

**DRAFT RED HERRING PROSPECTUS**

Dated March 03, 2012

Please read Section 60B of the Companies Act, 1956

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

Book Building Issue**UIC Udyog Limited**

Our Company was originally incorporated as UIC Wires Limited on December 21, 1995 under the Companies Act, 1956 vide Certificate of Incorporation No. 21-76114 of 1995 issued by the Registrar of Companies, West Bengal. Our Company received Certificate for Commencement of Business dated February 01, 1996. The name of our Company was changed to UIC Udyog Limited vide Fresh Certificate of Incorporation dated April 16, 2007. Our Company has been allocated Corporate Identification Number U27109WB1995PLC076114. (For further details, please refer to the chapter titled "History and Other Corporate Matters" beginning on page 106 of this Draft Red Herring Prospectus.)

Registered Office: Anandlok, Block- A, 1st Floor, 227, A.J.C. Bose Road, Kolkata – 700020, West Bengal, India.**Tel:** +91-33-2280 8811/8812/8813; **Fax:** +91-33-2280 9492;**Contact Person:** Mr. Jayanta Saha, Company Secretary and Compliance Officer**Email:** ipo@uicudyog.com; **Website:** www.uicudyog.com

THE PROMOTERS OF OUR COMPANY ARE MR. BHANWAR LAL JAJODIA, MRS. MADHU DEVI JAJODIA, MR. MAHENDRA KUMAR JAJODIA, MR. BAJRANG JAJODIA, MRS. SANGITA JAJODIA, MRS. POOJA JAJODIA AND MS. ANKITA JAJODIA

PUBLIC ISSUE OF [●] EQUITY SHARES OF ₹10 EACH OF UIC UDYOG LIMITED ("UIC" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) AGGREGATING ₹10,800 LAKHS (THE "ISSUE"). THE ISSUE WOULD CONSTITUTE [●]% OF THE FULLY DILUTED POST ISSUE PAID-UP EQUITY CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹10 EACH
THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ADVERTISED BY OUR COMPANY AT LEAST 2 WORKING DAYS PRIOR TO 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, subject to the Bidding Period not exceeding ten Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the National Stock Exchange of India Limited (the "NSE") and the Bombay Stock Exchange Limited (the "BSE"), by issuing a press release and also by indicating the change on the website of the Book Running Lead Managers ("BRLMs") and at the terminals of the other members of the Syndicate.

The Issue is being made under sub-regulation (1) of Regulation 26 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and through the Book Building Process in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the "SEBI Regulations") wherein not more than 50% of the Issue will be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs").

Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Non-Institutional Bidders and Qualified Institutional Buyers Investors will mandatorily participate in this Issue through the Application Supported by Blocked Amount ("ASBA") process by providing details of the relevant bank accounts in which the corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs"). Retail Individual Bidders may at their option participate through the ASBA process. For further details refer to the chapter titled "Issue Procedure" beginning on page 213 of this Draft Red Herring Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for its Equity Shares. The face value of the shares is ₹10 each and the Floor Price is [●] times the face value and Cap Price is [●] times the face value. The Issue Price (as determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares by way of Book building) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the summarized and detailed statements in the section "Risk Factors" beginning on page 12 of this Draft Red Herring Prospectus.

IPO GRADING

The Issue has been graded by [●] and has been assigned the "IPO Grade" [●] indicating [●] fundamentals, through letter dated [●]. The IPO grade 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, refer to the chapter titled "General Information" beginning on page 38 of this Draft Red Herring Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material 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.

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on NSE and BSE. Our Company has received In-principle approvals from NSE and BSE vide their letters dated [●] and [●] respectively. [●] shall be the Designated Stock Exchange for the purpose of this Issue.

BOOK RUNNING LEAD MANAGERS

BOB Capital Markets Limited
 3rd Floor, South Wing, UTI Tower, Gn Block,
 Bandra Kurla Complex, Bandra (East),
 Mumbai 400 051, Maharashtra, India.
Tel: +91-22-6138 9300
Fax: +91-22-6671 8535
Email: ipo.uic@bobcaps.in
Website: www.bobcaps.in
Contact Person: Mr. Amit Porwal/ Mr. Harshal Desai
SEBI Registration No: INM 000009926[#]

LSI Financial Services Private Limited
 Sagar Trade Cube, 5th Floor, 104,
 S P Mukherjee Road, Kolkata 700 026,
 West Bengal, India.
Tel: +91-33-2486 3817
Fax: +91-33-2486 3815
Email: mbd@lsimails.com
Website: www.lsifinance.com
Contact Person: Mr. Partha Pratim Samaddar
SEBI Registration No: INM000011468[#]

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited
 E-2, Ansa Industrial Estate, Saki Vihar Road,
 Sakinaka, Andheri (East),
 Mumbai - 400 072, India.
Tel: +91-22-4043 0200
Fax: +91-22-2847 5207
E-mail: ipo@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Babu Raphael
SEBI registration No.: INR000001385

BID/ISSUE PROGRAMME**BID/ISSUE OPENS ON : [●]****BID/ISSUE CLOSURES FOR QIB BIDDERS ON [●]*****BID/ISSUE CLOSURES FOR NON- QIB BIDDERS ON [●]**

* Our Company may consider closing the Bidding Period for QIB Bidders one day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations
 # "SEBI registration certificate was valid upto September 24, 2011. Application for renewal made on June 20, 2011 i.e. 3 months before the expiry of the period of the certificate in terms of Regulation 9(1) of the SEBI (Merchant Bankers) Regulations, 1992. The same has been taken up for permanent registration and the approval is awaited."
 ## SEBI registration is valid upto May 03, 2012. Pursuant to Regulation 5(3) of the SEBI (Merchant Bankers) (Amendment) Regulations, 2011 No. LAD – NRO/GN/2011-12/09/21233 dated July 05, 2011 application has been made on March 01, 2012 for extension of the Certificate of Initial Registration upto year 2014.

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SECTION I: GENERAL INFORMATION DEFINITIONS AND ABBREVIATIONS

In this Draft Red Herring Prospectus, unless the context otherwise requires, the terms defined and abbreviations expanded herein below shall have the same meaning as stated in this Section.

Terms	Description
“UIC Udyog Limited”, “UIC”, “our Company”, “the Company”, “the Issuer Company”, “the Issuer”, “we”, “us” and “our”	UIC Udyog Limited, a public limited company incorporated under the Companies Act, having its registered office at Anandlok, Block- A, 1 st Floor, 227, A.J.C. Bose Road, Kolkata – 700020, West Bengal, India.
Promoters	Mr. Bhanwar Lal Jajodia, Mrs. Madhu Devi Jajodia, Mr. Mahendra Kumar Jajodia, Mr. Bajrang Jajodia, Mrs. Sangita Jajodia, Mrs. Pooja Jajodia and Ms. Ankita Jajodia
Promoter Group	Includes such persons and entities constituting our Promoter Group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009 and disclosed in the chapter titled “ <i>Our Promoters</i> ” beginning on page 124 of this Draft Red Herring Prospectus.

COMPANY RELATED TERMS

Terms	Description
“Articles” or “Articles of Association” or “AoA”	The Articles of Association of our Company, as amended from time to time.
Statutory Auditor	The statutory auditor of our Company, M/s. Chhaparia & Associates, Chartered Accountants, Kolkata.
“Board” or “Board of Directors” or “our Board”	The board of directors of our Company as duly constituted from time to time and includes any committee thereof.
CIN	Corporate Identity Number as allotted by the Registrar of Companies, West Bengal.
Director(s)	Director(s) of our Company, unless otherwise specified.
“Memorandum” or “Memorandum of Association” or “our Memorandum”	The Memorandum of Association of our Company, as amended from time to time.
Registered Office	Anandlok, Block- A, 1 st Floor, 227, A.J.C. Bose Road, Kolkata – 700020, West Bengal, India.
RoC/Registrar of Companies	Nizam Palace, 2 nd MSO Building, 2 nd Floor, 234/4, A.J.C. Bose Road, Kolkata – 700020, West Bengal, India.
“Group Companies” or “our Group Companies”	Group Companies, wherever they occur, shall mean companies, firms, ventures, etc. promoted by the Promoters of our Company, irrespective of whether such entities are covered under section 370(1)(B) of the Companies Act, 1956 or not. In this case such entities as mentioned in the chapter titled “ <i>Group Companies</i> ” beginning on page 129.

ISSUE RELATED TERMS

TERM	DESCRIPTION
Allot/Allotment/Allotted/Allotment of Equity Shares	Unless the context otherwise requires, the allotment of Equity Shares, pursuant to this Issue to the successful Bidder.
Allottee	A successful Bidder to whom the Equity Shares are allotted.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by all Bidders to make a Bid authorising SCSBs to block the Bid Amount in a specified bank account maintained with the SCSBs.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the appropriate Bid Amount of the ASBA Bidder, as specified in the ASBA Bid cum Application Form.
ASBA Bidder(s)	Prospective investors in this Issue who Bid/apply through the ASBA process. Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, non- retail Investors i.e. QIBs and Non-Institutional Investors participating in this Issue are required to mandatorily use the ASBA facility to submit their Bids.
ASBA Bidding Location(s)	Location(s) at which ASBA Bids can be uploaded by the Syndicate and Sub - Syndicate Members, namely Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Bid cum Application Form/ ASBA Form	<p>The form, whether physical or electronic, used by a Bidder to make a Bid through ASBA process, which contains an authorisation to block the Bid Amount in an ASBA Account and will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus.</p> <p>Pursuant to SEBI circular number CIR/CFD/DIL/7/2010 dated July 13, 2010, ASBA Bid cum Application Forms are available for download from the respective websites of the Stock Exchanges.</p>
ASBA Revision Form	<p>The form used by the ASBA Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their ASBA Bid cum Application Forms or any previous ASBA Revision Form(s).</p> <p>Pursuant to SEBI circular number CIR/CFD/DIL/7/2010 dated July 13, 2010, ASBA Revision Forms are available for download from the respective websites of the Stock Exchanges.</p>
Banker(s) to the Issue/ Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Account will be opened and in this case being [●].
Bankers to our Company	Such banks which are disclosed as bankers to our Company in the chapter titled “General Information” beginning on page 38.
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Issue and which is described under the chapter titled “Issue Procedure” beginning on page 213.
Bid(s)	An indication to make an offer, made during the Bidding Period by a prospective investor to subscribe to the Equity Shares at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form payable by the Bidder on submission of the Bid for the Issue and in case of ASBA Bidders, the amount mentioned in the ASBA Bid cum Application Form.
Bid/ Issue Closing Date	<p>The date after which the members of the Syndicate and SCSB will not accept any Bids for this Issue, which shall be notified in a widely circulated English national newspaper, a Hindi national newspaper and a regional newspaper.</p> <p>The Company may decide to close the Bidding Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations.</p>

