.</p>
	3)	<p>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
95.		<p>The accidental omission to give any such notice as aforesaid to or the non-receipt thereof by any member or other person to whom it would be given shall not invalidate the proceedings of any such meeting.</p>
		Notice of business to be given
96.		<p>No general meeting, annual or extraordinary, 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
97.		<p>Pursuant to the provisions of Section 174 of the Act, no business of the Company shall be transacted at any meeting of the Shareholders or any postponement thereof unless five members are present personally. Subject to the provisions of these Articles all resolutions shall be carried by a simple majority of votes cast except where a Special Resolution is required by the Act. 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 State being a member of the Company shall be deemed to be personally present if he is represented in accordance with Section 187A of the Act.</p>
98.		<p>If within half an hour of the time appointed for convening of the General Meeting the quorum specified above is not present, the meeting shall adjourned to the same day of the next week at the same time and same place or at such time or place as may be determined</p>

		by the Board subject to relevant provisions of the Act. If at such adjourned meeting also the requisite quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall constitute the quorum and the business at such adjourned meeting shall be confined to the items specified in the agenda for such meeting and no matter other than specific matters set out in the agenda may be decided at such meeting.
		Resolution passed at adjourned meeting
99.		Where a resolution is passed at an adjourned meeting of the Company, the resolution shall for all purposes be 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
100.		The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Vice-Chairman, if any, shall be entitled to take the chair. If the Vice-Chairman is also not present or is unwilling to take the chair the Directors present shall elect one of them as Chairman and if no Director is present or if the Directors present decline to take the Chair, then the members present shall elect one of the members to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected Chairman as a result of the poll he shall be the Chairman for the rest of the meeting.
		Business confined to election of Chairman whilst chair vacant
101.		No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.
		Chairman may adjourn meeting
102.	1)	The Chairman may with the consent of any 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.
	2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
	3)	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.
	4)	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 question to be decided at meeting
103.		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 any adjourned in these Articles.
		Chairman's declaration of result of voting on show of hands
104.		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 books containing the minutes of the proceedings of the Company 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 for poll
105.	1)	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 demand made in that behalf by the person or persons specified below, that is to say:
		a) by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution; or
		b) by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which aggregate sum of not less than rupees fifty thousand has been paid up.
	2)	The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
		Time of taking poll
106.		A poll demanded on any question of adjournment shall be taken forthwith. A poll

		demand on any other question (not being a question relating to the election of a Chairman) 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
107.		In the case of equality of votes, the Chairman shall both on a show of hands and a poll (if any) have a casting vote in addition to the vote to which he may be entitled as a member.
108.		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 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 transactions of other business
109.		The demand for a poll 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 shall be taken at such time not being later than forty eight hours from the time when the demand was made, as the Chairman may direct.
		Special notice
110.		Whereby under any provision contained in the Act, 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 on which the notice is served or deemed to be served and 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		
		Member paying money in advance not to be entitled to vote in respect thereof
111.		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 the 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
112.		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
113.		Subject to the provisions of Article 113 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 present by a representative duly authorised) have one vote and on a poll when present by a 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 of the Act, he shall have a right to vote only on resolutions before the meeting which directly affect the rights attached to his preference share. 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.
		Votes of members of unsound mind
114.		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.
		Votes of joint members
115.		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 who stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or other of the joint holder shall be entitled to be present at the meeting provided always that a person present at any meeting personally 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 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.
		Representation of body corporate
116.	1)	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditors 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 creditors of the Company or debenture holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and power (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, creditor or holder of debentures of the Company. The production of a copy of the resolution referred 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 representative's appointment and his right to vote there at.
	2)	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 members of the Company and such a person shall be deemed to be a member of the company and 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.
		Votes in respect of deceased or insolvent members
117.		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 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 his rights 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 have at such meeting in respect thereof.
		Voting in person or by proxy
118.		Subject to the provisions of these Articles vote 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
119.		On a poll taken at a meeting of the Company, a member entitled to more than one vote or his proxy, or other person 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
120.		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 (on a poll) PROVIDED ALWAYS, that a proxy so appointed shall not have any right whatever 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.
		Proxy either for specified meeting or for a period
121.		An instrument of proxy may appoint a proxy either for the purpose 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 show of hands
122.		No proxy shall be entitled to vote on a show of hands.
123.		The instrument appointing a proxy and the Power of Attorney or other 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 office forty-eight hours before the time for holding the meetings at which the person named in the instrument proposes to vote, and in default in the instrument of proxy shall not be treated as valid.
		Form of Proxy
124.		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 appointee 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
125.		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 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 instrument of proxy and of the same not having been revoked.
		Time for objection to vote
126.		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 purposes and any such objection made in due time shall be referred to the Chairman of the Meeting.
		Chairman of any meeting to be the judge of validity of any vote
127.		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.
		Custody of Instrument
128.		If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meeting of the Company, it shall remain permanently or for such time, as the Directors may determine, in the custody of the Company. If embracing other objects copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.
DIRECTORS		
		Number of Directors
129.		Subject to the provisions of Section 252 and 259 of the Act, the total number of Directors, shall not be less than 3 (three) and not more than 12 (twelve).
		Directors
130.		The following shall be the first Directors of the Company:
		1. Mr. Yogendra K. Modi 2. Mr. Sudhir K. Grover 3. Mr. Deepak Diwan
		Debenture Directors
131.		Any trust Deed for securing debenture stocks may, if so arranged provided for the appointment from time to time by the Trustees thereof or by the holders of debentures or debenture stocks, of some person to be a Director of the Company and may empower such Trustees or holder of debentures of debenture stocks, from time to time, to remove the reappointment of 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 and shall have effect notwithstanding any of the other provisions

		herein contained.
132.		Deleted.*
		Nominee Directors
133.		a) Notwithstanding any thing to the contrary contained in these articles, so long as any moneys remain owing by the company to Industrial Finance Corporation of India (IFCI), the Industrial Credit and Investment Corporation of India Limited (ICICI), Industrial Development Bank of India (IDBI) or to any other financing Company or Body (hereinafter referred to as "The Corporation") out of any loans granted or to be granted by them to the Company or so long as the Corporation continues 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 Non-Executive Director or Directors (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 person or persons so appointed and to appoint any person or persons in his/their place/s.
		* Deleted by shareholders resolution passed in the extra-ordinary general meeting of the Company held on March 27, 2006.
		b) The Board of Directors of the company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall be required to hold any share qualification in the Company. Also, Nominee Director(s) shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
		c) 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 ipso facto vacate such office immediately after the moneys owing by the company to the Corporation is paid off.
		d) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meeting, 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.
		e) The company shall pay the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company the 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 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.
		f) Provided that if any such Nominee Director/s is/are an officer/s of the Corporation, 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.
		g) Provided further that if such Nominee Director(s) is/are an officer/s of the Reserve Bank of India, the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same shall accordingly be paid by the Company directly to IDBI.
		Limit on number of retiring Directors
134.		The provisions of Articles 132, 182 and 133 are, subject to the provisions of Section 255 and 256 of the Act shall not exceed in the aggregate one third of the total number of Directors for the time being in the office.
		Appointment of Alternate Director
135.		Subject to Section 313 of the, Act, the Board may appoint an Alternate Director to act for

		the nominee Director of each Shareholder (herein after called “Original Director” in this Article) during his absence, for a period not less than 3 months, from the State in which the Board meetings are normally held. The Alternate Directors to be appointed for the nominee Director of each Shareholder shall be persons proposed by such Shareholder only and on nomination the Shareholders shall cause their respective nominee Directors to vote for and appoint him. Such Alternate Director shall be entitled, while holding office, to receive notices of meetings of the Board to which the Original Director has been appointed, to vote as a Director at any such meetings of the Board at which the Original Director is not present and to generally exercise all the powers, rights, duties and authority and to perform all the functions to the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the said State, any provision in the Act for re-appointment of retiring Directors in default of another appointment shall apply to the Original Director.
136.		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 shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only up to the date upto which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.
		Additional Directors
137.		The Directors shall also have power at anytime and from time to time, to appoint any other person to be an Additional Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum fixed by Article 129. Any person so appointed as an addition to the Board shall hold his office only upto the date of the next annual general meeting but shall be eligible for re-election or election at such meeting.
		Qualification of Directors
138.		A director need not to hold any qualification shares.
		Meeting fee and Remuneration of Directors
139.		Subject to the provisions of the Companies Act 1956 and the rules framed hereunder, the Directors may be paid fees for attending the meetings of Board or Committee thereof. The Directors, subject to the sanction of the Central Government (if any required) may be paid such further remuneration as prescribed by the Act.
		Extra remuneration to Director for special work
140.		Subject to the provisions of Section 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 Director in relation to signing share Certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided.
141.		Deleted*
		Director may act notwithstanding vacancy
142.		The continuing Directors or Director 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 of Directors, the remaining Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a general meeting of the company but for no other purposes.
		Board resolution necessary for certain contracts
143.	1)	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 Company:
		a) for the sale purchase or supply of goods, materials or services or
		b) for underwriting the subscription of any shares in or debentures of the Company
	2)	Nothing contained in clause (a) of sub-clause (1) shall affect:
		a) the purchase of goods and materials for the Company or the sale of goods and materials to the company by any Director, relative, firm or Private company as aforesaid for cash at prevailing market prices or

		b) 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, 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 thousands rupees in the aggregate in any year comprised in the period of the contract or contracts.
	3)	Notwithstanding any thing contained in sub-clause (1) and (2) hereof a Director relative, firm partner of 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.
		* Deleted by shareholders resolution passed in the extra-ordinary general meeting of the Company held on March 27, 2006.
	4)	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 date on which it was entered into.
	5)	If the 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 date on which it was entered into.
		Disclosure to the members of Director's Interest in contract in appointing Manager, Managing Director or whole-time Director
144.		Subject to Section 297 and 299 of the Act, when the Company
		a) enters into a contract for the appointment of managing director, wholetime Director or manager, in which contract any Director of the Company is whether directly or indirectly concerned or interested, or,
		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.
		Disqualification of Director
145.		As per the provisions of Section 274(1) of the Act, a person shall not be capable of being appointed as a Director of the company if
		a) he has been found to be of unsound mind by a court of competent jurisdiction and he find is in force,
		b) he is an undercharged insolvent, or has applied to be adjudged an insolvent and his application is pending
		c) he has been convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence.
		d) 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 elapsed from the last date fixed for the payment or
		e) 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 the court has been obtained for his appointment in pursuance of that section.
		Vacation of office by Directors
146.	1)	As per the provision of the Section 283 of the Act, the office of a director shall become vacant if