TERM	DESCRIPTION
Bid/ Issue Opening Date	The date on which the members of the Syndicate and SCSB shall start accepting Bids for the Issue, which shall be the date notified in a widely circulated English national newspaper, a Hindi national newspaper and a regional newspaper.
Bid/ Issue Period	Period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof.
Bid cum Application Form	The form used by a Bidder (which, unless expressly provided, includes the ABSA Bid cum Application Form by an ABSA Bidder, as applicable) 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.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form or the ASBA Bid cum Application Form (in case of an ASBA Bidder).
BOBCAPS	BOB Capital Markets Limited
Book Building Process	Book building mechanism as provided under Schedule XI of the SEBI (ICDR) Regulations, in terms of which this Issue is made.
BRLMs/ Book Running Lead Managers	Book Running Lead Managers to this Issue, in this case being BOB Capital Markets Limited and LSI Financial Services Private Limited.
Business Days	All days except Saturday, Sunday and public holidays.
CAN/ Confirmation of Allocation Note	Except in relation to the note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of Issue Price in the Book Building Process.
Cap Price	The upper end of the Price Band, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Compliance Officer	Company Secretary of our Company, Mr. Jayanta Saha.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate Bids under this Issue by the ASBA Bidders with the BRLMs, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/pmd/scsb/html .
Cut-off Price	The Issue Price finalised by our Company in consultation with the BRLMs. Only Retail Individual Bidders who are applying for a maximum bid amount not exceeding ₹2,00,000 are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant / DP	A Depository Participant as defined in the Depositories Act.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time, in this case being CDSL and NSDL.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available on http://www.sebi.gov.in/pmd/scsb/html .
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the amount blocked by the SCSB is transferred from the bank account of the ASBA Bidder to the Public Issue Account as the case may be following which the Board of Directors shall allot Equity Shares to successful Bidders.
Designated Stock Exchange	In this case being the [●].
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus dated March 03, 2011 filed with SEBI and issued in accordance with section 60B of the Companies Act and the SEBI (ICDR) Regulations, which does not have complete particulars of the price at which the Equity Shares are offered and size of the Issue.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Equity Listing Agreements	Equity listing agreements entered into by our Company with the Stock Exchanges

TERM	DESCRIPTION
Equity Shares	Equity Shares of our Company of face value of ₹10 each unless otherwise specified in the context thereof.
Escrow Account(s)	Account opened with Escrow Collection Bank(s) and in whose favour the Bidder (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement to be entered into among the Company, the Registrar to this Issue, the Escrow Collection Bank(s), Syndicate Members and the BRLMs in relation to the collection of the Bid Amounts and dispatch of the refunds (if any) of the amounts collected, to the Bidders(excluding the ASBA Bidders).
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form or the ASBA Bid cum Application Form or ASBA Revision Form.
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalized and below which no Bids will be accepted.
Indian National	A citizen of India as defined under the Indian Citizenship Act, 1955, as amended, who is not an NRI.
Issue	Public Issue of [●] Equity Shares of ₹10 each fully paid up at the Issue Price aggregating to ₹10,800 Lakhs.
Issue Agreement	Agreement dated March 03, 2012 entered into between our Company and the Book Running Lead Managers pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be issued and allotted in terms of the Red Herring Prospectus or the Prospectus, as determined by our Company in consultation with the BRLMs, on the Pricing Date.
Issue Proceeds	The proceeds of the Issue that is available to our Company.
LSI	LSI Financial Services Private Limited.
Mutual Fund Portion	5% of the QIB Portion i.e. upto [●] Equity Shares, available for allocation to Mutual Funds only, out of the QIB Portion.
Mutual Funds	Mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Non Institutional Bidders	All Bidders that are not Qualified Institutional Buyers or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹200,000 (but not including NRI's other than eligible NRI's).
Non Institutional Portion	The portion of the Issue being not less than 15% of the Issue consisting of [●] Equity Shares of ₹10 each available for allocation to Non-Institutional Bidders.
Offer Document	Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.
Payment through electronic transfer of funds	Payment through NECS, Direct Credit, NEFT or RTGS as applicable.
Pay-in-Period	The period commencing on the Bid/Issue Opening Date and extending until the Bid/Issue Closing Date.
Price Band	The price band of a minimum price ("Floor Price") of ₹[●] and the maximum price ("Cap Price") of ₹[●] and includes revisions thereof. The Price Band and minimum Bid lot size for the Issue will be decided by our Company in consultation with the Book Running Lead Managers and advertised in an English newspaper, Hindi newspaper and Regional newspaper with wide circulation at least two (2) Working Days prior to the Bid/Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLMs finalizes the Issue Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies, West Bengal, in accordance with section 60 of the Act, containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of this Issue and certain other information.
Public Issue Account	Account opened with the Banker(s) to this Issue to receive monies pursuant to Section 73 of the Companies Act from the Escrow Account and the SCSBs from the bank accounts of the ASBA Bidders on the Designated Date.
QIB Portion	The portion of the Issue being not more than 50% of the Issue, consisting of not more

TERM	DESCRIPTION
	than [●] Equity Shares, available for Allocation to QIBs, subject to valid Bids being received at or above the Issue Price.
Qualified Institutional Buyers or QIBs	(i) Mutual funds, venture capital funds, or foreign venture capital investors registered with the SEBI; (ii) FIIs and their sub-accounts registered with the SEBI, other than a sub-account which is a foreign corporate or foreign individual; (iii) Public financial institutions as defined in section 4A of the Companies Act; (iv) Scheduled commercial banks; (v) Multilateral and bilateral development financial institutions; (vi) State industrial development corporations; (vii) Insurance companies registered with the Insurance Regulatory and Development Authority; (viii) Provident funds with minimum corpus of ₹2,500 Lakhs; (ix) Pension funds with minimum corpus of ₹2,500 Lakhs; (x) National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; (xi) Insurance funds set up and managed by the army, navy, or air force of the Union of India and (xii) Insurance funds set up and managed by the Department of Posts, India
Qualified Foreign Investor/QFI	A person resident in a country, which is compliant with Financial Action Task Force (FATF) standards and is a signatory to International Organization of Securities Commission's (IOSCO) Multilateral Memorandum of Understanding (MMOU). However, a QFI cannot be a resident in India or a SEBI registered Foreign Institutional Investor (FII) or Sub-account or FVCI. The expressions 'person' and 'resident in India' shall have the meaning as ascribed in the IT Act
Red Herring Prospectus/RHP	The Red Herring Prospectus issued in accordance with section 60B of the Companies Act, which does not have complete particulars on the price at which the Equity Shares are offered and size of this Issue. It carries the same obligations as are applicable in case of a Prospectus and will be filed with the Registrar of Companies, West Bengal at least three days before the opening of this Issue. It will become a Prospectus after filing with the Registrar of Companies, West Bengal, after pricing and allocation.
Refund Account	The account opened with Escrow Collection Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding the ASBA Bidders) to Bidders shall be made.
Refund Bankers	[●].
Registrar/ Registrar to this Issue	Bigshare Services Private Limited
Registrar's Agreement	The agreement dated August 16, 2011 entered into amongst our Company and Registrar to the Issue pursuant to which arrangements are agreed to in relation to the Issue.
Resident Retail Individual Investor	A Retail Individual Investor who is a person resident in India as defined in Foreign Exchange Management Act, 1999.
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 in any of the bidding options in this Issue.
Retail Portion	The portion of the Issue being not less than 35% of the Issue, consisting of [●] Equity Shares, available for Allocation to Retail Individual Bidders on a proportionate basis.
Revision Form	The form used by the Bidders excluding 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).
SCSB Agreement	The deemed agreement between the SCSBs, the BRLMs, the Registrar to the Issue and our Company, in relation to the collection of Bids from the ASBA Bidders and payment of funds by the SCSBs to the Public Issue Account.
Self Certified Syndicate Bank or SCSBs	SCSB is a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994 and which offers the service of making an Application Supported

TERM	DESCRIPTION
	by Blocked Amount and recognized as such by the Board, a list of which is available on http://www.sebi.gov.in/pmd/scsb/html .
Stock Exchanges	National Stock Exchange of India Limited and Bombay Stock Exchange Limited
Syndicate / members of the Syndicate	The BRLMs, the Syndicate Members and sub syndicate members
Syndicate Agreement	The agreement to be entered into between our Company and the members of the Syndicate, in relation to the collection of Bids in this Issue.
Syndicate Member(s)	[•].
Transaction Registration Slip/ TRS	The slip or document issued by the Syndicate Members or an SCSB (only on demand) to the Bidders as proof of registration of the Bid.
Underwriters	The BRLMs and the Syndicate Member.
Underwriting Agreement	The Agreement among the Underwriters and our Company to be entered into on or after the Pricing Date.
Working Days	Unless the context otherwise requires: <ul style="list-style-type: none"> • Till the Bid/Issue closing date: All days other than a Saturday, Sunday or a Public Holiday • Post Bid/Issue closing date: All days other than a Sunday or a Public Holiday. And on which commercial banks in Mumbai are open for business.

CONVENTIONAL/ GENERAL TERMS

Terms	Description
Act/ Companies Act/ the Act	The Companies Act, 1956 and amendments thereto.
A/C	Account.
AGM	Annual General Meeting.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
ASBA	Application supported by blocked amount.
BSE	Bombay Stock Exchange Limited.
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identification Number.
DIN	Directors Identification Number.
DIPP	Department of Industrial Policy & Promotion.
Directors or Board of Directors	Directors of our Company from time to time unless otherwise specified.
DP ID	Depository Participants Identity.
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share.
ESOP	Employee Stock Option Plan.
ESOS	Employee Stock Option Scheme
ESPS	Employee Stock Purchase Scheme
ESIC	Employee State Insurance Corporation
FCNR Account	Foreign Currency Non Resident Account.
FDI	Foreign Direct Investment.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the regulations framed thereunder.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FIIs	Foreign Institutional Investors.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations,

Terms	Description
	1995, as amended
FIPB	Foreign Investment Promotion Board
Financial Year/ Fiscal/ FY	The twelve months ended March 31 of that particular year.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign venture capital Investor) Regulations, 2000.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
GAAP	Generally Accepted Accounting Principles.
GDP	Gross Domestic Product.
Government/ GOI	The Government of India.
HNI	High Net-worth Individual.
HUF	Hindu Undivided Family.
IFSC	Indian Financial System Code.
Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992.
₹ / INR	Indian Rupees.
IT Act	The Income Tax Act, 1961, as amended from time to time except as stated otherwise.
N.A.	Not Applicable.
NAV/ Net Asset Value	Net worth as at the end of the year divided by number of Equity Shares outstanding at the end of the year.
NECS	National Electronic Clearing System.
NEFT	National Electronic Fund Transfer.
Net worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.
Non-Resident Indians / NRI	Non-Resident Indians, as defined under Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRE Account	Non Resident External Account.
NRO Account	Non Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB/Overseas Corporate Body	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 as defined under FEM (Deposit) Regulations, 2000 as amended from time to time.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
P/E Ratio	Price/Earning Ratio.
RBI	The Reserve Bank of India.
RoC	Registrar of Companies, West Bengal.
RoNW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRRI	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI (ICDR) Regulations/ SEBI Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.

Terms	Description
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations/ Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Sec.	Section.
Securities Act	The U.S. Securities Act of 1933, as amended from time to time.
SICA	Sick Industrial Companies Act, 1985.
Sub-account	Sub-account registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
TDS	Tax Deducted at Source.
UNI	Unique Identification Number.
U.S. or US or U. S.A	The United States of America.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America.
USD/\$/US\$	United States Dollars, the official currency of the United States of America.
VCFs	Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations.
VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time.

INDUSTRY / BUSINESS RELATED TERMS

Terms	Description
ACSR	Aluminium Conductors Steel Reinforced
AEFPL	Anisha Estate & Finance Private Limited
Appraisal Report	Techno Economic Feasibility Report dated August 2011 prepared by LSI Financial Services Private Limited
Appraiser	LSI Financial Services Private Limited appointed by our Company for the purpose of conducting a Techno Economic Feasibility for our proposed project.
ASEAN	Association of Southeast Asian Nations
ASPL	Alishan Steels Private Limited
ASTM	American Society for Testing and Materials
BIS	Bureau of Indian Standard
BISPL	Bhavya Innovation Software Private Limited
BPCL	Bharat Petroleum Corporation Limited
BRIC	Brazil, Russia, India and China
BSS	Business Support System
CDM	Clean Development Mechanism
Cft	Cubic feet
CITU	Centre of Indian Trade Unions
DDT	Dividend Distribution Tax
DG	Diesel Generator
DGS&D	Directorate General of Supplies & Disposals
DPR	Detailed Project Reports
DRI	Direct Reduced Iron
DVC	Damodar Valley Corporation
EPC	Engineering, Procurement and Constructions
GDP	Gross Domestic Product
GoM	Group of Ministers
HCI	Hydrochloric Acid
HDPE	High Density Polythene
HPCL	Hindustan Petroleum Corporation Limited
IMG	Inter Ministerial Group
INTTUC	Indian National Trinamool Trade Union Congress
IIP	Index of Industrial Production

Terms	Description
IS	Information System
ISO	International Organisation for Standardization
JIS	Japanese International Standards
JPC	Joint Plant Committee
JSPL	Jindal Steel and Power Limited
JSW	Jindal Steel Limited
Kg	Kilograms
KV	Kilovolt
KVA	Kilovolt Amperes
LRPC	Low Relaxation Pre Stressed Concrete
MAT	Minimum Alternate Tax
MERC	Maharsashtra Electricity Regulatory Commission
mnT	Million Tonne
MoU	Memorandum of Understanding
Mt	Mega Tonnes
MTPA	Million Tonne Per Annum
MW	Mega Watt
NHPC	National Hydro Power Corporation
NMDC	National Minerals Development Corporation
NTPC	National Thermal Power Corporation
PC	Pre Stressed Concrete
Pcs	Pieces
PGCIL	Power Grid Corporation of India Limited
PPPL	Prity Properties Private Limited
PSC	Parliamentary Standing Committee
PSEB	Punjab State Electricity Board
R & D	Research & Development
RINL	Rashtriya Ispat Nigam Limited
RoI	Return on Investment
RPSL	Rampurhat PSC Sleepers Limited
RSEB	Rajasthan State Electricity Board
SDF	Steel Development Fund
SJMPL	Swarnandhra Jute Mills Private Limited
SME	Small and Medium Enterprises
STT	Securities Tranction Tax
SWMAI	Steel Wire Manufacturers Association of India
UFPL	UIC Finance Private Limited
UIIPL	UIC Infrastructure India Private Limited
UIL	UIC Industries Limited
UNFCCC	United Nations Framework Convention on Climate Change
VAT	Value Added Tax
WBIIDC	West Bengal Industrial Infrastructure Development Corporation
WBSEB	West Bengal State Electricity Board
WBVAT Act, 2003	The West Bengal Value Added Tax Act, 2003
YOY	Year on Year

Notwithstanding the foregoing:

- a. In the section titled “*Financial Information*” and the chapter titled “*Statement of Possible Tax Benefits*” beginning on pages 141 and 68 respectively of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.
- b. In the section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page 251 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association of our Company.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Financial Data

Unless stated otherwise, the financial information used in this Draft Red Herring Prospectus is derived from our Company's restated financial statements for the years ended March 31, 2011, 2010, 2009, 2008 & 2007 and for six months ended September 30, 2011 prepared in accordance with Indian GAAP and the Companies Act and in accordance with SEBI (ICDR) Regulations, included in this DRHP.

Our fiscal commences on April 1 and ends on March 31 of a particular year. Unless stated otherwise, references herein to a fiscal (e.g., fiscal 2011), are to the fiscal ended March 31 of a particular year. In this DRHP, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, International Financial Reporting Standards ("IFRS") and U.S. GAAP. Our Company has not attempted to quantify those differences or their impact on the financial data included herein, and you should consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP restated summary statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in "*Risk Factors*", "*Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of our Company's restated financial statements prepared in accordance with Indian GAAP.

Currency of Presentation

All references to 'Rupees' or '₹' are to Indian Rupees, the official currency of the Republic of India. All references to "US\$" or "U.S. Dollars" or "USD" are to United States Dollars, the official currency of the United States of America.

All references to 'million' / 'Million' / 'Mn' / 'mn.' refer to one million, which is equivalent to 'ten lacs' or 'ten lakhs', the word 'Lacs' / 'Lakhs' / 'Lac' means 'one hundred thousand' and 'Crore' means 'ten millions' and 'billion' / 'bn.' / 'Billions' means 'one hundred crores'.

Industry and Market Data

Unless stated otherwise, industry data used in this Draft Red Herring Prospectus has been obtained from industry publications and internal Company reports. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes the industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified.

FORWARD-LOOKING STATEMENTS

We have included statements in this Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to 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, that are “forward-looking statements”. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from the expectations include, among others:

- Our ability to maintain and expand our existing product portfolio;
- Fluctuations in operating costs;
- Short fall or non - availability or any escalation in the prices of critical raw materials used by our Company;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans including those for which funds are being raised through the Issue;
- Our ability to respond to Competition and Pricing Pressure
- Changes in laws and regulations relating to the industry in which we operate;
- Contingent liabilities, environmental problems and uninsured losses;
- Our ability to attract and retain qualified personnel;
- Non receipt / late receipt of Government approvals;
- Any adverse outcome in the legal proceedings in which we may be involved;
- General economic and demographic conditions;

For a further discussion of factors that could cause our actual results to differ, see the chapter titled “*Risk Factors*” beginning on page 12 and the chapter titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 85 and 165 of this Draft Red Herring Prospectus respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither we nor the Book Running Lead Managers, nor any of its respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, we and the Book Running Lead Managers will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

SECTION II – RISK FACTORS

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Company's Equity Shares. To obtain a complete understanding of our business, you should read this section in conjunction with "Business Overview" beginning on page 85 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 165 of this Draft Red Herring Prospectus. Any of the following risks as well as other risks and uncertainties discussed in this Draft Red Herring Prospectus could have a material adverse impact on our business, financial condition and results of our operation and could cause the trading price of our Equity Shares to decline which could result in the loss of all or part of your investment.

This Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus.

Unless specified or quantified in the relevant risk factors below, our Company is not in a position to quantify the financial or other implications of any of the risks described in this section.

Materiality:

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

- A. Some events may not be material individually but may be found material collectively.*
- B. Some events may have a material impact qualitatively instead of quantitatively.*
- C. Some events may not be material at present but may have material impacts in the future.*

INTERNAL RISK FACTORS

- 1. There are certain legal proceedings that have been initiated against our Company and some of our Group Companies. Any adverse decision may have a significant effect on their business and results of operations.**

Our Company and some of our Group Companies are party to various legal proceedings in the ordinary course of their respective businesses. These proceedings are pending at different levels of adjudication before various courts and tribunals. Although they intend to defend or appeal these proceedings, they may be required to devote management and financial resources to such actions. Any adverse decision may have a significant effect on their business and results of operations.