		<p>a) he is found to be of unsound mind by a court of competent jurisdiction or</p> <p>b) he applied to be adjudged an insolvent or he is adjudged an insolvent or</p> <p>c) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months or</p> <p>d) he fails to pay call in respect of shares of company held by him, whether alone or jointly with others, within six months from the last date for the payment of the call unless the Central Government by a notification removed the disqualification incurred by such failure, or</p> <p>e) he 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>f) 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>g) 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 on behalf of the company and 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>h) he becomes disqualified by an order of the Court under Section 203 of the Act or</p> <p>i) he is removed by an ordinary resolution of the company before the expiry of his period of office or</p> <p>j) if by notice in writing to the company, he resigns his office, or</p> <p>k) having been appointed a Director by virtue of his holding any office or other employment in the company</p>
	2)	Notwithstanding anything contained in sub-clause (c) (d) and (1) of clause (1) hereof, the disqualification referred to in these clause shall not take effect:
		<p>a) for thirty days from the date of adjudication sentence or order.</p> <p>b) where any appeal or petition is preferred within 30 days as aforesaid, until the expiry of 7 days from the date on which such appeal or petition is disposed of or</p> <p>c) if any further appeal or petition is preferred in respect of the sentence, conviction or order and appeal or petition if allowed, removes the disqualification, until such further appeal or petition is disposed of.</p>
		Removal of Directors
	3)	<p>a) The company may (subject to the provisions of Sec. 284 of the Act and (these articles) by ordinary resolution remove any Director, (not being a Director appointed by the Central Govt. under Sec.408) before the expiry of his period of office.</p> <p>b) Special notice as provided by Articles hereof 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 Director so removed at the meeting at which he is 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 the 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 (a) in the notice of the resolution given to members of the</p>

		<p>Company state the fact of the representations to every member of the Company to whom notice of the meeting is sent (before or after the representation by the company) and if a copy of the representation by the company 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 representations shall be read out at the meeting, Provided that copies of the representations 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, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the company in General Meeting or by the Board in pursuance of Article 137 or Section 262 of the Art be filled by the appointment of another Director in his steady 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 if he had not been removed as aforesaid.</p> <p>f) If the vacancy is not filled under, sub-clause (e), it maybe filled as a casual vacancy in accordance with the provisions, in so far as they are applicable or Article 137 or Section 262 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 reappointed 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,</p> <p>ii) as derogating from any power to remove a Director which may exist apart from this Article.</p>
		Disclosure of Interest by Director
147.	1)	Every Director of the company who is 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, shall disclose the nature of his concern or interest at a meeting of the Board of Directors in the manner provided in Section 299(2) of the Act.
	2)	<p>a) in the case of a proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was, not at the date of meeting, concerned or interested in the proposed contract or arrangement at the first meeting of the Board held after he becomes so concerned or interested in the contract or arrangement.</p> <p>b) in case of any other contract or arrangement the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.</p>
	3)	<p>a) For the purpose of clause (1) and (2), a general notice given to the Board by a Director to the effect that he is a Director or a member of a specified body corporate or is a member of a specified firm or is to regarded as concerned or interested in any contract or arrangement or which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be sufficient disclosure of, concern or interest: in relation to any contract or a arrangement so made.</p> <p>b) Any 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 ensure that it is brought up and read at the first meeting of the Board after it is given.</p> <p>c) 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 ensure that it is brought up and read at the first meeting of the Board after it is given.</p>

		d) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or more Directors of the Company together holds or hold not more than two percent of the paid-up share capital in the other company.
ROTATION AND APPOINTMENT OF DIRECTORS		
Directors may be Directors of Companies promoted by the company		
148.		If a Director of the Company becomes a Director of any Company promoted by the company or in which it may become interested as a vendor, shareholder or otherwise, such Director shall not be accountable for any benefits received as a Director or Shareholder of such Company except in so far as Section 309 (6) or Section 314 of the Act may be applicable.
Rotational Directors		
149.		Subject to the provision of Section 255 of the Act, not less than two-thirds of the total number of Directors shall (a) be persons whose period of office is liable to termination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Article, be appointed by the Company in General Meeting.
RETIREMENT OF DIRECTORS		
150.		Subject to the provisions of Section 255 and 256 of the Act, at every annual general meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Special Directors, subject to Article 159, Managing Directors or wholtime Director, if any, shall not be subject to retirement under this Article and 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.
Ascertainment of Directors retiring by rotation and filling of vacancies		
151.		Subject to the provision of the Act, the Directors to retire by rotation under Article 149 at every annual general meeting shall be those who have been longest in office since their last appointment but between those who become Directors on the same day and those who are to retire, shall, in default of and subject to any agreement amongst themselves be determined by lot.
Eligibility for Re- Election		
152.		A retiring Director shall be eligible for re-election.
Company to fill Vacancies		
153.		Subject to Section 262 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.
Provision in default of appointment		
154.	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 next week and if the day is a public holiday till the next succeeding day which is not a public-holiday at the same time and place.
	b)	If at the adjourned meeting also the place of the retiring Director is not filled up and that 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:
		1) at the meeting or the previous meeting, a resolution for the reappointment of such director has been put to the meeting and lost,
		i) 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.
		ii) he is not qualified or is disqualified for appointment.
		iii) a resolution whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act, or
		iv) the provision to sub-section (2) of section 263 of the Act is applicable to the case.
Company may Increase or reduce the number of Directors or remove any Directors		
155.		Subject to the provisions of Sections 252, 255 and 259 of the Act and Article 130, the Company may by ordinary resolution, from time to time, increase or reduce the number of Directors.
Appointment of Directors to be voted Individually		
156.	1)	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.
	2)	A resolution moved in contravention of clause (1) hereof shall be void whether or not objection was taken at the time of its being so moved provided, where a resolution so moved is passed, no provisions for the automatic re-appointment of retiring Directors in default of another appointment as herein before provided, shall apply.
	3)	For the purpose 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.
		Notice of Candidature for office of Director except in certain cases
157.	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 at least fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for that office as the case may be along with a deposit of five hundred rupees, which shall be refundable in case, of election as a Director.
	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 a 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.
	3)	Every person (other than a Director retiring by rotation or otherwise persons 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 of Director shall sign and file with the Company his consent in writing to act as a Director if appointed.
	4)	A person other than:
	a)	a director re-appointed after retirement by rotation or immediately on the expiry of his term of office or,
	b)	an additional or alternate Director or a person filling a casual vacancy in the office of a Director under Section 262 of the Act appointed as a director or reappointed 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 filed with the Registrar of Companies his consent in writing to act as such Director.
		Disclosure by Directors of their holdings of shares and debentures of the Company
158.		Every Director and every person deemed to be Director of the Company by virtue of subsection (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 first meeting of the Board next after it is given.
		MANAGING DIRECTOR-WHOLE-TIME DIRECTOR
		Board may appoint Managing Director or Managing Director(s) or whole-time Directors
159.		Subject to the provisions of the Act and these Articles, the Directors shall have power to appoint from time to time one or more of their body to be Managing Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company 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 other in his or their place or places.
		What provisions they will be subject to
160.		Subject to the provisions of the Act and these Articles, the Managing Director or the

		Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 150 but he shall be subject to the provision of any contract between him and the company be subject to the same provisions as to the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a managing Director or whole-time Director if he ceases to hold the office of Director for any cause, provided that, if at any time the number of Directors, (including Managing Director or whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being then such of the Managing Director or whole-time Director or two or more of them as the Directors may from time to time determine "shall be liable to retirement by rotation in accordance with the Article 150 to the intent that the number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being. However, he shall be counted in determining the number of Directors to retire.
		Remuneration of Managing or whole-time Director(s)
161.		The remuneration of the Managing Director or whole-time Director shall subject to Section 198, 309 and schedule XIII and other applicable provisions of the Act and of these Articles and of any contract between him and the Company be fixed by the Board of Directors, from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.
		Powers and duties of Managing and or whole-time Director(s)
162.		Subject to the superintendence, control and direction of the Board, the day to day Management of the Company shall be in the hands of the Managing Director(s) or whole-time Director(s) appointed under Article 158 with Power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject the provisions of the Act and these Articles, the Board may by resolution vest with any such Managing Director such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provision of the Act and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the powers of Directors in that behalf and may from time to time revoke, withdraw alter or vary all or any of such powers.
PROCEEDINGS OF THE BOARD OF DIRECTORS		
		Meetings of Directors
163.		The Directors may meet together as a Board for the despatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 285 of the Act otherwise directs, shall so meet at least once in every quarter. The Directors may adjourn and otherwise regulate their meetings as they think fit. The provision 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.
		Notices of the Board Meeting
164.		Notice of meetings of the Board of Directors of the Company shall be given to every Director for the time being in India and at his/her usual address in India in case of any other Director at such time as may be considered reasonable and practical. The Directors shall be furnished with the Agenda for the meetings of the Board and committees thereof specifying the matters proposed to be discussed thereat but shall in no case, the discussions in the meeting shall be restricted to the matters specified in the agenda only. The Board is free to discuss any other matter, subject to the approval of the Chairman.
		When Meeting to be convened
		A Director may at any time and the Secretary upon the request of a Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India, to every other Director at his usual address in India or at other address outside India specified by any such Director.
		Quorum
165.		Subject to the provisions of Section 287 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of the total strength, (excluding Directors, if any,