The table below summarises outstanding litigation and the aggregate amount involved, to the extent ascertainable, as on the date of this Draft Red Herring Prospectus with respect to Our Company and some of our Group Companies:

Litigation/Appeals against:

Name of Entity	No. of Criminal Cases	No. of Civil Cases	No. of Tax Cases	No. of Economic/ Securities Laws offence	Demand Notices by tax authorities	Arbitration Cases	Amount involved (₹ in lakhs)
Our Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies	Nil	Nil	2	Nil	6	Nil	388.06

Litigation /Appeals preferred by:

Name of Entity	No. of Criminal Cases	No. of Civil Cases	No. of Tax Cases	No. of Economic/ Securities Laws offence	Demand Notices by tax authorities	Arbitration Cases	Amount involved (₹ in lakhs)
Our Company	Nil	Nil	4	Nil	Nil	Nil	84.10
Group Companies	Nil	Nil	16	Nil	Nil	3	1,103.13

No assurance can be given as to whether these legal proceedings will be decided in our / their favour or have no adverse outcome, nor can any assurance be given that no further liability will arise out of these claims.

For further details regarding the aforesaid litigations, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 180 of this Draft Red Herring Prospectus.

2. Any increase in or materialisation of our contingent liabilities aggregating to ₹5,515.53 lakhs as at September 30, 2011 could adversely affect our financial condition.

Contingent liabilities not provided for as at September 30, 2011, are as under:

(₹ in Lakhs)		
Sr. No.	Particulars	As at September 30, 2011
1	Bank Guarantees given by the Company's Bankers	809.38
2	Letters of Credit issued by the Company's Bankers	1,499.41
3	Estimated amount of contracts remaining to be executed on Capital account and not provided for in the books	3,122.66
4	Claims not acknowledged as debts	
	Sales tax liability against which the Company has preferred appeals	29.15
	Excise Duty demand including Interest & Penalty against which the Company has preferred appeals	54.93
	Total	5,515.53

Any increase in our contingent liabilities or if any of these contingent liabilities were to materialise, it may adversely affect our financial position, results of operations and cash flows. For further details please refer to the chapter titled “*Financial Statements*” beginning on page 141 of this Draft Red Herring Prospectus.

3. Our financial statement for the financial year ended March 31, 2008 contains certain qualification made by our Statutory Auditors

Our Statutory Auditors have qualified our financial statements for the financial year ended March 31, 2008 and have drawn attention relating to non disclosure of interest under “The Micro, Small and Medium Enterprises Act, 2006” or liability to SSI units. However, our Company has made the requisite disclosures of interest under “The Micro, Small and Medium Enterprises Act, 2006” for the subsequent years.

4. Our Company had negative cash flows from operating and investing activities for certain past financial years. Any negative cash flow in the future could affect our operations and financial conditions

As per our Restated Financial Statements, our cash flows for the six months period ended on September 30, 2011 and for the past five financial years are as follows:

(₹ in lakhs)

Particulars	Six months period ended 30-Sep-11	For the year ended March 31 st				
		2011	2010	2009	2008	2007
Net cash generated from / (used in) operating activities	(4,083.60)	2,284.86	2,267.86	797.82	(3,560.46)	1,040.63
Net cash generated from / (used in) investing activities	(5,084.69)	(1,296.08)	(1,280.34)	(3,882.33)	(763.87)	(2,751.64)
Net cash generated from / (used in) financing activities	8,731.19	(430.76)	(849.30)	3,228.18	4,314.38	1,688.71
Net increase/(decrease) in cash and cash equivalent	(437.10)	558.02	138.22	143.67	(9.95)	(22.30)

Any negative cash flow in the future could affect our operations and financial conditions. For further details, please refer to the chapter titled “*Financial Statements*” beginning on page 141 of this Draft Red Herring Prospectus.

5. *Some of our Group Companies had incurred losses in the recent past.*

Some of our Group Companies have incurred losses in recent past. The details of losses incurred by these entities are set out below:

(₹ in Lakhs)

Name of Company	March 31, 2011	March 31, 2010	March 31, 2009
UIC Industries Limited	2.52	(5.51)	6.21
UIC Finance Private Limited	(5.08)	77.90	47.99
Swarnandhra Jute Mills Private Limited	(41.70)	(57.90)	(95.76)
Anisha Estate & Finance Private Limited	(157.77)	48.13	(80.00)
Alishan Steels Private Limited	(184.99)	(266.46)	(434.84)
Prity Properties Private Limited	(0.14)	-	-
Bhavya Innovation Software Private Limited	(0.14)	-	-

Of the above companies, two of our group companies, M/s Swarnandhra Jute Mills Private Limited and M/s Alishan Steels Private Limited are sick companies within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. We can give no assurance that our Group Companies will not continue to incur losses in future and that their net worth will be positive in the future.

For further details in relation to losses incurred by our Group Companies, refer to the chapter titled “Group Companies” beginning on page 129 of this Draft Red Herring Prospectus.

6. *Some of our Group Companies have objects similar to ours.*

The objects of two of our Group Companies, UIC Industries Limited and Alishan Steels Private Limited as per their Memorandum of Association, are similar to the objects of our Company. Presently, the business activities of both these companies are not similar to our activities but there could be a potential conflict of interest in future. However, we have entered into Non-Compete Agreements with both these entities. For details on these Non-Compete Agreements, please refer to the chapter titled “History and Other Corporate Matters” beginning on page 106 of this Draft Red Herring Prospectus.

7. *We occupy the premises of Prity Properties Private Limited, a Group Company, wherein our Registered Office is located on tenancy agreement basis and any termination of this agreement and/or non renewal could adversely affect our operations.*

The registered office of our Company located at Anandlok, Block- A, 1st Floor, 227, A.J.C. Bose Road, Kolkata – 700020, is not owned by us. We have occupied the premises pursuant to a tenancy agreement, which is valid for a period of 3 years from October 1, 2011. The license fee under this agreement is ₹300,000, payable yearly. If this lease agreement is terminated by the licensor or we are required to vacate the premises, we may have to identify other premises to relocate our Registered Office, which could disrupt our business operations. Any adverse impact on the title/ownership rights of the licensor, from whose premises we operate our registered office, may impede our Company’s operations. Further, we cannot assure that we will be able to obtain alternate premises on terms favourable to us, which may also adversely affect our financial condition. Further the said tenancy agreement has not been registered with the authorities, as required under the Registration Act, 1908 nor has it been adequately stamped under applicable stamp laws. In case of dispute, the agreement may not be legally admissible as evidence till the deficiency is rectified by our Company by payment of requisite fees, stamp duty and penalty, if any as may be decided by the competent authorities.

Further, as on the date of this Draft Red Herring Prospectus, our Company and some of our Group Companies namely, UIC Infrastructure Limited, UIC Finance Private Limited and UIC Industries Limited operate from a common Registered Office, located at, Anandlok, Block- A, 1st Floor, 227, A.J.C. Bose Road, Kolkata – 700020. There is no inter-se agreement between these companies with regard to sharing of expenses or bifurcation of office space, which could give rise to future conflicts.

8. *We occupy land of UIC Industries Limited, a Group Company on Long term Lease basis and a tenancy agreement wherein our manufacturing facilities at Khanyan are located and any termination of these agreements and/or non renewal could adversely affect our operations.*

Our manufacturing facilities at Khanyan are located on a land taken on long term lease basis valid for 20 years w.e.f. December 27, 2005 as well as a tenancy agreement which is valid for a period of 3 years from July 1, 2011. If these long term lease agreement and/or tenancy agreement are terminated by the licensor or we are required to vacate the premises, we may have to identify other premises to relocate our manufacturing facilities, which could disrupt our business operations. Any adverse impact on the title/ownership rights of the licensor, from whose premises we operate one of our manufacturing facility, may impede our Company's operations. Further, we cannot assure that we will be able to obtain alternate premises on terms favourable to us, which may also adversely affect our financial condition. Further the said tenancy agreement has not been registered with the authorities, as required under the Registration Act, 1908 nor been adequately stamped under applicable stamp laws. In case of dispute, the agreement may not be legally admissible as evidence till the deficiency is rectified by our Company by payment of requisite fees, stamp duty and penalty, if any as may be decided by the competent authorities.

9. *We are subject to restrictive covenants under our credit facilities that could influence our ability to expand, limit our flexibility in managing our business in turn affecting our business and results of operations.*

Our Company is subject to usual and customary restrictive covenants in the agreements it has executed with banks for short term loans and long term borrowings that require, among other things, that we maintain certain levels of debt, capital and asset quality. The restrictive covenants require Company to seek prior approval/ consent from the lender(s) banks for various activities, including amongst others to:

- i. enter into any scheme of amalgamation or expansion program or take up any new activity;
- ii. effect any change in our Company's capital structure;
- iii. declare dividends for any year except out of profits relating to that year;
- iv. effect any material change in the management of the business of our Company;
- v. declare any dividend if any instalment towards principal or interest remains unpaid on its due date;
- vi. make material amendments in the memorandum and articles of association of our Company.
- vii. issue any corporate guarantee etc.

The restrictive covenants also prohibit our Company from entering into any borrowing arrangements of any nature with any other financial institutions or otherwise, without the prior approval of the concerned lender(s). Further, under some of the credit facilities availed by our Company, the lenders are entitled to revoke the facility, at any stage, without providing any notice or reasons, demand the repayment of the loan anytime and modify the credit limit without any reason. Also, under some of the credit facilities availed by us, our lenders are entitled to terminate the credit facility in the event of any default committed by us under other loan facilities availed. Although our Company has not faced difficulties in obtaining consents from the Banks for desired actions in the past, no assurance can be given that such consents will be granted at such times as our Company may require, or at all, in the future.

Though we have received necessary approvals from our lenders for the Issue, such restrictive covenants may affect certain of the rights of our shareholders. For further details, please refer to the chapter titled "*Financial Indebtedness*" beginning on page 176 of this Draft Red Herring Prospectus.

10. *If we fail to meet our debt service obligations or financial covenants required under the financing documents with respect to the secured term loans/other borrowings availed by us, the relevant lenders could declare us in default under the terms of our borrowings or accelerate the maturity of our obligations, which could have an adverse effect on our cash flows, business and results of operations and we may be exposed to refinancing risk.*

We have outstanding secured loan of ₹21,581.69 lakhs as on September 30, 2011 and have subsequently received sanction from various Banks for an amount of ₹28,500 lakhs for setting up our proposed project. Our ability to meet debt service obligations and to repay our borrowings will depend primarily upon the cash flow generated by our business over a period of time. If we fail to meet our debt service obligations or financial covenants required under the financing documents, the relevant lenders could declare us in default under the terms of our borrowings and/or accelerate the maturity of our obligations. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay the borrowings. Any failure to meet our obligations under the debt financing

arrangements could have an adverse effect on our cash flows, business and results of operations and we may be exposed to refinancing risk, which may increase our debt service cost.

11. Our business has high working capital requirements. If we experience any shortfall in cash flows to meet our working capital requirements, there may be an adverse effect on the results of our operations.

Our business requires a high amount of working capital, used primarily to finance the purchase and processing of raw materials before payments are received from customers. Our working capital requirements may increase if, under certain orders, payment terms do not include advance payments or such orders have payment schedules that shift payments toward the end of the order or otherwise increase our working capital burdens.

In addition, our working capital requirements have increased in recent years because of the growth of Company's business in general and increase in level of receivables. This has resulted and is likely to increase our working capital needs.

Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our current projects and other laws that are conducive to our raising capital. Our attempt to complete future financings may not be successful or on favourable terms, which may adversely impact our profits, results of operations and cash flows.

12. Certain unsecured loans aggregating to ₹1,500 lakhs taken by our Company may be recalled by our lenders at any time.

Our Company has total unsecured loans amounting to ₹3,500 lakhs as on September 30, 2011 of which an amount of ₹2,000 lakhs has been converted into consortium loan. Balance Unsecured loans aggregating to ₹1,500 lakhs taken by our Company may be recalled by our lenders at any point in time. Any failure to service our indebtedness or otherwise perform our obligations under financing agreements could lead to termination of one or more of our credit facilities, trigger default provisions, penalties and acceleration of amounts due under such facilities which may adversely affect our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled "Financial Indebtedness" beginning on page 176 of this Draft Red Herring Prospectus.

13. Some of our promoters have availed unsecured loans which can be recalled anytime by the lenders.

Some of our promoters have availed unsecured loans aggregating to approximately ₹1,830 lakhs as on September 30, 2011. Such unsecured loans availed by the Promoters can be recalled anytime by the lenders. In the event such loans are recalled, our Promoters may not be able to pay the same and the lenders may declare them being in default, which could have an adverse impact on our business.

14. Our Company's top 10 customers accounts for 52.69%, 40.46%, 36.53% and 42.80% of our Net turnover for the half yearly ended September 30, 2011, fiscal year 2011, 2010 and 2009 respectively. The loss of any one of our Company's major customers or a decrease in the volume of business derived from these customers may adversely affect our Company's results of operations.

Our Company's top 10 customers accounts for 52.69%, 40.46%, 36.53% and 42.80% of our Net turnover for the half yearly ended September 30, 2011, fiscal year 2011, 2010 and 2009 respectively. Our Company has derived and believes that it will continue to derive a significant portion of its income from a few major customers.

As a result of our Company's significant reliance on few customers, it may face certain issues including pressure to lower its rates or margins. The loss or significant decrease in the volume of business from one or more of our Company's major customers for any reason may have an adverse effect on business, financial condition and results of operations. Any decline in our quality standards and growing competition and any change in the demand for our product/services by these customers may adversely impair our ability to retain these customers. Moreover, if any of these customers were to experience liquidity problems or insolvency, our Company would face credit risk with respect to account receivables from such customer. Any of these events or any delay or default in payment by our Company's customers for material supplied by us may adversely affect our business, financial condition and results of operations. Further, the income from these customers may vary from year to year, making it hard to forecast future business needs, particularly since our Company is not the exclusive provider for any of its customers.

15. *Under-utilisation of capacity of our present manufacturing facilities or proposed project may adversely affect our business, results of operations and financial condition.*

Our Company currently has facilities for manufacturing of 85,000 MTPA of Steel wire and 6,000 lakh pieces p.a. of Card/gill/metapin. We propose to set up a facility to manufacture Steel Wire with installed capacity of 1,80,000 MTPA including Galvanizing capacity of 1,00,000 MTPA at Gujarat. The proposed capacity is substantially higher than our existing capacities. We will incur significant capital expenditure on setting up the same and it cannot be assured that we shall be able to fully utilize these production capacities.

Use of production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, etc. It cannot be assured that we shall be able to utilize our existing or proposed manufacturing facilities to their full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition.

16. *Under-utilisation of capacities of our present facilities for manufacture of woven sacks at Silvassa and steel pins at Khanyan may adversely affect our business, results of operations and financial condition.*

Our Company currently has a manufacturing facility for manufacturing of 3000 MTPA of Woven Sacks at Silvassa and 6000 lakhs pieces p.a. of steel pins at Khanyan. It cannot be assured that we shall be able to completely utilize the production capacity. Our capacity utilization for the existing plant for the fiscal year 2010 and 2011 for Silvassa unit was 64.85% and 66.47% respectively and for Khanyan pins unit was 32.50% and 25.20% respectively.

Use of production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, etc. It cannot be assured that we shall be able to utilize our existing or proposed manufacturing facilities to their full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition.

17. *We have no previous experience in managing and operating independent wind power projects.*

We currently have two power project units, with aggregate installed capacity of 10 MW, in operation. As our Company does not have any previous experience of operating wind power project, we have entered into Operation & Management and Maintenance agreement with Suzlon Energy Limited for the same. These agreements can be renewed on mutual basis. These agreements also have a termination clause. In case we are unable to renew these agreements or any or both the agreements are terminated, our results of operation will be affected.

18. *Steel Wire Industry is capital intensive in nature and factors affecting the demand for the products produced by us could affect our results of our operations.*

Steel Wire industry is capital-intensive industry. Our operating margins are influenced by a variety of factors, including fluctuations in domestic and international demand and supply, general economic conditions, and changes in the international prices of our products etc. Our Steel Wire products have applications in a wide range of industries, most significantly in the general engineering, transmission lines, infrastructure development and construction projects. A slowdown in these and other industries in which our products are used could adversely affect demand and consequently the price of our products. Our operating margins are also affected by the availability and price of key raw materials, including iron ore and coal. As a result of these factors, our operation may be adversely affected.

19. *The construction and commencement of commercial operations of our proposed manufacturing facilities at Jhagadia Industrial Estate, Bharuch, Gujarat involves uncertainties and risks related to time and cost overrun that may have a material adverse effect on our business, results of operations and financial condition.*

A key part of our strategy is dependent upon the timely completion of our proposed manufacturing facility at Jhagadia Industrial Estate, Bharuch, Gujarat; which is scheduled to commence commercial production by October 2013. The scheduled completion target for our Project is an estimate and is subject to delays as a result of, among other things, contractor performance shortfalls, unforeseen engineering problems, dispute with workers, *force majeure* events, availability of financing, unanticipated cost increases or changes in scope and inability in obtaining certain property

rights, fuel supply and government approvals, any of which could give rise to cost overruns or the delay in our implementation schedule.

The Project is subject to engineering, construction and other commercial risks, including:

- (a) reliance on third parties for supply of plant and machineries;
- (b) engineering design and technological changes;
- (c) mobilization of the required resources;
- (d) failure to obtain necessary governmental and other approvals;
- (e) changes in market conditions;
- (f) accidents, natural disasters and weather-related delays;
- (g) time and cost overruns and unanticipated expenses; and
- (h) regulatory changes.

Any delay in completing the Project due to any reason whatsoever may result in commencing operations in an increased competitive environment along with significant cost and time overruns. Due to these time and/or cost overrun, the overall benefits of such plans to our revenue and profitability may decline and it may significantly increase our interest costs. Such a scenario may adversely impact the cash flows and will have an adverse effect on our business, results of operations and financial condition.

20. We may have to enter into transactions in foreign currency for purchasing certain plant and machineries for our proposed facility. These transactions are subject to risks arising from foreign exchange rate fluctuations, which could adversely affect our financial condition.

Major part of the plant and machinery for our proposed project aggregating to ₹20,348 lakhs is proposed to be imported. Since the cost of these plant & machinery are denominated in foreign currency, any adverse fluctuations in the exchange rate of foreign currency vis a vis Indian Rupee could adversely affect our financial condition and operations. We may consider hedging our risks against foreign exchange rate fluctuation at the time of placing of orders.

21. The regulatory approvals for the proposed projects are yet to be applied for and any delay or non-receipt of such approvals may delay the proposed expansion plans.

We intend to utilise the Issue proceeds for setting up of facility for manufacturing steel wire and wire products at Jhagadia Industrial Estate, Bharuch, Gujarat. As on the date of filing Draft Red Herring Prospectus, we have not applied for licenses in relation to the proposed Objects of the Issue except for license from State Pollution Control Board. We cannot assure that we would be able to apply for these licenses/approvals/permissions in a timely manner, or that we would be granted such licenses/approvals/permissions in a timely manner or at all. Such grant may also be subject to restrictions and/or permissions which may not be acceptable to us, or which may prejudicially affect our operations, and would have a material adverse effect on our business, results of operations and financial condition. For further details pertaining to the licenses / approvals / permissions, please refer to the chapter titled “Government and other Approvals” beginning on page 190 of this Draft Red Herring Prospectus.

22. Our Company is yet to place orders for the Plant & Machinery / Utilities and Infrastructure / Miscellaneous Fixed Assets worth ₹25,282.60 lakhs. Any delay in placing the orders/ or supply of plant and machinery may result in time and cost overruns, and may affect our profitability.

We propose to acquire Plant and Machinery aggregating ₹30,700 lakhs, Utilities & Infrastructure aggregating to ₹2,300 lakhs and Miscellaneous Fixed Assets aggregating to ₹2,000 lakhs for our proposed project which are approximately 68.90% of the total cost of project of ₹50,800 lakhs. We are yet to place orders for plant and machinery/utilities and infrastructure/miscellaneous fixed assets worth ₹25,282.60 lakhs.