		whose places 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 exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors that is to say, the number of Directors, who are not interested and are present at the meeting, not being less than two shall be the quorum during such time. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally.
		Procedure when meeting adjourned for want of quorum
166.		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 next week at the same time and time and place or if that day is a public holiday, till the next succeeding day at the same time and place, unless otherwise adjourned to a specific date time and place.
		Chairman
167.		The Chairman of the Board of Directors shall be such person, as may be appointed, from time to time, by the Board from amongst themselves. The Chairman when present at the Board Meeting will take the Chair. If within fifteen (15) minutes from the scheduled time of the meeting, the Chairman is not present, a substitute Chairman for that meeting shall be elected by the Directors present at such meeting. In case of equality of votes, the Chairman shall have a casting vote.
		Question at Board Meeting how decided
168.		Subject to the provisions of Section 316, 327(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.
		Powers of Board Meeting
169.		A meeting of the Board of Directors for the time being 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 these Articles or the regulations, for the time being of the Company, are vested in or are exercisable by the Board of Directors generally.
		Directors may appoint committees
170.		The Board of Directors may, subject to the provisions of Section 292 and other relevant provisions of 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 that may from time to time be imposed on it 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.
		Delegation of Powers of the Board to Members
170A.		The Board shall be entitled to delegate powers to such members of the Board or officers of the Company as may be deemed appropriate subject always to applicable laws and the Memorandum and the Articles.
		Meetings of the Committee how to be governed
171.		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 there to and are not superseded by any regulations made by the Directors under the last preceding article.
		Circular resolution
172.	1)	A resolution passed. by circular without meeting of the Board or a Committee of the Board appointed under the articles, shall subject to the provisions of subclause (2) hereof and the Act be as valid and effectual as the resolution duly passed at a meeting of the Directors or of a Committee duly called and held.
	2)	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 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 not withstanding defect in appointment
173.		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 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 provisions 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 this 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		
		General Powers of Management vested in Directors
174.		The Business of the company shall be managed by the Directors who may exercise all such powers of the Company and do all such acts and things as are authorized by the Act, or any other Act or by the Memorandum of Association or by the Articles of Company required to be exercised by the Company in General Meeting subject nevertheless to any regulation of these Articles to the provisions of the Act or any other Act and to such regulation, being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting, but no regulations made by the company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made PROVIDED THAT, the Board of Directors shall not except with the consent of the Company in general meeting.
		<ul style="list-style-type: none"> 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. b) remit, or give time for the payment of any debt due by a Director. c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of 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. 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 reserves that is to say reserves not set apart for any specific purpose, or, 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 Sections 349 and 350 of the Act during the three financial years immediately, preceding, whichever is greater provided that the Company in general meeting or the Board of Directors shall not contribute any amounts to any political party or for any political purpose to any individual or body.
		<ul style="list-style-type: none"> i) Provided that in respect of the matter referred to in clause (d) and (a) such consent shall be obtained by a resolution of the company which shall specify the total amount upto which moneys may be contributed to any other fund In any financial year under clause (e); ii) Provided further that the expression temporary loans in clause (d) above shall mean loans repayable on demand or within six months from 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.
		Certain Powers to be exercised by the Board only at meeting
175.	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>a) the power to make calls on shareholders in respect of money unpaid on their shares.</p> <p>aa) the power to authorize Buy back referred to in the first proviso to clause (b) of sub-section (2) of Section 77A of the act.</p> <p>b) the power to issue debentures,</p> <p>c) the power to borrow money otherwise than on debentures.</p> <p>d) the power to invest the funds of the company.</p> <p>e) the power to make loans.</p> <p>f) the power to fill casual vacancies in the Board;</p> <p>g) the power to approve contracts in which director(s) are interested;</p> <p>h) the power to sanction inter-corporate loans, investments or giving of guarantees or providing of any security:</p> <p>Provided that the power to the resolution passed at the meeting may be delegated to any committee of Directors, Managing Directors or any other principal Officer of the Company the powers specified in (c), (d) and (e) of the sub-clause to the extent specified below</p>
	2)	Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount outstanding at anyone time upto which moneys maybe borrowed by the delegatee.
	3)	Every resolution delegating the power referred to in sub-clause (1) (d) shall specify the total amount upto which the funds of the Company may be invested and the nature of the investments which maybe made, by the delegatee.
	4)	Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount upto which loans may be made by the delegatee the purpose for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.
		Certain Powers of the Board
176.		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 articles, it is hereby declared that the Directors shall have the following powers that is to say power:
	1)	to pay the costs, charges and expenses preliminary, and incidental to the formation promotion, establishment and registration of the company.
	2)	to pay and charge to the Capital Account of the Company any commission or interest, lawfully, payable there out under the provisions of Sections 76 and 206 of the Act.
	3)	subject to Sections 292 and 297 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, rights 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, 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 by or services rendered to the company, either wholly or partially in cash or in shares, bonds debentures, mortgages or other 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 arrangements 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, so far as may be permissible by law, a surrender of his shares or any part hereof on such terms and conditions as shall be agreed.
	7)	to appoint any person to accept and hold in trust for the Company, property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such 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 to 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 the terms of any awards made therein either according to Indian Law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein.
	9)	to act on behalf of the Company in all matters relating to bankruptcy and insolvency and winding up and liquidation of Companies.
	10)	to make and give receipts release and otherwise discharge for moneys payable to the Company and for the claims and demands of the Company.
	11)	Subject to the provisions of Sections 291, 293(1), 370, 372 and other applicable provisions of the Act and these articles, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investment save as provided in Section 49 of the Act, all investments shall be made and held in the Company's name.
	12)	to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or about to incur any personal liability whether as principal or surety for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon.
	13)	to open bank accounts and to determine, from time to time, who shall be entitled to sign, on the Company's behalf bills, notes, receipt, acceptances, endorsements, cheques, dividend warrants, release contracts and documents and to give the necessary authority for such purpose.
	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 working expenses of the Company.
	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 dependants or connections of such person by building or contribution to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provide other association, institutions and by providing or subscribing or contributing towards places of instructions and recreation, hospitals, dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions 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 objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or the public and general utility or otherwise.
	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 the depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special or other fund or funds or account or accounts to meet contingencies or to repay redeemable preference shares, debentures or debenture stock or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any part of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may in their absolute discretion think conducive to the interests of the Company and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than shares of this Company) as they may think fit and from time to time to deal with or vary such

		investments and dispose of and apply and expend all or any part thereof for the benefit of the company in such manner and for such purposes as the Board in its absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to 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 a Reserve Fund or division of a Reserve Fund to another Reserve Fund and / 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 purchases or repayment of redeemable preference shares debentures or debenture stocks 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.
	17)	to appoint and at their discretion remove or suspend general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents, and servants for permanent temporary or special service as they may from time to time think fit and to determine their powers and duties and to fix their salaries, or emoluments or remuneration and to require security in such amounts as they may think fit and also from time to time to provide for the management and transactions of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit.
	18)	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 or manager or agencies and to fix their remuneration.
	19)	subject to Section 292 and 293 of the Act, from time to time and at any time, to delegate to any persons 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 moneys and to authorise the member 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 such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit and the Board may at any time remove any persons so appointed and may annul or vary and such delegation.
	20)	at any time and from time to time by Power of Attorney under the seal of the Company to appoint any person or persons 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 excluding the power to make calls and excluding also except in their limits, authorised by the Board the Power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit and any such appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any company or the shareholders, Directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit and may contain powers enabling any such delegated attorneys as aforesaid to sub delegate all or any of the powers, authorities and discretion for the time being vested in them.
	21)	subject to Sections 294,297,300 and other applicable provisions of the Act 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.
	22)	from time to time to make vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.
	23)	to purchase or otherwise acquire any lands, building, machinery, premises hereditament property, effects, assets, right credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorised to carry on in any part of India.

	24)	to purchase, take on lease for any term or terms of years or otherwise acquire any factories or land or lands with or without buildings and out houses thereon situate in any out 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, Director may believe or may be advised to be reasonably satisfactory.
	25)	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 produced 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.
	26)	to purchase or otherwise acquire or obtain licence for the use of and to sell exchange or grant licence for the use of any trade mark, patent, invention or technical know how.
	27)	to sell, from time to time, any articles, materials, machinery, plants, stores and other articles and things belonging to the company as the Board may think proper and to manufacture, prepare and sell waste and by-products.
	28)	from time to time, extend the business undertaking of the Company by adding to, altering or enlarging all or any of the building 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 purposes aforesaid or any of them as may be thought necessary or expedient.
	29)	to undertake on behalf of the company any payment of all 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 any estate whether lease hold or freehold.
	30)	to improve, manage, develop, exchange, lease, sell, re-sell and repurchase, dispose of, deal or otherwise turn to accost if 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.
	31)	to let, sell or otherwise dispose of subject to the provisions of Section 292(3) 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 as it thinks fit and to accept payment of satisfaction for the same in cash or otherwise as it thinks fit.
		Minutes to be made
177.	1)	Subject to Section 193 of the Act, the company shall cause minutes of all proceedings of general meetings and of all proceedings of every meeting of the Board of Directors or every committee within thirty days of the conclusion of every such meeting concerned, and make entries thereof in books kept for that purpose with their pages consecutively numbered.
	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.
		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. b) in case of minutes of proceedings 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 authorised by the Board for the purpose.
	3)	In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting Or otherwise.
	4)	The minutes of each meeting shall contain a fair and correct summary of the proceedings thereof.
	5)	All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
	6)	In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall contain:
		a) the names of the Directors present at the meeting. b) In the case of each resolution passed at the meeting the names of the Director if any,

		dissenting from or not concurring in the resolution.
	7)	Nothing contained in clause (1) to (6) hereof shall be deemed to require the inclusion in any such minutes of any matter within the opinion of the Chairman of the meeting:
		a) is or could reasonably be regarded as defamatory of any person b) is irrelevant or immaterial to the proceedings or c) is detrimental to the interests of the Company. The Chairman shall exercise an absolute discretion in regard to the inclusion or non inclusion of any matter in the minutes on the grounds specified in this sub-clause.
		Minutes to be evidence of the proceedings
178.		The minutes of proceedings of every general meeting and of the proceeding 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 according to the provision of the Section 194 of the Act.
		Presumptions
179.		Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board 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 and all proceedings there at to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meetings shall be, deemed to be valid.
THE SECRETARY		
		Secretary
180.		Subject to Section 383A of the Act, the Directors may from time to time appoint and at their discretion remove individual (hereinafter called "The Secretary") to perform any functions which, under 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 Companies (Secretary's qualifications) Rules, 1976.
THE SEAL		
		Custody of the Seal
181.	1)	The Board of Directors 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 there of and the Board shall provide for the safe custody of the seal for the time being under such regulations as the Board may prescribe.
	2)	The Seal shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of at least two Directors of the Company or at least one Director and any other person duly authorised by the Board both of whom shall sign every instrument to which the seal is affixed. Provided further that, the Certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 and their statutory modifications for the time being In force.
DIVIDEND		
		Division of profits
182.	1)	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 where of the dividend is paid but if and so long as nothing is paid upon any of shares in the Company dividends may be declared and paid according to the amounts of the shares.
	2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this regulation as paid on the share.
		The Company in general meeting may declare dividends
183.		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 and the Company may declare a smaller dividend in general meeting.
		Dividends out of Profits Only

184.		No dividend shall be payable except out of the profits of the company arrived at in the manner provided for in section 205 of the Act.
		Interim Dividend
185.		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
186.		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 subject to section 205 of the Act.
		Capital paid-up in advance at interest not to earn dividend
187.		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 amount paid up
188.		All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any period or portions of the periods in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.
		No member to receive dividend whilst indebted to the company and the company's right of reimbursement thereof
189.		No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share 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.
		Effects of Transfer of Shares
190.		A transfer of shares shall not pass the right to any dividend declared therein before the registration of the transfer. The right to dividend shall be regulated by Section 206(A) of the Act.
		Dividends to Joint Holders
191.		Anyone of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.
		Dividends how remitted
192.		The dividend payable in cash may be paid by Cheque or Warrant sent through post direct 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 which is first named on the register of members or the joint holder may in writing direct. The Company shall not be liable or responsible for any Cheque or warrant or pay slip or receipt lost in transmission 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.
193.		Notice of the Declaration of any dividend whether Interim or otherwise shall be given to the registered holders of share in the manner here in provided.
		Reserves
194.		The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors be applicable for meeting contingencies or for any other purpose 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.
		Dividend to be paid within 30 days
195.		The Company shall pay the dividend or send the warrant in respect thereof to the shareholders entitled to the payment of dividend within thirty days from the date of the declaration unless:
		a) where the dividend could not be paid by reason of the operation of any law.
		b) where a shareholder has given directions regarding the payment of the dividend and

		<p>those directions cannot be compiled with.</p> <p>c) where there is a dispute regarding the right to receive the dividend.</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>
		Unclaimed dividend
196.		<p>Where the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted within 42 days from the date of declaration to any shareholder entitled to the payment of the Dividend, the Company shall within 7 days from the date of expiry of the said period of 42 days, open a special account in that behalf in any scheduled bank, to be called "Unpaid Dividend of Great Eastern Energy Corporation Limited" and transfer to the said account, the total amount of Dividend which remains unpaid or in relation to which no dividend warrant has been posted.</p> <p>Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the investor education and protection fund established by the Central Government. A claim to any money so transferred to the general revenue account may be preferred to the Central Government / Committee appointed by the shareholders to whom the money is due.</p> <p>No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.</p>
		No Interest on Dividends
197.		Subject to the provisions of Section 205A of the Companies Act, 1956, no dividend shall bear interest as against the Company.
		Set off of call
198.		Any general meeting declaring a dividend may on the recommendations of the Directors make call on the members of such amount as the meeting fixed 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.
		Dividend in Cash
199.		No dividend shall be payable except in cash, provided that nothing 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.
CAPITALISATION		
		Capitalisation
200.	1)	<p>The company in General Meeting may, upon the recommendation of the Board resolve:</p> <p>a) that it 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 proportions.</p>
	2)	The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in the Clause (3) either in or towards.
		<p>i) paying up any amount for the time being un-paid on any shares held by such members respectively;</p> <p>ii) Paying up in full unissued shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid;</p> <p>iii) Partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (ii).</p>
	3)	A share premium account and a Capital Redemption Reserve Account may, for the purpose of this regulation only be applied in the paying up unissued share to be issued to members of the company as fully paid bonus shares.

	4)	The Board shall give effect to the resolution passed by the Company in pursuance of the regulation.
		Fractional certificates
201.	1)	Whenever such a resolution as aforesaid shall have been passed, the Board shall
		a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares and
		b) generally do all acts and things required to give effect thereto:
	2)	The Board shall have full power:
		a) to make such provisions by the issue of fractional cash certificates or by payment in cash otherwise as it thinks fit, in the case of shares becoming distributable in fractions also;
		b) 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 their 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)	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 questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.
ACCOUNTS		
		Books to be kept
202.	1)	The company shall keep at its registered office proper book of accounts as would give a true and fair view of the state of affairs of the Company or its transaction with respect to:
		a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place
		b) all sales and purchases of goods by the Company
		c) the assets and liabilities of the Company, and
		d) if so required by the Central Government such particulars relating to utilisation of material or labour or together items of cost as may be prescribed by that Government
		PROVIDED THAT all or any of the books of accounts aforesaid may be kept at such other place in India as the Board of Directors may decide and when, the Board of Directors so decide 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.
	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 accounts relating to the transactions effected at the branch are kept at that office and proper summarized returns made up to 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 paper shall be open to inspection by any Director during business hours.
		Inspection by Members
203.		a) The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open for the inspection of members not being Directors.
		b) No member (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.
		Statements of Accounts to be furnished to general meeting
204.		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 of Companies under the provisions of the Act.
		Right of members to copies of Balance Sheet and Auditor' Report
205.		Any member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Balance sheet sent to him shall, on demand be entitled to be furnished without charge, and any person from whom the company has accepted a sum of money by way of deposit, shall on demand accompanied by the payment of a fee of ₹ 1/- (one rupee), be entitled to be furnished, with a copy of balance sheet of the Company and of every document required bylaw to be annexed or attached thereon including the profit and Loss Account and the Auditors' and Directors' Report.
AUDIT		
		Accounts to be audited
206.		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 Balance Sheet ascertained by one or more Auditor or Auditors.
		Appointment of Auditors
207.	1)	Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Sections 224 to 229 and 231 of the Act.
	2)	The company shall at each annual general meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next annual general meeting and shall within seven days of the appointment give intimation there of to the Auditor so appointed less he is retiring Auditor.
	3)	At any annual general meeting a Retiring Auditor, by what ever authority appointed shall be reappointed unless:
		a) he is not qualified for re-appointment, b) he has given the Company notice in writing of his unwillingness to be re- appointed, c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed or d) where notice has been given of an intended resolution to appoint some persons or person in the place of a retiring Auditor and by reason of the death, in capacity of disqualification of that person or of all those, persons as the case- may be, the Resolution cannot be proceeded with
	4)	where at annual general meeting no Auditor is appointed or re-appointed the Central Government may appoint a person to fill the vacancy.
	5)	The Company shall, within seven days of the Central Government's power under the sub clause (4) becoming exercisable give notice of that fact to that Government.
	6)	The Directors may fill any casual vacancy in the office of the Auditor, but while any such vacancy continues, the serving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of an Auditor the vacancy shall only be filled by the company in a general meeting.
	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 225 of the Act. The provisions of this sub-clause shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be reappointed.
		Account when audited and approved to be conclusive except as to errors discovered within 3 months
208.		Every account when audited and approved by Annual general meeting shall be conclusive except as regards any errors discovered therein within three months next after the approval thereof. Whenever, any such error is discovered within that period the account shall be corrected and henceforth shall be conclusive.
DOCUMENTS AND NOTICES		
		To whom documents must be served or given

209.		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 registered office of the Company under Article 96 a statement of material facts referred to in Article 96 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.
		Members bound by documents or notices served on or given to previous holder.
210.		Every person, who by operation of law, transfer or other means whatsoever shall become entitled to any share be bound by every document or notice in respect of such shares, which prior to his name and address being entered on the Register of members shall have been duly served on or given to the person from whom he derived his title to such share.
		Service of documents on Company
211.		A document may be served on the Company or an officer thereof by sending it to the company or at the registered office of the Company by Post under a Certificate of Posting or by Regd-post or by leaving it at its Registered Office Provided that, where the securities are held in a Depository, the records of Beneficial Owner may be served by such Depository on the Company by means of electronic modes or by delivery of Depository floppies or disks.
		Authentication of documents and proceedings
212.		Save as otherwise expressly provided in the Act a document or proceeding 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 Common Seal of the company.
REGISTERS AND DOCUMENTS		
		Registers and documents to be maintained by the company
213		The Company shall keep and maintain Registers, books and documents required by the Act or these articles including the following:
	1)	Register of investments made by the Company but not held in its own name, as required by Section 49(7) of the Act.
	2)	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.
	3)	Register and index of members and debentures holders as required by Sections 150, 151 and 152 of the Act. The Register and Index of beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Debenture holders for the purpose of the Act.
	4)	Foreign Register, if so thought fit, as required by section 167 of the Act.
	5)	Register of contracts, with Companies and firms in which Directors are interested as required by Section 301 of the Act.
	6)	Register of Directors, and Secretary etc. as required by Section 303 of the Act.
	7)	Register as to holdings by Directors of shares and/or debentures In the Company as required by Section 307 of the Act.
	8)	Register of investments made by the Company In shares and debentures of the bodies Corporate in the same group as required by Section 372A of the Act.
	9)	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.
		Inspection of Registers
214.		The Register mentioned in clauses 6 and 9 of the foregoing Article and the minutes of all proceedings of general meetings, shall be open to inspection and extracts may be taken there from and copies thereof may be acquired by any member of the Company in the same manner to the same extent and on payment of the same fees as in case of the Register of Members of the Company, provided for in Clause 3, 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 consistently with the provisions of act in that behalf be determined by the Company in general meeting.
WINDING UP		
		Distribution of assets

215.		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 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 respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to re-pay 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.
		Distribution In specie or kind
216.	1)	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.
	2)	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 contributories except where unalterably fixed by the Memorandum of Association and in particular any class may by given preferential or special rights or may be excluded altogether or in part but incase 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 right as if such determination were a special resolution passed pursuant to Section 494 of the Act.
	3)	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.
		Right of shareholders in case of sale
217.		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 the 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 consequently rights conferred by the said sanction.
		Directors' and other rights to Indemnity
218.		Subject to the provisions of Section 201 of the Act, every Director, or Officer, or servant of the Company or any person (whether an officer of the Company of the Company of not) employed by the Company as auditor shall be indemnified by the Company out of the funds of the Company, to pay bonafide all costs, charges, losses, and damages which any such person may incur or become liable to, by reason of any contract entered into to 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 sustained 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 Officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which relief is granted to him by the court.
		Director, Officer not responsible for acts of others
219.		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 any title to any property acquired by the Directors for or 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 or deposited or any loss occasioned by any error or judgement, omission, default or oversight on his part or for any other loss damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation etc.

		unless the same shall happen through his own dishonesty.
SECRECY CLAUSE		
		Secrecy Clause
220.		Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or 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 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 matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the 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 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.
		No member to enter the promises of the Company without permission
221.		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, discover of or any information respecting any detail 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 may relate to the conduct of the business of the Company to disclose.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our 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 entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the 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/Issue Closing Date.

Material Contracts in relation to this Issue

1. Issue Agreement among our Company, the Selling Shareholder and the Book Running Lead Manager dated September 14, 2013.
2. Agreement between our Company, the Selling Shareholder and Registrar to the Issue dated August 29, 2013.
3. Escrow Agreement dated [●] among our Company, the Selling Shareholder, the Registrar to the Issue, the Escrow Collection Banks, the Book Running Lead Manager and the Syndicate Members.
4. Syndicate Agreement dated [●] among our Company, the Selling Shareholder, the Book Running Lead Manager and the Syndicate Members.
5. Underwriting Agreement dated [●] among our Company, the Selling Shareholder, the Book Running Lead Manager and the Syndicate Members.

Material Documents

1. Memorandum and Articles of Association, as amended from time to time.
2. Our certification of incorporation.
3. Resolution passed by our Board dated February 20, 2013 authorizing this Issue.
4. Shareholders' resolution dated March 26, 2013 authorizing this Issue.
5. Resolution passed by the Selling Shareholder dated July 25, 2013 authorizing the Offer for Sale.
6. Statement of Tax Benefits dated September 15, 2013 from B S R & Co., Chartered Accountants, regarding tax benefits available to our Company and its shareholders.
7. Examination Report of the Auditors, B S R & Co, Chartered Accountants, dated September 13, 2013 in relation to restated financial information of our Company, prepared in accordance with Part II of Schedule II to the Companies Act, the SEBI Regulations and mentioned in this Draft Red Herring Prospectus.
8. Consent of the Auditors, B S R & Co., Chartered Accountants, dated September 15, 2013 for inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus.
9. Consent of Advanced Resources International, Inc dated September 13, 2013 for inclusion of their Resource and Reserve Assessment Reports in the form and context in which it appears in this Draft Red Herring Prospectus.
10. Consents of Bankers to our Company, Book Running Lead Manager, members of the Syndicate, Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue, Domestic legal counsel to our Company and the Domestic legal counsel to the Book Running Lead Manager, International legal

counsel to the Underwriters, IPO grading agency, Directors, the Company Secretary and Compliance Officer, as referred to, in their respective capacities.

11. In-principle listing approvals dated [●] and [●] received from the NSE and the BSE, respectively.
12. Due diligence certificate dated September 15, 2013 provided to the SEBI from the Book Running Lead Manager.
13. Report of the IPO grading agency, [●], furnishing the rationale for its grading, to be disclosed in the Red Herring Prospectus.
14. Agreement dated September 4, 2013 between Adfactor Advertising, our Company and the BRLM.
15. Copies of annual reports of our Company for the Fiscals 2013, 2012, 2011, 2010 and 2009.
22. Agreement dated March 11, 2005 among NSDL, our Company and the Registrar to the Issue.
23. Agreement dated March 6, 2009 among CDSL, our Company and the Registrar to the Issue.

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, 2013 Act and other relevant statutes.

In accordance with Section 61 of the Companies Act, 2013 Act in the event any of the material contracts mentioned in this section are required to be modified or amended, post the filing of the Prospectus with the RoC, reference shall be made to the shareholders of our Company for the same.