The estimated costs of various plant and machinery have been taken from the Appraisal report. We cannot assure that we would be able to procure these plant and machinery, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun in the implementation of the Project, which would have a material adverse affect on our business, results of operations and financial condition. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 57 of this Draft Red Herring Prospectus.

23. *There has been delay in implementation of the Project from the schedule of implementation as mentioned in the Appraisal Report.*

The schedule of implementation as mentioned in the Appraisal report has undergone a change because of delay in tying up of the debt component for the project. As a result of the delay, the commercial production as envisaged earlier will be delayed by approximately six months. Though our Company does not envisage any cost escalation of the project, we cannot assure you that the costs incurred or time taken for implementation of this Project will not vary from our estimated parameters, as there has already been delay in implementing our Project.

24. *Our Proposed Manufacturing Facility is being part-funded from the IPO Proceeds and any delay or deferment of the same may delay the implementation of the expansion project, increase our interest burden and may adversely affect our results of operations and financial condition.*

Our Project for the setting up of the Manufacturing Facility in Gujarat is proposed to be funded through debt, internal accruals and from IPO proceeds. Any delay in receipt of the IPO proceeds will have a negative impact on the expansion plans of our Company and may delay the commencement of the Project, which may increase our interest burden for the debt portion and adversely affect our results of operations and financial condition.

25. *In the event there is a shortfall in receipt of issue proceeds from this Issue, we may be unable to meet the equity requirement for the Project which may have a bearing on the completion of our Project on time.*

In case of any shortfall of the proceeds raised from this Issue, there can be no assurance that we will be able to raise the funds through other sources to meet our obligations of meeting equity contribution for our proposed Project. In the event of a shortfall in raising the requisite capital from the Proceeds of the Issue towards meeting the objects of the Issue, the shortfall will be met by such means as are available to our Company and at the discretion of the management, including by way of incremental debt or cash available with us.

26. *Our Company has not identified any alternate source for financing the “Objects of the Issue”. If our Company fails to mobilize resources as envisaged, our growth plans may be affected*

Our Company has not identified any alternate source of funding and hence any failure or delay on our part to raise funds from the Issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 57 of this Draft Red Herring Prospectus.

27. *Weaknesses and threats arising out of the Appraisal Report*

Weaknesses

- The Company does not have any control over raw materials.

Threat

- Volatile raw material prices.
- Slowdown & boom in industry

28. *We are yet to tie up 7.02% of the debt portion in relation to the objects of the Issue*

As per the Appraisal Report, we are required to tie-up debt of ₹35,500 lakhs for the objects of our Issue, of which we have tied-up ₹33,005 lakhs as on the date of this Draft Red Herring Prospectus. We are in the process of tying up the remaining amount of ₹2,495 lakhs, comprising 7.02% of the debt portion. We cannot assure that our application for debt sanction would be approved, or that we would be able to obtain the debt, or obtain it at terms and conditions commercially acceptable to us, which may increase our interest outgo. We may also be required to increase the utilisation of our internal accruals or to look out for other alternative sources of finance to meet the fund requirements for the objects of the Issue.

29. *The deployment of funds in the project is solely at our discretion, based on the parameters as mentioned in the chapter titled “Objects of the Issue” and is not subject to monitoring by any independent agency.*

The deployment of the funds towards the objects of the Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. The audit committee shall review on the use/application of funds on a quarterly basis as part of their quarterly declaration of financial results. Further on an annual basis the company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus, if any and place the same before the audit committee. Further, there is no assurance that the actual costs or schedule of implementation will not vary from the estimated costs or schedule of implementation, and such variance may be on account of one or more factors, some of which may be beyond our control.

The disclosures with respect to the fund deployment and the reasons of variation(s), if any will also be made available to the shareholders of the company in the annual reports, website of our Company and Book Running Lead Managers.

30. *We sell our products in highly competitive markets; inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.*

We sell our products in highly competitive markets. In the steel wire business, we compete with many Indian manufacturers in the organised as well as unorganised sector. Given the nature of our products, competition in these markets is based primarily on demand and price. As a result, to remain competitive, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. If we fail to do so, other producers may be able to sell their products at prices lower than us, which would have an adverse effect on our market share and results of operations.

31. *Our business is dependent on our manufacturing facilities. The loss of or shutdown of operations at any of our manufacturing facilities may have a material adverse effect on our business, financial condition and results of operations.*

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. In addition, we are required to carry out planned shutdowns of our plants for maintenance, statutory inspections and testing. We also shut down plants for capacity expansion and equipment upgrades. Long periods of operational disruption could amount to lower production resulting in loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our facilities, including due to any of the factors mentioned above.

32. *We have entered into and may continue to enter into related party transactions in the future. As per our Restated Financial information, for the half year ended September 30, 2011 and in fiscal year 2011 the aggregate of such transactions was ₹119.81 lakhs and ₹456.11 lakhs respectively. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company’s financial condition and results of operations.*

Our Company has entered into transactions with its Promoters, Group Company and certain Directors. Whilst, we believe that all such transactions have been conducted on an arms-length basis and contain commercial terms, there can be no assurance that our Company could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future.

There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company’s financial condition and results of operations. For details, please refer to the Annexure XII titled “Statement of Related Party Transaction” in the chapter titled “Financial Statements” beginning on page 141 of this Draft Red Herring Prospectus.

33. *Our Company's Promoters and Promoter Group will continue to retain significant control in our Company following the completion of the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval.*

The substantial majority of the issued and outstanding Equity Shares are currently beneficially owned by our Promoters and Promoter Group. Upon completion of the Issue, Promoters, together with the Promoter Group will own [●] Equity Shares, or [●] % of our Post-Issue Equity Share Capital. Accordingly, our Promoters will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of our Board of Directors, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for declaration of dividends, lending, investments and capital expenditures. This concentration of ownership may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stakeholders. The interests of the Promoters as our Company's controlling shareholder could conflict with our Company's interests or the interests of other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our Company's or your favour.

34. *Our success depends upon our senior management team and skilled personnel and our ability to attract and retain such persons. Any failure to attract and retain such personnel could have an adverse impact on our business, financial conditions and results of operations.*

Currently, we depend on senior executives and other key management members to implement our projects and our business strategy. Our ability to sustain our growth depends in large part, on our ability to attract, train, motivate and retain skilled personnel. Our inability to hire and retain experienced and qualified personnel will impair our ability to continue to expand our business. If any of these individuals resigns or discontinues his or her service and is not adequately replaced, our business operations and our ability to successfully implement our projects and business strategies could be adversely affected.

Competition for management and industry experts is intense. Our future performance depends on our ability to identify, hire and retain key technical, support, engineers, and other qualified personnel. Failure to attract and retain such personnel could have a material adverse impact on our business, financial condition and results of operations.

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

Our work force includes labours on Company's payroll as well as contract labours. There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operation. Although we do not engage all of the labourers directly, it is possible under Indian law that we may be held responsible for wage payments to labourers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments may adversely affect our business, financial condition and results of operations. Furthermore, pursuant to the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, we may be required to retain such contract labourers as our employees. Any such order from a court or any other regulatory authority may adversely affect our business and results of our operations.

36. *Our Company's employees and workers at Kalyani unit are unionised and any union action may adversely affect our business operations.*

As on January 31, 2012, 288 employees and workers representing approximately 59% of our total Company's employees and workers belong to unions/associations. While we believe that we have a strong working relationship with the unions/associations, there can be no assurance that our Company will continue to have such a relationship in the future. If the employees/workers' union call's for a work stoppage or other similar action, we may be forced to suspend all or part of our operations until the dispute is resolved. If such a work stoppage was to occur, our business would be adversely affected. As on January 31, 2012, our Company had 726 employees and workers (including 239 contractual labour). Any employee/workers unrest in the future could adversely affect our Company's business and financial performance.

37. *We depend on our contractors for supply of the major equipments and we are exposed to risks relating to the timing or quality of their services, equipments and supplies which might have an adverse effect on our business, financial condition and results of operations*

We depend on contractors for supply of some of the major equipments. If we are not able to procure the required services or parts from these suppliers (for example, as a result of the bankruptcy of the supplier), or if the cost of these services or parts exceed the budgeted cost, there may be an adverse effect on our business, financial condition and results of operations. Contractors and suppliers in our business are generally subject to liquidated damage payments for failure to achieve timely completion or performance shortfalls. We may not be able to recover from a contractor or supplier the full amount of losses that may be suffered by us due to such failure to achieve timely completion or performance shortfalls.

38. *Any increase in costs of compliance with environmental laws and the failure to comply with existing and new environmental laws could adversely affect our results of operations.*

Implementation of our Project is subject to National and State Environmental Laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. Environmental regulation of industrial activities in India may become more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental, or pollution regulations, we may be required to incur significant amounts on, among other things, environmental monitoring, and pollution control equipment and emissions management.

We could be subject to substantial civil and criminal liability and other regulatory consequences in the event that environmental hazards were to be found at the site of our Project, or if the operation of our Project results in contamination of the environment. We may be the subject of public interest litigation in India relating to allegations of environmental pollution by our Project, as well as in some cases having potential criminal and civil liability filed by state pollution control authorities. If such cases are determined against us, there could be an adverse effect on our business and operations. For information on the Environmental Regulations applicable to us, refer to the chapter titled “*Key Industry Regulations and Policies*” on page 100 of this Draft Red Herring Prospectus.

39. *Our inability to renew or maintain our statutory and regulatory permissions and approvals required to operate our businesses may have a material adverse effect on our business.*

We are required to obtain requisite approvals and licenses under various laws for operating our business. Further, licenses and approvals granted to us could be subject to several conditions, and we cannot assure you that we would be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses or approvals, which may result in the interruption of our operations and may adversely affect our business, financial condition and results of operations. If we fail to obtain necessary approvals required by us to undertake our business, or if there is any delay in obtaining these approvals, or if these approvals are cancelled/terminated and/or expired our business and financial condition could be adversely affected.

For more information on the approvals and licenses required by us under various laws for operating our business please refer to the chapter titled “*Government and other Approvals*” on page 141 of this Draft Red Herring Prospectus.