DECLARATION

We, the persons mentioned herein below, as Directors or otherwise, certify that all relevant provisions of the Companies Act, 1956, as amended and the guidelines issued by the Government of India or the regulations and guidelines issued by the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as amended, 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, as amended or the Securities and Exchange Board of India Act, 1992, as amended, or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Mr. Yogendra Kumar Modi
Chairman and Managing Director

Mr. Kashi Nath Memani
Independent Director

Mr. Paul Sebastian Zuckerman
Independent Director

Mr. Haigreve Khaitan
Non-Executive Director

Mr. Pejavar Murari
Independent Director

Mr. Gurvirendra Singh Talwar
Independent Director

Mr. Ashok Kumar Jha
Independent Director

SIGNED BY THE CHIEF EXECUTIVE OFFICER

SIGNED BY THE CHIEF FINANCIAL OFFICER

Mr. Yogendra Kumar Modi

Mr. S. Suriyanarayanan

Date: September 15, 2013

Place : Gurgaon

DECLARATION BY THE SELLING SHAREHOLDER

The Selling Shareholder certifies that all statements and undertakings made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself and in connection with the Offer for Sale and the Equity Shares of our Company offered by the Selling Shareholder in the Offer for Sale, are true and correct. The Selling Shareholder assumes no responsibility for any of the statements made by or relating to the Company or its business in this Draft Red Herring Prospectus.

Sd

On behalf of YKM Holdings International Limited

ANNEXURE 1

Please refer the ARI report dated September 10, 2013 on the next page.

ADVANCED RESOURCES INTERNATIONAL, INC.

10 September 2013

Mr. Prashant Modi
Great Eastern Energy Corporation Ltd.
Signature Towers – A, 14th Floor
South City, NH-8
Gurgaon 122001
India

ICICI Securities Limited
ICICI Centre
H.T. Parekh Marg
Churchgate
Mumbai – 400020

“Subject: Executive Summary of Report dated 15 March 2013 for estimation of Original-Gas-In-Place (OGIP) and Resource and Reserve Assessment for GEECL’s Raniganj CBM Project, India.”

Dear Sir,

Advanced Resources International, Inc. (ARI) has conducted a review of the Original Gas in Place (OGIP) estimation and performed a resource and reserve assessment as per the requirements of the contract awarded by Great Eastern Energy Corporation Limited (GEECL) for the CBM Development Project, Raniganj Block, India. As a part of this effort, ARI carried out its own independent estimation of OGIP and resources and reserves with the data supplied by GEECL for the above referenced area. It is stated that ARI has conducted an in depth evaluation of the data provided and have calculated OGIP and estimated resources and reserves for the Raniganj CBM block. The relevant report on the evaluation carried out by ARI is enclosed herewith.

ADVANCED RESOURCES INTERNATIONAL, INC.

The opinions expressed in this report reflect our informed judgments based on accepted engineering and geologic standards and are subject to those generally recognized uncertainties associated with interpretation of geological, geophysical, and engineering information.

There are numerous uncertainties inherent in estimating quantities of proved and unproved reserves and in projecting future rates of production and timing of development expenditures, including many factors beyond the control of the working interest owner. The reserve data represent only estimates. Reserve engineering is a subjective process of estimating underground accumulations of natural gas and oil that cannot be measured in an exact way, and the accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. As a result, estimates made by different engineers often vary. In addition, results of drilling, testing and production subsequent to the date of an estimate may justify revision of such estimates, and such revisions may be material. Accordingly, reserve estimates are often different from the actual quantities of natural gas and oil that are ultimately recovered.

Any use of the material in this letter should be based on independent assessment of the engineering and geologic data by professionally qualified personnel. Those making use of or relying upon this material assume all risks and liability arising from such use or reliance.



Jonathan Kelafant
Senior Vice President
Advanced Resources International, Inc.

ADVANCED RESOURCES INTERNATIONAL, INC.

Executive Summary of Report dated 15 March 2013 for estimation of Original-Gas-In-Place (OGIP) and Resource and Reserve Assessment for GEECL's Raniganj CBM Project, India.

Prepared for:

Great Eastern Energy Corporation Limited (GEECL)

Prepared by:

Advanced Resources International, Inc.

Arlington, VA USA

10 September 2013

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1.0 Summary

Advanced Resources International, Inc. (ARI) has independently conducted an estimation of the Original Gas In Place (OGIP) and performed a resource and reserve assessment as per the contract awarded by Great Eastern Energy Corporation Limited (GEECL) for the CBM Development Project, Raniganj Block, India. Specifically, the review covered the OGIP and resource and reserve estimate for 20 coal seams in the Raniganj Block, which is located in the southwestern portion of the Raniganj Coal field. The Raniganj Block is broken up geographically by the Damodar River into the north and south regions. Accordingly, ARI states the following: (1) that ARI has conducted an in depth evaluation of the data provided by GEECL in making the OGIP estimation; and (2) that ARI has provided herein the resultant estimation for OGIP and resources and reserves for the designated Area of 210 km² in the Raniganj CBM Block.

Our evaluations were performed using the data and maps provided by GEECL. The data reviewed included, but was not limited to, well geophysical logs, core derived gas content data, laboratory-measured methane sorption isotherms, and structure and coal isopach maps. ARI utilizes the Petroleum Resources Management System (SPE-PRMS) classifications and definitions for both reserves and resources which have been approved by the Society of Petroleum Engineers, the World Petroleum Council, and the American Association of Petroleum Geologists (SPE, WPC, AAPG). The resource classifications for hydrocarbons initially in place, as defined by SPE, WPC, AAPG, that are pertinent to this review are presented in the Appendix of this report.

1.1 Data Reviewed

Coal Seams

In the Raniganj Block, there are 20 regionally and locally correlatable coal seams having a cumulative thickness of approximately 10 to greater than 60 meters. Based on GEECL evaluations and the analysis of thickness, gas content, and other factors, twenty coal seams have been deemed to be prospective and therefore selected for estimation of OGIP.

Geophysical well logs from 140 GEECL core holes, drilled wells and production wells were provided and reviewed. In addition, coal thickness and depth values were provided from 259 lithologic core sets. Our review of these data consisted of checking the coal thickness and depths, and their corresponding values as represented on structure and isopach maps. In addition to lithological verification, ARI used the log data to calculate an average seam-wise coal density from the bulk density logs.

ARI used 54 adsorption isotherms to calculate average V_L and P_L values on a seam-wise basis. An average coal seam depth from wells deeper than 200m was then used to calculate gas content for each seam. Other core data available included laboratory data such as proximate and ultimate analysis, gas chromatography, and permeability studies. Maps provided by GEECL for Raniganj Block consisted of a geological map, a core hole location map, and a cumulative coal isopach map. The maps were provided in digitized format and were incorporated into ARI's geographic information system database.

1.2 Methodology

For purposes of calculating OGIP, ARI used the volumetric equation shown in the equation below:

$$\text{OGIP} = \text{Volume of coal} \times \text{Coal density} \times \text{Gas Content (calculated from as received adsorption isotherm)}$$

ARI used a cumulative coal thickness evaluated from coal counts and verified from log analyses. Using the well data, a coal thickness map was constructed using a minimum curvature spline equation in ArcGIS, using a 50x50m cell area. Coal thickness on a seam-wise basis was calculated for each cell within the 210km² area of the Raniganj Block. The total volume of coal was then calculated from the constructed thickness layers by multiplying the area of each cell by their corresponding thickness values.

ARI used a cumulative coal thickness evaluated from coal counts and verified from log analysis. The log analysis was used to calculate the density values at the specified seam intervals determined in the coal counts. These density values, calculated from density logs in applicable wells, were weighted and averaged for each seam and used in the OGIP estimation.

2.0 Results

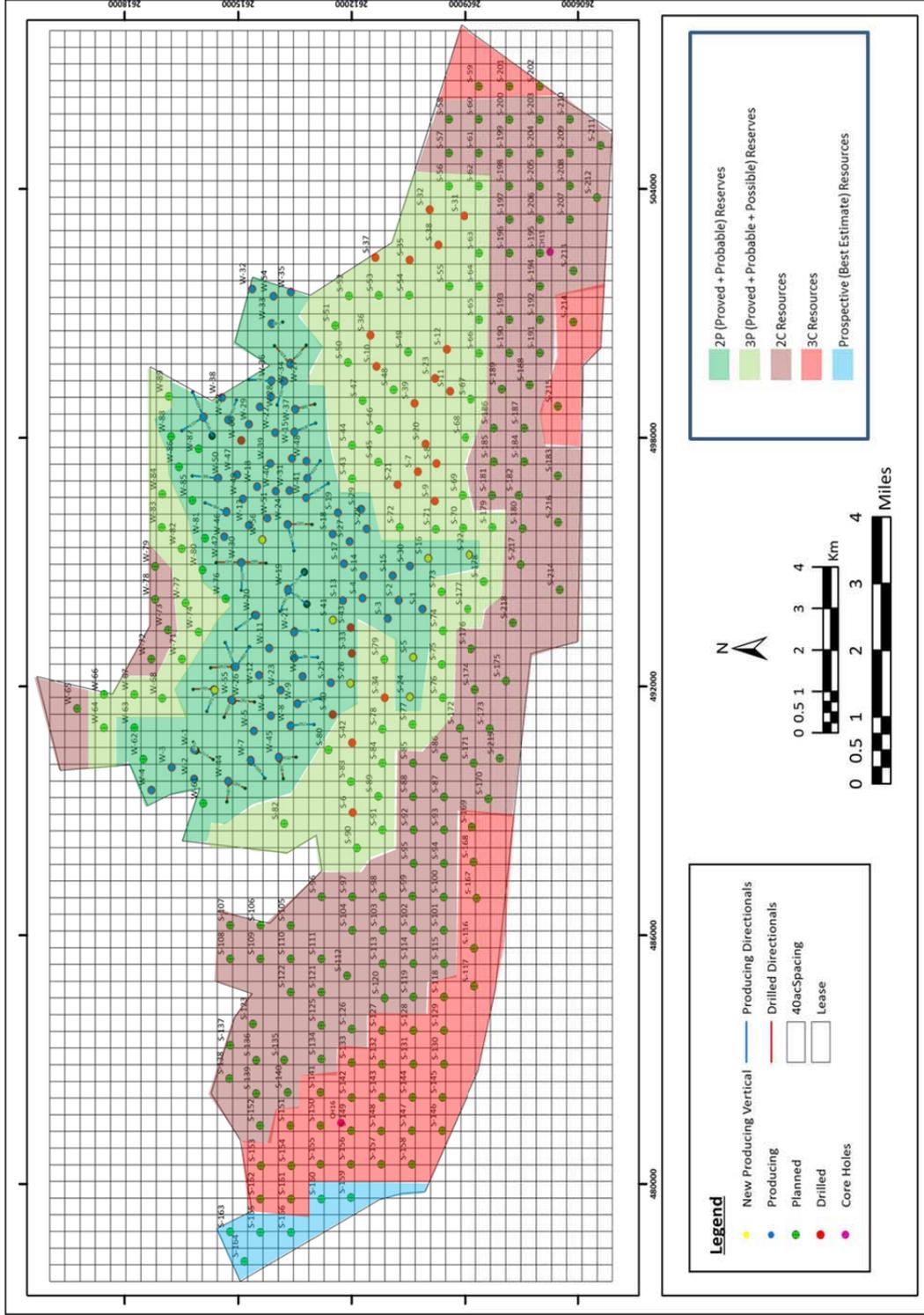
2.1 Calculation of OGIP CBM Resources

ARI has conducted a thorough review of GEECL's Data, and have independently estimated an OGIP on a seam-wise basis for the 20 coal seams present in the CBM development Raniganj Block. As a result, it is ARI's opinion that the OGIP estimate of a total of 2.40 tcf fairly represents the coalbed methane initially in place for the Raniganj CBM Block. In our opinion, all OGIP can be classified as "discovered petroleum initially in place" according to SPE-PRMS definitions.