40. *Our business is dependent on our continuing relationships with our customers; at present we do not have any long term supply contracts with our customers which may adversely affect our results of operations.*

We do not have long term arrangements with any of our customers to purchase our products in the future, at the current prices or at all. There is no assurance that we will be able to maintain historic levels of business from the existing customers or to retain the existing customers, or that we will be able to replace our customer base in a timely manner or at all, in the event our existing customers discontinue to purchase of our products. Such loss of customers may have an adverse effect on our revenues, cash flows and operations, including an interruption or partial or total work stoppage at our manufacturing facilities. Further, any change in the buying patterns of our end users can adversely affect the business and results of operations of our Company.

41. Any disruption in the adequate and timely supply of raw materials at commercially acceptable prices, increase in cost or non availability of raw material may adversely affect our business and results of operations.

The timely and cost effective execution of our orders is dependent on the adequate and timely supply of raw materials such as steel etc. We source raw materials from multiple vendors but have not entered into any long-term contracts for the purchase of such raw materials with our suppliers. We cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them at commercially acceptable terms. Additionally, we typically use third-party transportation providers for the supply of most of our raw materials. Transportation strikes by members of Indian truckers unions and various legal or regulatory restrictions placed on transportation providers may have an adverse effect on receipt of our supplies. If such restrictions and incidents occur, or if we are unable to procure the requisite quantities of raw materials on time and at commercially acceptable prices, the performance of our business and results of operations may be adversely affected.

42. Our trademark is not registered under the Trade Marks Act, 1999, and our ability to use the trademark may be impaired.

Our Company's business may be affected due to our inability to protect our existing and future intellectual property rights. Currently, we do not have a registered trademark of our name and logo under the Trade Marks Act, 1999. Consequently we do not at present enjoy the statutory protections accorded to a trademark registered in India and cannot prohibit the use of such logo by anybody by means of statutory protection. Our Company has made application for registration of logo on December 30, 2011. However, we cannot guarantee that the same will be decided in favour of the Company. If our trademarks are not registered it can allow any person to use a deceptively similar mark and market its product which could be similar to the products offered by us which will hamper our business as prospective clients may go to such user of mark and our revenues may decrease, or we may need to change our logo. In the absence of the registration of our trademark, we may have a lesser recourse to legal proceedings to protect our trademark. For more details please refer to the paragraph titled "*Intellectual Property*" beginning on page 97 of this Draft Red Herring Prospectus.

43. Our insurance coverage may not adequately protect us against certain hazards. In the event of the occurrence of any uninsured events, our Company need to bear financial losses associated with such risks which could have a material adverse effect on our business, financial condition and results of operation.

The business operations of our Company are subject to risks arising from natural disasters, damage to or destruction of property, fire, theft and risks to properties and personnel (like personal injury/loss of life), in the course of our business. While we believe that the insurance policies that we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have obtained sufficient insurance (either in amount or in terms of risks covered) to cover all material losses. If we suffer from a significant uninsured loss, our business, financial condition and results of operations may be materially and adversely affected.

44. The cost of implementing new technologies could be significant and could adversely affect our results of operations.

Our business requires us to keep pace with technological advances. Our future success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost-effective and timely basis. The cost of implementing new technologies could be significant and could adversely affect our financial condition and results of operations. Further, our inability to acquire new and modern machinery may have an adverse effect on our financial conditions and results of operations.

45. Our inability to effectively implement our growth strategies or manage our growth could have a material adverse effect on our business, results of operations and financial condition.

In the Financial Year 2011, our total income was ₹38,470.81 lakhs and net profit after tax of ₹1,722.46 lakhs, showing a growth of ₹3,413.59 lakhs in total income and ₹80.29 lakhs in net profit after tax as compared to the Financial Year 2010.

There can be no assurance that we will be able to maintain the growth and also execute our strategy on time and within the estimated budget in the future. Our growth strategy is subject to and involves risks and difficulties, many of which

are beyond our control and accordingly, there can be no assurance that we will be able to implement our strategy or growth plans, or complete them within the budgeted cost and timelines. Any inability on our part to manage our growth or implement our strategy effectively could have a material adverse effect on our business, results of operations and financial condition.

46. Our Company's ability to pay dividends in future will depend upon future earnings, financial conditions, cash flows, working capital requirements and capital expenditures.

Our business is capital intensive and we are in the process of expanding steel wire manufacturing capacities. Though our Company has paid dividend in the last 5 years, our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, restrictive covenants in our financing arrangements and our debt repayment schedule. Our ability to pay dividends is also restricted under certain financing arrangements that we have entered into and expect to enter into. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements, financial condition and results of operations.

47. Any increase in interest rates would have an adverse effect on our results of operations and will expose our company to interest rate risks.

Our business is capital intensive and we are exposed to interest rate risk. Our current debt obligations include debts at floating rates as well as fixed rate with provision for periodic reset of interest rates. If interest rates increase, our interest payments will increase and will have an adverse effect on our business, financial position and results of operations. Although we may decide to engage in interest rate hedging transactions, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will adequately protect us against interest rate risk.

EXTERNAL RISK FACTORS

48. Global economic, political and social conditions may harm our ability to do business, may increase cost and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence client's confidence. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude.

49. Regional hostilities, terrorist attacks, civil disturbances or social unrest, regional conflicts could adversely affect the financial markets and the trading price of our Equity Shares could decrease.

Certain events that are beyond our control such as terrorist attacks and other acts of violence or war, may adversely affect worldwide financial markets and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy. India has also experienced social unrest in some parts of the country. If such tensions occur in other parts of the country leading to overall political and economic instability, it could have a materially /adverse effect on our business, future financial performance, results of operations and the trading price of our Equity Shares.

50. Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.

Our operations may be disrupted or damaged as a result of natural calamities such as earthquakes, a tsunami, floods heavy rainfall, epidemics, drought and other events such as protests, riots and labour unrest in the past few years. Such events may lead to the disruption of transportation systems and telecommunication services for sustained periods. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged infrastructure. Natural calamities could have a negative impact on the Indian

economy and may cause suspension, delays or damage to our current business plans and operations, which may adversely affect our business and our results of operations.

51. Any downgrading of India's debt rating by an international rating agency could have a negative impact on the trading price of our Equity Shares.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, its ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

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

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

53. The market price of our Equity Shares may fluctuate due to the volatility of the Indian securities market.

The Indian securities markets are smaller than securities markets in more developed economies. Further, the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the US and Europe. In the past, Indian stock exchanges have experienced temporary exchange closures, broker defaults and settlement delays which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. A closure of, or trading stoppage on, the stock exchanges could adversely affect the trading price of the Equity Shares. In the past, the stock exchanges have experienced substantial fluctuations in the prices of listed securities. 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, from time to time, disputes have occurred between listed companies and the stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. Similar problems could occur in the future and, if they do, they could harm the market price and liquidity of the Equity Shares.

54. 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.

We will be subject to a daily "circuit breaker" imposed by stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independent of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The maximum movement allowed in the price of the Equity Shares before the circuit breaker is triggered is determined by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges will not inform us of the triggering point of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

55. You may not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Issue until the Issue receives the appropriate trading approvals.

Under the ICDR Regulations, the Company is permitted to list the Equity Shares within 12 working days of the Bid/Issue Closing Date. Consequently, the Equity Shares you purchase in the Issue may not be credited to your demat account with Depository Participants within 12 working days after the Bid/Issue Closing Date. You can start trading in the Equity Shares only after they have been credited to your demat account and final listing and trading approvals are received from the Stock Exchanges. There can be no assurance that final listing and trading approvals will be obtained from the Stock Exchanges on time or at all. Further, there can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time periods.

56. Any future equity offerings or issue of options may lead to dilution of your shareholding in our Company.

Investors in this Issue may experience dilution of their shareholding to the extent that our Company makes future equity or convertible offerings and to the extent that additional options are issued under a future employee stock option scheme. Further, any perception or belief that further issues might occur may adversely affect the trading price of our Equity Shares.

57. After this Issue, the price of our Equity Shares may be highly volatile.

The prices of our Company's Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including:

- a) our profitability and performance;
- b) performance of our competitors in the industry and the perception in the market;
- c) significant developments in India's fiscal, and other regulations;
- d) an assessment of our management, of our past and present operations, and the prospects for, and timing of, our future revenues and cost structures;
- e) the present state of our development, etc

The Indian stock markets have witnessed significant volatility in the past and our Equity Share price may be volatile post listing. There can be no assurance that an active trading market for our Equity Shares will be sustained after this Issue.

PROMINENT NOTES:

1. Public Issue of [●] Equity Shares of UIC Udyog Limited [●] for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share), aggregating ₹10,800 lakhs. The Face Value of the Equity Shares is ₹ 10 and the Issue Price is [●] times the Face Value. The Issue will constitute [●] %, of the post -Issue paid-up Equity Share capital of our Company.
2. The pre-issue Net worth of our Company as on September 30, 2011 and March 31, 2011 is ₹13,933.85 lakhs and ₹13,116.26 lakhs respectively as per the restated financial statements.
3. The average cost of acquisition of Equity Shares by each of our Promoters is as under: -

Sr. No.	Name of the Promoters	Average Cost per share (in ₹)
1.	Mr. Bhanwar Lal Jajodia	92.13
2.	Mrs. Madhu Devi Jajodia	115.06
3.	Mr. Mahendra Kumar Jajodia	147.12
4.	Mr. Bajrang Jajodia	134.46
5.	Mrs. Sangita Jajodia	144.25
6.	Mrs. Pooja Jajodia	113.99
7.	Ms. Ankita Jajodia	35.53

4. The Book Value per Equity Share of our Company as on September 30, 2011 and March 31, 2011 is ₹207.97 and ₹195.77 respectively, as per the restated financial statements.
5. Our Company was originally incorporated as UIC Wires Limited on December 21, 1995 under the Companies Act, 1956 vide Certificate of Incorporation No. 21-76114 of 1995 issued by the Registrar of Companies, West Bengal at Kolkata. The name of our Company was changed to UIC Udyog Limited vide fresh Certificate of Incorporation dated April 16, 2007.
6. None of our Promoters, Directors or Key Managerial Personnel have any interest in our Company, except as disclosed in the chapter titled "Capital Structure", "Our Promoters" and "Our Management" beginning on pages 47,124 and 111 respectively of this Draft Red Herring Prospectus.
7. None of the group companies have any business interest or any other interest in our Company, except as disclosed in the chapter titled "Group Companies" beginning on page 129 of this Draft Red Herring Prospectus.