2.2 CBM Resource and Reserve Assessment

ARI conducted an assessment of the reserves and resources as of 28 February 2013 for the designated development area of 210 km² in the Raniganj CBM Block.

ARI utilizes the Petroleum Resources Management System (PRMS) which is sponsored by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council, and the Society of Petroleum Evaluation Engineers (March 2007).



Map Showing Reserve and Resource Areas

4501 Fairfax Drive, Suite 910
Arlington, VA 22203

Reserves. Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward. The total proved reserves (1P) at Raniganj are 53.6 BCF (gross), the total proved and probable reserves (2P) are 139.3 BCF (gross), and the proved, probable, and possible reserves (3P) are 276.8 BCF (gross).

Contingent Resources. Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. The total 1C resources at Raniganj are 76.4 BCF (gross), the total 2C resources are 178.6 BCF (gross), and the total 3C resources are 372.3 BCF (gross).

Prospective Resources. Prospective resources are those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations. The low estimate of prospective resources at Raniganj is 11.9 BCF (gross), the best estimate is 25.5 BCF (gross), and the high estimate is 44.2 BCF (gross).

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Reserve Classification System			Gross	Net*
			As of 28 Feb 2013	As of 28 Feb 2013
Reserves	(BCF)	1P	53.6	46.9
		2P	139.3	121.8
		3P	276.8	242.2
Contingent Resources	(BCF)	1C	76.4	66.9
		2C	178.6	156.3
		3C	372.3	325.8
Prospective Resources	(BCF)	Low Estimate	11.9	10.4
		Best Estimate	25.5	22.3
		High Estimate	44.2	38.6
Original Gas-In-Place	(TCF)	Best Estimate	2.40	-

* Net reserves/resources exclude government share (total royalty/PLP equals 12.5%)

Reserves and Resources Estimate

2.3 Recovery Factor

Based on recovery efficiencies for analogous properties with similar geologic and reservoir characteristics, recovery factors were calculated to be 30%, 50%, and 70% for the low, best, and high estimates, respectively. It may be necessary to increase or decrease resource and/or reserve estimates as additional performance data become available.

For gas resources to be considered reserves (i.e., commercially recoverable) cash flows must exceed operating expenses. Since GEECL is selling gas and operations at Raniganj continue, it is assumed the commercial requirement has been met.

3.0 Authorizations

Advanced Resources International, Inc. is an independent oil and gas consulting firm. No director, officer, or key employee of Advanced Resources International, Inc. has any financial ownership in the CBM Development Project, Raniganj Block, India, in GEECL, or in any related company. Our compensation for the requested review and preparation of this letter was not and is not contingent on the results obtained and reported, and we have not performed other work that would affect our objectivity. Production of this report was supervised by an officer of ARI who has more than 25 years of relevant experience in the estimation, assessment, and evaluation of oil and gas resources and / or reserves.

In conducting this review, ARI relied upon geologic and reservoir data supplied by GEECL. The opinions expressed in this letter reflect our informed judgments based on accepted engineering and geologic standards and are subject to those generally recognized uncertainties associated with interpretation of geological, geophysical, and engineering information.

Any use of the material in this letter should be based on independent assessment of the engineering and geologic data by professionally qualified personnel. Those making use of or relying upon this material assume all risks and liability arising from such use or reliance.



Jonathan Kelafant
Senior Vice President
Advanced Resources International, Inc.

Appendix – Petroleum Resources Management System

The Petroleum Resources Management System (PRMS) is an internationally recognized system that has evolved over time and provides standardized definitions of petroleum resources and guidance as to how petroleum resources may be estimated. The PRMS resource definitions and guidelines allow for the estimation of quantities of naturally occurring hydrocarbons which are known and / or are yet-to-be discovered which can potentially be recovered and marketed by commercial projects. The PRMS is endorsed by the Society of Petroleum Engineers (SPE), the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG), and the Society of Petroleum Evaluation Engineers (SPEE).

The following summary of the PRMS is intended to provide a brief overview. A graphic summary of the PRMS can be seen in Exhibit 1: Summary of the Petroleum Resources Management System. For more detailed information, the reader is encouraged to consult the most recent (March 2007) PRMS which can be found at the following address on the world wide web:

<http://www.spe.org/industry/reserves/prms.php>.

The term “resources” includes all quantities of naturally occurring petroleum, discovered and undiscovered, as well as recoverable and unrecoverable. The estimation of quantities of petroleum resources involves a degree of uncertainty and subjectivity. Estimates of resources attempt to quantify the degree of certainty and maturity.

Broad classifications of resources, listed in the order of the likelihood of commerciality, include “Reserves”, “Contingent Resources”, and “Prospective Resources”. According to the PRMS, reserves include “those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.”, whereas contingent resources are “Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.”, and finally, prospective resources are “Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.”

Other classifications utilized within the PRMS are “Total Petroleum Initially-In-Place”, “Discovered Petroleum Initially-In-Place”, and “Undiscovered Petroleum Initially-In-Place”. Initially-In-Place refers to “that quantity of petroleum that is estimated, as of a given date, to be contained in ... accumulations prior to production.” Total is comprised of discovered plus undiscovered. Discovered refers to known accumulations, and undiscovered refers to accumulations “yet to be discovered”.

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The degree of certainty associated with resource estimates, listed in the order of decreasing certainty, may be stated as “Proved, Probable, and Possible” or “1P, 2P, and 3P” for reserves, 1C, 2C, and 3C for contingent resources, and “Low, Best, and High” for prospective resources. The certainty of resource estimates may be quantified by either deterministic or probabilistic methods. The basic criteria for quantifying certainty for reserves is that Proved, 1P, 1C, and Low Estimate (for reserves, contingent resources, and prospective resources respectively) should have a 90% probability of actually being recovered, Probable, 2P, 2C, and Best Estimate should have a 50% probability of actually being recovered, and Possible, 3P, 3C, and High Estimate should have a 10% probability of actually being recovered. This same criterion for quantifying the certainty of initially-in-place estimates is also applied.

Broad maturity levels have also been defined in the PRMS, and can be briefly summarized, listed from low to high maturity, as “Play”, “Lead”, and “Prospect” for prospective resources, “Development Not Viable”, “Development Not Clarified or On Hold”, and “Development Pending” for contingent resources, and “Justified For Development”, “Approved For Development”, and “On Production” for reserves.

The PRMS sets out the acceptable methodologies for estimating resources, such as analog, volumetric, material balance, and production performance. Additionally, the PRMS specifies that economic and ownership parameters must be clearly documented along with the resource estimates.

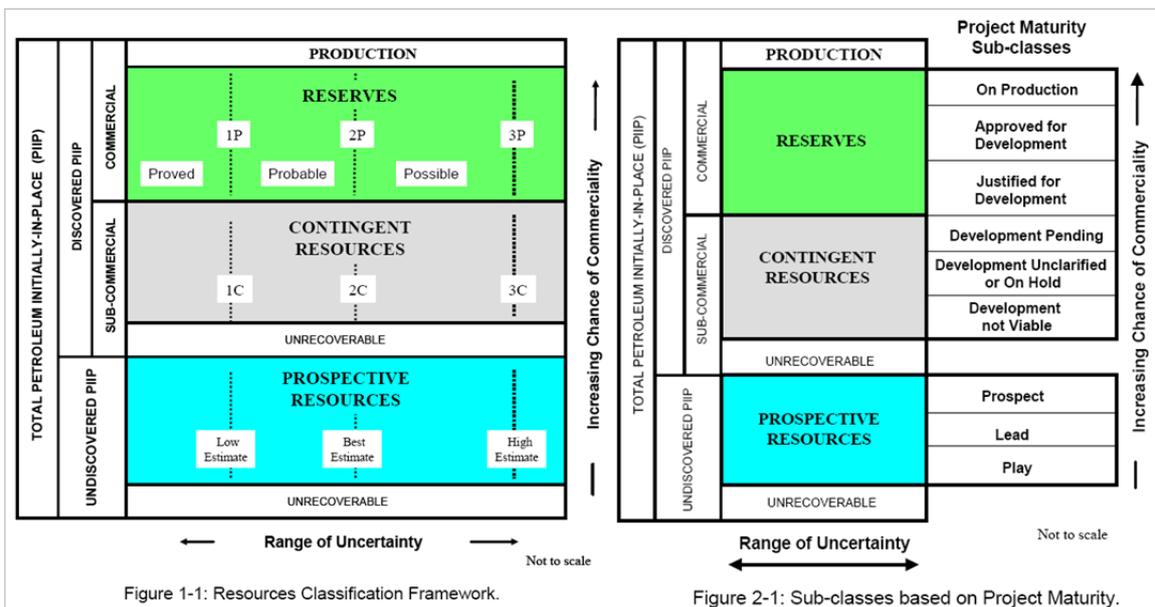


Exhibit A1: Summary of the Petroleum Resource Management System

Table 1: Recoverable Resource Classes and Sub-Classes

Class/Sub-Class	Definition	Guidelines
Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.	<p>Reserves must satisfy four criteria: they must be discovered, recoverable, commercial, and remaining based on the development project(s) applied. Reserves are further subdivided in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their development and production status.</p> <p>To be included in the Reserves class, a project must be sufficiently defined to establish its commercial viability. There must be a reasonable expectation that all required internal and external approvals will be forthcoming, and there is evidence of firm intention to proceed with development within a reasonable time frame.</p> <p>A reasonable time frame for the initiation of development depends on the specific circumstances and varies according to the scope of the project. While 5 years is recommended as a benchmark, a longer time frame could be applied where, for example, development of economic projects are deferred at the option of the producer for, among other things, market-related reasons, or to meet contractual or strategic objectives. In all cases, the justification for classification as Reserves should be clearly documented.</p> <p>To be included in the Reserves class, there must be a high confidence in the commercial producibility of the reservoir as supported by actual production or formation tests. In certain cases, Reserves may be assigned on the basis of well logs and/or core analysis that indicate that the subject reservoir is hydrocarbon-bearing and is analogous to reservoirs in the same area that are producing or have demonstrated the ability to produce on formation tests.</p>
On Production	The development project is currently producing and selling petroleum to market.	<p>The key criterion is that the project is receiving income from sales, rather than the approved development project necessarily being complete. This is the point at which the project "chance of commerciality" can be said to be 100%.</p> <p>The project "decision gate" is the decision to initiate commercial production from the project.</p>
Approved for Development	All necessary approvals have been obtained, capital funds have been committed, and implementation of the development project is under way.	<p>At this point, it must be certain that the development project is going ahead. The project must not be subject to any contingencies such as outstanding regulatory approvals or sales contracts. Forecast capital expenditures should be included in the reporting entity's current or following year's approved budget.</p> <p>The project "decision gate" is the decision to start investing capital in the construction of production facilities and/or drilling development wells.</p>

ADVANCED RESOURCES INTERNATIONAL, INC.

Class/Sub-Class	Definition	Guidelines
Justified for Development	Implementation of the development project is justified on the basis of reasonable forecast commercial conditions at the time of reporting, and there are reasonable expectations that all necessary approvals/contracts will be obtained.	<p>In order to move to this level of project maturity, and hence have reserves associated with it, the development project must be commercially viable at the time of reporting, based on the reporting entity's assumptions of future prices, costs, etc. ("forecast case") and the specific circumstances of the project. Evidence of a firm intention to proceed with development within a reasonable time frame will be sufficient to demonstrate commerciality. There should be a development plan in sufficient detail to support the assessment of commerciality and a reasonable expectation that any regulatory approvals or sales contracts required prior to project implementation will be forthcoming. Other than such approvals/contracts, there should be no known contingencies that could preclude the development from proceeding within a reasonable timeframe (see Reserves class).</p> <p>The project "decision gate" is the decision by the reporting entity and its partners, if any, that the project has reached a level of technical and commercial maturity sufficient to justify proceeding with development at that point in time.</p>
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.	Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.
Development Pending	A discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future.	<p>The project is seen to have reasonable potential for eventual commercial development, to the extent that further data acquisition (e.g. drilling, seismic data) and/or evaluations are currently ongoing with a view to confirming that the project is commercially viable and providing the basis for selection of an appropriate development plan. The critical contingencies have been identified and are reasonably expected to be resolved within a reasonable time frame. Note that disappointing appraisal/evaluation results could lead to a re-classification of the project to "On Hold" or "Not Viable" status.</p> <p>The project "decision gate" is the decision to undertake further data acquisition and/or studies designed to move the project to a level of technical and commercial maturity at which a decision can be made to proceed with development and production.</p>

ADVANCED RESOURCES INTERNATIONAL, INC.

Class/Sub-Class	Definition	Guidelines
Development Unclarified or on Hold	A discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay.	The project is seen to have potential for eventual commercial development, but further appraisal/evaluation activities are on hold pending the removal of significant contingencies external to the project, or substantial further appraisal/evaluation activities are required to clarify the potential for eventual commercial development. Development may be subject to a significant time delay. Note that a change in circumstances, such that there is no longer a reasonable expectation that a critical contingency can be removed in the foreseeable future, for example, could lead to a re-classification of the project to "Not Viable" status. The project "decision gate" is the decision to either proceed with additional evaluation designed to clarify the potential for eventual commercial development or to temporarily suspend or delay further activities pending resolution of external contingencies.
Development Not Viable	A discovered accumulation for which there are no current plans to develop or to acquire additional data at the time due to limited production potential.	The project is not seen to have potential for eventual commercial development at the time of reporting, but the theoretically recoverable quantities are recorded so that the potential opportunity will be recognized in the event of a major change in technology or commercial conditions. The project "decision gate" is the decision not to undertake any further data acquisition or studies on the project for the foreseeable future.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.	Potential accumulations are evaluated according to their chance of discovery and, assuming a discovery, the estimated quantities that would be recoverable under defined development projects. It is recognized that the development programs will be of significantly less detail and depend more heavily on analog developments in the earlier phases of exploration.
Prospect	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.	Project activities are focused on assessing the chance of discovery and, assuming discovery, the range of potential recoverable quantities under a commercial development program.
Lead	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation in order to be classified as a prospect.	Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to confirm whether or not the lead can be matured into a prospect. Such evaluation includes the assessment of the chance of discovery and, assuming discovery, the range of potential recovery under feasible development scenarios.
Play	A project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects.	Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to define specific leads or prospects for more detailed analysis of their chance of discovery and, assuming discovery, the range of potential recovery under hypothetical development scenarios.

Table 2: Reserves Status Definitions and Guidelines

Status	Definition	Guidelines
Developed Reserves	Developed Reserves are expected quantities to be recovered from existing wells and facilities.	Reserves are considered developed only after the necessary equipment has been installed, or when the costs to do so are relatively minor compared to the cost of a well. Where required facilities become unavailable, it may be necessary to reclassify Developed Reserves as Undeveloped. Developed Reserves may be further sub-classified as Producing or Non-Producing.
Developed Producing Reserves	Developed Producing Reserves are expected to be recovered from completion intervals that are open and producing at the time of the estimate.	Improved recovery reserves are considered producing only after the improved recovery project is in operation.
Developed Non-Producing Reserves	Developed Non-Producing Reserves include shut-in and behind-pipe Reserves.	Shut-in Reserves are expected to be recovered from (1) completion intervals which are open at the time of the estimate but which have not yet started producing, (2) wells which were shut-in for market conditions or pipeline connections, or (3) wells not capable of production for mechanical reasons. Behind-pipe Reserves are expected to be recovered from zones in existing wells which will require additional completion work or future re-completion prior to start of production. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.
Undeveloped Reserves	Undeveloped Reserves are quantities expected to be recovered through future investments:	(1) from new wells on undrilled acreage in known accumulations, (2) from deepening existing wells to a different (but known) reservoir, (3) from infill wells that will increase recovery, or (4) where a relatively large expenditure (e.g. when compared to the cost of drilling a new well) is required to (a) recomplete an existing well or (b) install production or transportation facilities for primary or improved recovery projects.

Table 3: Reserves Category Definitions and Guidelines

Category	Definition	Guidelines
<p>Proved Reserves</p>	<p>Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.</p>	<p>If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate.</p> <p>The area of the reservoir considered as Proved includes (1) the area delineated by drilling and defined by fluid contacts, if any, and (2) adjacent undrilled portions of the reservoir that can reasonably be judged as continuous with it and commercially productive on the basis of available geoscience and engineering data.</p> <p>In the absence of data on fluid contacts, Proved quantities in a reservoir are limited by the lowest known hydrocarbon (LKH) as seen in a well penetration unless otherwise indicated by definitive geoscience, engineering, or performance data. Such definitive information may include pressure gradient analysis and seismic indicators. Seismic data alone may not be sufficient to define fluid contacts for Proved reserves (see "2001 Supplemental Guidelines," Chapter 8).</p> <p>Reserves in undeveloped locations may be classified as Proved provided that:</p> <ul style="list-style-type: none"> • The locations are in undrilled areas of the reservoir that can be judged with reasonable certainty to be commercially productive. • Interpretations of available geoscience and engineering data indicate with reasonable certainty that the objective formation is laterally continuous with drilled Proved locations. <p>For Proved Reserves, the recovery efficiency applied to these reservoirs should be defined based on a range of possibilities supported by analogs and sound engineering judgment considering the characteristics of the Proved area and the applied development program.</p>
<p>Probable Reserves</p>	<p>Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.</p>	<p>It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.</p> <p>Probable Reserves may be assigned to areas of a reservoir adjacent to Proved where data control or interpretations of available data are less certain. The interpreted reservoir continuity may not meet the reasonable certainty criteria.</p> <p>Probable estimates also include incremental recoveries associated with project recovery efficiencies beyond that assumed for Proved.</p>

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Category	Definition	Guidelines
Possible Reserves	Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves.	<p>The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P), which is equivalent to the high estimate scenario. When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate.</p> <p>Possible Reserves may be assigned to areas of a reservoir adjacent to Probable where data control and interpretations of available data are progressively less certain. Frequently, this may be in areas where geoscience and engineering data are unable to clearly define the area and vertical reservoir limits of commercial production from the reservoir by a defined project.</p> <p>Possible estimates also include incremental quantities associated with project recovery efficiencies beyond that assumed for Probable.</p>
Probable and Possible Reserves	(See above for separate criteria for Probable Reserves and Possible Reserves.)	<p>The 2P and 3P estimates may be based on reasonable alternative technical and commercial interpretations within the reservoir and/or subject project that are clearly documented, including comparisons to results in successful similar projects.</p> <p>In conventional accumulations, Probable and/or Possible Reserves may be assigned where geoscience and engineering data identify directly adjacent portions of a reservoir within the same accumulation that may be separated from Proved areas by minor faulting or other geological discontinuities and have not been penetrated by a wellbore but are interpreted to be in communication with the known (Proved) reservoir. Probable or Possible Reserves may be assigned to areas that are structurally higher than the Proved area. Possible (and in some cases, Probable) Reserves may be assigned to areas that are structurally lower than the adjacent Proved or 2P area.</p> <p>Caution should be exercised in assigning Reserves to adjacent reservoirs isolated by major, potentially sealing, faults until this reservoir is penetrated and evaluated as commercially productive. Justification for assigning Reserves in such cases should be clearly documented. Reserves should not be assigned to areas that are clearly separated from a known accumulation by non-productive reservoir (i.e., absence of reservoir, structurally low reservoir, or negative test results); such areas may contain Prospective Resources.</p> <p>In conventional accumulations, where drilling has defined a highest known oil (HKO) elevation and there exists the potential for an associated gas cap, Proved oil Reserves should only be assigned in the structurally higher portions of the reservoir if there is reasonable certainty that such portions are initially above bubble point pressure based on documented engineering analyses. Reservoir portions that do not meet this certainty may be assigned as Probable and Possible oil and/or gas based on reservoir fluid properties and pressure gradient interpretations.</p>

ANNEXURE 2

Please refer the ARI report dated September 10, 2013 on the next page.

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10 September 2013

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ICICI Centre
H.T. Parekh Marg
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India

“Subject: Estimation of Original-Gas-In-Place (OGIP) for Areas A & B in GEECL’s Raniganj CBM Project, India.”

Dear Sir,

Advanced Resources International, Inc. (ARI) has conducted a review of the Original Gas in Place (OGIP) estimation of two areas for the CBM Development Project, Raniganj Block, India (Exhibit 1). As a part of this effort, ARI carried out its own independent estimation of OGIP as per the data on February 28, 2013 from GEECL for the above referenced area. It is stated that ARI has conducted an in depth evaluation of the data provided and have calculated OGIP for the two referenced areas in the Raniganj CBM block. The relevant report on the evaluation carried out by ARI is enclosed herewith.

The opinions expressed in this report reflect our informed judgments based on accepted engineering and geologic standards and are subject to those

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generally recognized uncertainties associated with interpretation of geological, geophysical, and engineering information.

Any use of the material in this letter should be based on independent assessment of the engineering and geologic data by professionally qualified personnel. Those making use of or relying upon this material assume all risks and liability arising from such use or reliance.



Jonathan Kelafant
Senior Vice President
Advanced Resources International, Inc.



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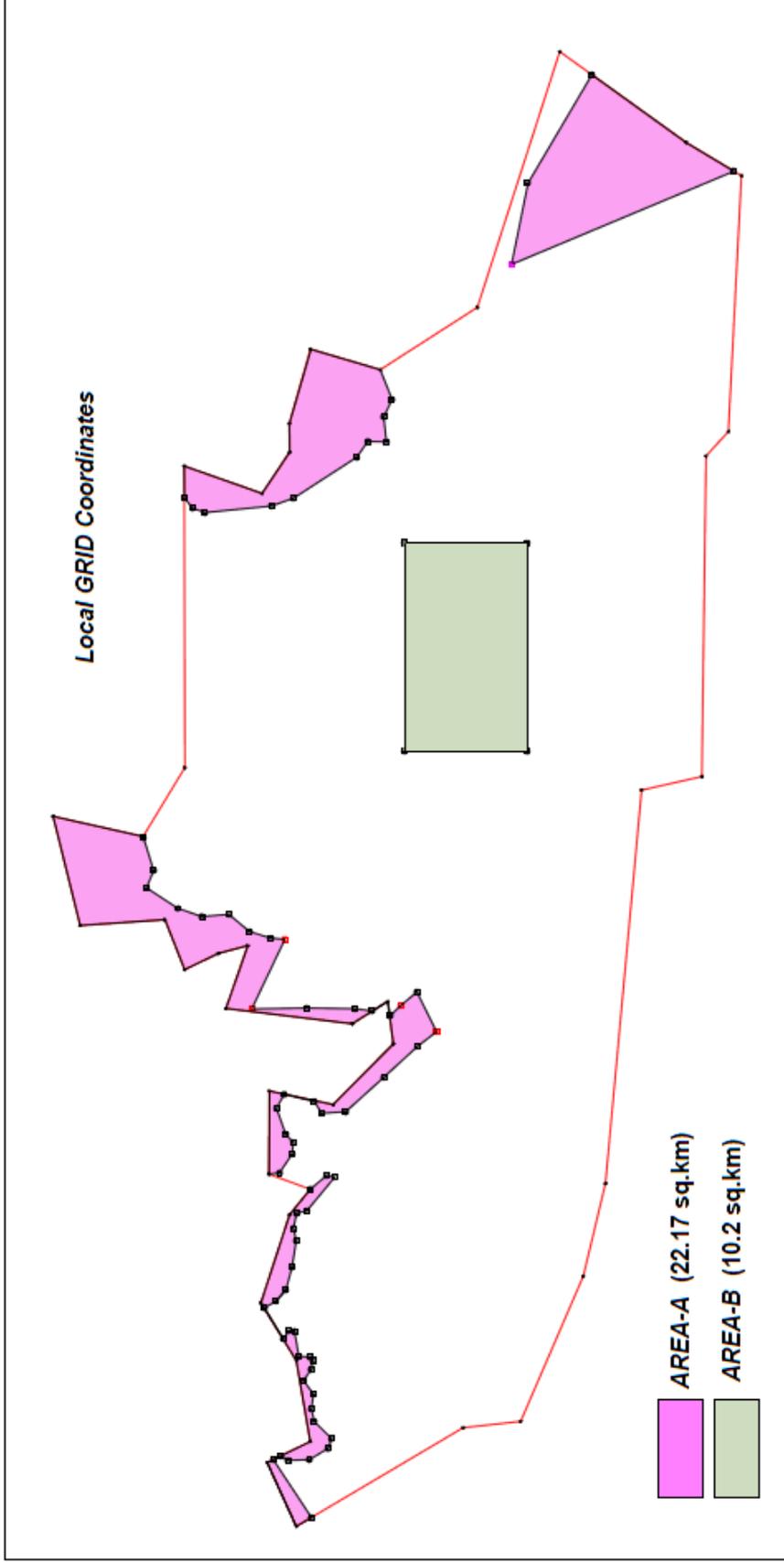


Exhibit1: Location map of Areas A and B in GEECL's Raniganj CBM Block, West Bengal, India.



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For purposes of calculating OGIP, ARI used the volumetric equation shown in the equation below:

$$OGIP = \text{Volume of coal} \times \text{Coal density} \times \text{Gas Content (calculated from as received adsorption isotherm)}$$

All calculations were performed on a seam-wise basis for the seams designated XA, X, IXA, IX, IXTB, VIII, L1, VII, L2A, L2, VI, L, VA, V, L3, IV, III, L4, II, and I.

ARI used a cumulative coal thickness evaluated from coal counts and verified from log analyses. Using the well data, a coal thickness map was constructed using a minimum curvature spline equation in ArcGIS, using a 50x50m cell area. Coal thickness on a seam-wise basis was calculated for each cell within the 210km² area of the Raniganj Block. The total volume of coal was then calculated from the constructed thickness layers by multiplying the area of each cell by their corresponding thickness values.

Volume was only calculated for areas with a depth greater than 200m. It is believed, from our experience with CBM in the area, that coal seams with depths shallower than 200m will not have adequate pressure to retain their gas resource and should, for OGIP calculation, not be included.

Log analysis was used to calculate the density values at the specified seam intervals determined in the coal counts. These density values, calculated from density logs in applicable wells, were weighted and averaged for each seam and used in the OGIP estimation.



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The results for the OGIP estimation are provided in Exhibits 2 through 5 below.

AREA A - RESOURCES ESTIMATION - IMPERIAL				
	Resource	Seam		
	Volume	Density	Gas Content	Resource
Seam	cf	ton/acres*ft	cf/ton	Bcf
RN-I	2,230,358,252	2,175	310.90	34.62
RN-II	1,077,928,906	2,077	327.90	16.85
RN-L4	574,815,682	2,077	340.90	9.34
RN-III	740,130,567	2,182	338.14	12.54
RN-IV	2,286,502,392	2,077	255.00	27.80
RN-L3	672,812,117	2,063	250.00	7.97
RN-V	1,224,853,944	2,077	253.98	14.83
RN-VA	437,100,666	2,158	214.79	4.65
RN-L	698,923,251	2,077	241.46	8.05
RN-VI	769,776,921	2,090	266.38	9.84
RN-L2	1,202,353,513	2,123	296.06	17.35
RN-L2A	759,188,878	2,167	270.00	10.20
RN-VII	464,037,104	2,070	231.06	5.09
RN-L1	469,691,777	2,166	223.41	5.22
RN-VIII	1,454,249,808	2,077	217.90	15.11
RN-IXTB	89,238,485	2,077	101.81	0.43
RN-IX	345,893,697	2,045	183.06	2.97
RN-IXA	104,108,211	2,165	170.40	0.88
RN-X	247,232,993	2,047	167.15	1.94
RN-XA	828,659	2,134	164.48	0.01
			Total (tcf):	0.21

Exhibit 2: Seam-wise and total OGIP estimates, Raniganj Block Area A. Included are resource volume and density inputs. (Imperial)



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AREA A - RESOURCES ESTIMATION - METRIC				
	Resource	Seam		
	Volume	Density	Gas Content	Resource
Seam	m ³	g/cc	m ³ /tonne	Mcm
RN-I	63,156,713	1.60	9.70	980.41
RN-II	30,523,548	1.53	10.24	477.21
RN-L4	16,276,968	1.53	10.64	264.57
RN-III	20,958,164	1.60	10.55	354.96
RN-IV	64,746,538	1.53	7.96	787.21
RN-L3	19,051,918	1.52	7.80	225.63
RN-V	34,684,001	1.53	7.93	420.01
RN-VA	12,377,313	1.59	6.70	131.69
RN-L	19,791,303	1.53	7.54	227.85
RN-VI	21,797,655	1.54	8.31	278.65
RN-L2	34,046,860	1.56	9.24	491.36
RN-L2A	21,497,835	1.59	8.43	288.71
RN-VII	13,140,068	1.52	7.21	144.25
RN-L1	13,300,190	1.59	6.97	147.73
RN-VIII	41,179,769	1.53	6.80	427.83
RN-IXTB	2,526,953	1.53	3.18	12.27
RN-IX	9,794,619	1.50	5.71	84.16
RN-IXA	2,948,016	1.59	5.32	24.96
RN-X	7,000,859	1.51	5.22	54.98
RN-XA	23,465	1.57	5.13	0.19
Total (Bcm):				5.8

Exhibit 3: Seam-wise and total OGIP estimates, Raniganj Block Area A. Included are resource volume and density inputs. (Metric)



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AREA B - RESOURCES ESTIMATION - IMPERIAL				
	Resource	Seam		
	Volume	Density	Gas Content	Resource
Seam	cf	ton/acres*ft	cf/ton	Bcf
RN-I	1,337,647,974	2,175	310.90	20.76
RN-II	610,271,872	2,077	327.90	9.54
RN-L4	398,746,686	2,077	340.90	6.48
RN-III	801,479,824	2,182	338.14	13.57
RN-IV	1,183,578,691	2,077	255.00	14.39
RN-L3	117,256,038	2,063	250.00	1.39
RN-V	546,090,247	2,077	253.98	6.61
RN-VA	574,747,746	2,158	214.79	6.12
RN-L	70,435,147	2,077	241.46	0.81
RN-VI	1,154,717,383	2,090	266.38	14.76
RN-L2	773,636,726	2,123	296.06	11.16
RN-L2A	1,289,205,831	2,167	270.00	17.31
RN-VII	667,275,704	2,070	231.06	7.33
RN-L1	14,090,552	2,166	223.41	0.16
RN-VIII	2,045,355,175	2,077	217.90	21.25
RN-IXTB	34,673,661	2,077	101.81	0.17
RN-IX	971,758,274	2,045	183.06	8.35
RN-IXA	511,200,195	2,165	170.40	4.33
RN-X	22,983,536	2,047	167.15	0.18
RN-XA	0	2,134	164.48	0.00
Total (tcf):				0.16

Exhibit 4: Seam-wise and total OGIP estimates, Raniganj Block Area B. Included are resource volume and density inputs. (Imperial)



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AREA B - RESOURCES ESTIMATION - METRIC				
	Resource	Seam		
	Volume	Density	Gas Content	Resource
Seam	m3	g/cc	m3/tonne	Mcm
RN-I	37,877,973	1.60	9.70	588.00
RN-II	17,280,975	1.53	10.24	270.17
RN-L4	11,291,249	1.53	10.64	183.53
RN-III	22,695,381	1.60	10.55	384.38
RN-IV	33,515,216	1.53	7.96	407.49
RN-L3	3,320,321	1.52	7.80	39.32
RN-V	15,463,554	1.53	7.93	187.26
RN-VA	16,275,044	1.59	6.70	173.16
RN-L	1,994,501	1.53	7.54	22.96
RN-VI	32,697,955	1.54	8.31	417.99
RN-L2	21,906,953	1.56	9.24	316.16
RN-L2A	36,506,244	1.59	8.43	490.26
RN-VII	18,895,144	1.52	7.21	207.43
RN-L1	399,000	1.59	6.97	4.43
RN-VIII	57,918,009	1.53	6.80	601.73
RN-IXTB	981,849	1.53	3.18	4.77
RN-IX	27,517,130	1.50	5.71	236.45
RN-IXA	14,475,578	1.59	5.32	122.57
RN-X	650,821	1.51	5.22	5.11
RN-XA	0	1.57	5.13	0.00
Total (Bcm):				4.66

Exhibit 5: Seam-wise and total OGIP estimates, Raniganj Block Area B. Included are resource volume and density inputs. (Metric)



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Advanced Resources International, Inc. is an independent oil and gas consulting firm. No director, officer, or key employee of Advanced Resources International, Inc. has any financial ownership in the CBM Development Project, Raniganj Block, India, in GEECL, or in any related company. Our compensation for the requested review and preparation of this letter was not and is not contingent on the results obtained and reported, and we have not performed other work that would affect our objectivity. Production of this report was supervised by an officer of ARI who has more than 25 years of relevant experience in the estimation, assessment, and evaluation of oil and gas resources and / or reserves.

In conducting this review, ARI relied upon geologic and reservoir data supplied by GEECL. The opinions expressed in this letter reflect our informed judgments based on accepted engineering and geologic standards and are subject to those generally recognized uncertainties associated with interpretation of geological, geophysical, and engineering information.

Any use of the material in this letter should be based on independent assessment of the engineering and geologic data by professionally qualified personnel. Those making use of or relying upon this material assume all risks and liability arising from such use or reliance.

Jonathan Kelafant
Senior Vice President

Advanced Resources International, Inc.