8. Investors may contact the BRLMs, Syndicate Member(s) or Compliance Officer for any complaints / information / clarification pertaining to this Issue.
9. Our Company and the BRLMs shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.
10. Our Company and the BRLMs will update the Prospectus in accordance with the Companies Act and the SEBI (ICDR) Regulations and our Company and the BRLMs will keep the public informed of any material changes relating to our Company till the listing of our shares on the Stock Exchanges.
11. There are no transactions in the securities of our Company during the period of six months immediately preceding the date of filing this Draft Red Herring Prospectus which were financed directly or indirectly by the Promoters, Promoter Group, the directors of the Company which is a Promoters of our Company, Directors of our Company and their relatives, or by the entities directly or indirectly through other persons.
12. For details of related party transactions entered into by our Company, please see the para titled “*Statement of Related Party Transaction*” appearing as Annexure XII of the chapter titled “*Financial Statements*” beginning on page 161 of this Draft Red Herring Prospectus.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY OVERVIEW

Overview of the Indian Economy

India, the world's largest democracy in terms of population had a GDP on a purchasing power parity basis estimated to be U.S. \$ 4.463 trillion in 2011. This makes it the fourth largest economy in the world after the European Union, United States of America and China. The growth rate has been spurred by the manufacturing sector, which has logged approximately 26.30% share while the share of agriculture sector is approximately 18.10% of GDP and that of the services sector is relatively high for an emerging market at approximately 55.6% of GDP in 2011. (Source: CIA World Factbook).

As per the Advance Estimates of National Income, the growth in Indian GDP during 2011-12 is estimated at 6.9 percent as compared to growth rate of 8.4 percent in 2010-11. (Source: Central Statistical Organization of India)

Overview of Steel Industry

Steel is an alloy consisting mainly of iron and other elements such as carbon, manganese, chromium, vanadium, and tungsten. By suitably modifying the properties of steel such as hardness, ductility, tensile strength and resistance to rust, it is possible to produce steel of varying qualities and in varying forms such as billets, rods, wires, sheets, tubes and others. The steel of varying qualities and forms then finds applications for different uses.

Steel is an internationally traded commodity essential to economic growth of the nation and plays a central part in infrastructure, transport, energy delivery, housing and construction, and key consumer goods. Global supply and demand together with pricing dynamics therefore have a significant impact on Indian steel markets. Steel is a cyclical commodity, and increases in production capacities follow increase in demand. Increase in demand cause producers to increase utilization levels of existing capacities, and can lead to increase production capacity. Additional capacities become operational after a gestation period that may last from 15 to 24 months, thereby causing a lag effect between demand and supply and cyclicity in prices.

World Steel Sector

World crude steel production reached 1,527 mega tonnes (Mt) for the year of 2011 showing an increase of 6.8% compared to 2010 and is a record for global crude steel production. The growth in steel production has primarily been driven by tremendous growth for steel demand in China, India and other developing economies. From being the fifth largest producer of crude steel for the year 2010, India has moved up to become fourth largest producer in the year 2011 as per the data released by World Steel Association. (Source: www.worldsteel.org)

Country wise Crude steel production for the top 10 countries for 2011 is as follows:

World Crude Steel Production in 2011		
Rank	Country	Production (Million Tonne)
1	China	695.5
2	Japan	107.6
3	United States	86.2
4	India	72.2
5	Russia	68.7
6	South Korea	68.5
7	Germany	44.3
8	Ukraine	35.3
9	Brazil	35.2
10	Turkey	34.1

(Source: www.worldsteel.org)

Based on the expected growth rate and consumption patterns in sectors such as construction, automobile, infrastructure and capital goods, it is expected that demand for steel will continue to be led by China in the near future while India will follow closely. A tabular presentation of production of steel and steel products including ingots, semi-finished products, hot-rolled and cold-finished products, tubes, wire, and un-worked castings and forgings is illustrated below. The table comprises the exports of 37 countries, which represents approximately 90% of total world trade in 2009.

(in Mn Metric Tons)

	2006	2007	2008	2009	2010
Ingots	933.81	947.05	887.94	592.76	709.71
Hot Rolled Long Products	4,828.40	5,295.84	5,257.91	5,380.79	5,378.28
Hot Rolled Flat Products	5,983.58	6,598.81	6,653.81	5,819.57	7,033.99
Railway Track Materials	80.77	86.32	103.27	103.76	93.61
Heavy Sections (≥ 80 mm)	406.40	503.30	467.47	353.70	316.84
Light Sections (≤ 80 mm)	418.42	438.53	458.75	495.41	525.26
Concrete Reinforcing Bars	1,470.82	1,648.84	1,586.75	1,700.56	1,649.10
Hot Rolled Bars (other than Concrete Reinforcing Bars)	1,067.91	1,144.32	1,128.56	1,009.68	1,157.71
Wire Rod	1,319.07	1,476.75	1,492.17	1,577.63	1,414.93
Electrical Sheet and Strip	92.57	104.04	104.75	90.82	99.79
Tinmill Products	147.51	150.61	120.12	85.00	94.77
Other Metallic Coated Sheet and Strip	1,044.25	1,047.96	1,017.66	915.57	762.88
Non-metallic Coated Sheet and Strip	118.50	125.90	135.91	117.96	120.39
Tubes and Tube Fittings	901.22	973.10	967.13	363.75	923.17
Seamless Tubes	274.90	299.74	323.42	286.05	346.66
Welded Tubes	527.02	549.49	531.81	505.22	560.23

(Source: www.worldsteel.org)

Indian Steel Sector

As per official estimates, the Iron and Steel Industry contributes around 2% of India's Gross Domestic Product (GDP) and its weight in the Index of Industrial Production (IIP) is 6.2%. From a negligible global presence, the Indian steel industry is now acknowledged for its product quality, demonstrated by trends of rising exports.

(Source: *Annual Report 2010 -11, Ministry of Steel*)

In addition to being the fourth largest producer of crude steel in the world in 2011, India remains the world's largest producer of direct reduced iron (DRI) or sponge iron with nearly 27.56 MnT and fourth largest producer of pig iron with 38.9 MnT in 2011, as per the data released by the World Steel Association. According to the Ministry of Steel, India is likely to become the second largest producer of crude steel by 2015-16. In terms of employment, the steel sector is expected to generate additional employment of around 4 million by 2020. To give an impetus to the national steel production, more than two hundred Memorandum of Understanding (MOUs) have already been signed with various States for a planned capacity of around 276 MnT. (Source: www.worldsteel.org)

According to data released by the Ministry of Steel, Government of India, for the period April to December 2010, crude steel production reached 50.59 MnT, a growth of 4.5% over the similar period of previous year, Capacity utilization during the same period was 89%. This growth was driven by both capacity expansion (from 47.99 MnT in 2004-05 to approximately 74.46 MnT till April-December 2010) as well as improved capacity utilisation. Crude steel production grew at a CAGR of 8.4% during the five year period from 2004-05 to 2009-10. Production for sale of total finished steel was at 60.89 MnT in 2009-10, as compared to 57.16 MnT the year before, a growth of 6.5%. Available results for the 9 month period of April-December 2011 point towards continuation of the existing growth trend. During the preceding four year period from 2005-06 till 2009-10, Production for sale of finished steel, both alloy and non alloy combined, grew from 46.57 MnT to 60.89 MnT at a CAGR of 6.9%.

While the steel industry in India successfully overcame the adverse effects of the global economic slowdown to register a positive year on year (YOY) growth during the calendar year 2010, early results for the first five months of the present calendar year of 2011 indicate that there has been marginal slow down in crude steel production in most of the top steel manufacturing countries. In fact, China, the United States and India have all registered negative growth ranging between 3-9% during this period. The marginal country wise dip in production in the major steel producing countries is primarily due to relocation of manufacturing units from the traditional zones to Africa. As a result the African region is showing positive growth in Steel output, while the Non European Union countries in Europe and Latin America have recorded the steepest decline at 14.02% and 19.40% respectively. (Source: www.worldsteel.org)

Production, Consumption and Growth of Steel

The National Steel Policy 2005 had projected consumption to grow at 7% based on a GDP growth rate of 7-7.5% and production of 110 MnT by 2019-2020. These estimates though will be largely exceeded and it is envisaged that, on a "most likely scenario" basis, steel production capacity in India by the year 2012-2013 will be nearly 110 MnT. If the proposed expansion plans are implemented as per schedule, India may become the second largest crude steel producer by 2015-16.

The table below shows the trend in production for sale, import, export and consumption of total finished steel (alloy and non-alloy) in the country in the last six years:

Year	Total finished steel (alloy + non-alloy) (MnT tonne)			
	Production for sale	Import	Export	Consumption
2005-06	46.57	4.31	4.80	41.43
2006-07	52.53	4.93	5.24	46.78
2007-08	56.08	7.03	5.08	52.13
2008-09	57.16	5.84	4.44	52.35
2009-10	60.89	7.30	3.24	57.68
Apr-Dec 2010-11*	47.30	5.36	2.46	44.28

* indicates Provisional Data

(Source: Ministry of Steel, Annual Report 2010-11)

STEEL WIRE INDUSTRY

The steel industry's business cycles are reflections of the general economic activity of a nation. Steel wire being a part of steel industry is no exception and is dependant on a number of factors such as level of economic activity and state of the end use industries viz. construction and automotive industry (which are major consumers of steel wire). Growing investments in infrastructure and higher disposable incomes in several developing economies are key factors driving growth in steel and its derivative products. Besides, the steel wire industry is engaged in the production of a wide gamut of products such as steel cords used in reinforcing tires and hoses. Buoyancy in construction and automotive industries largely determines the demand for wire products worldwide, as they represent the key end-use markets for steel wire. In addition, steel wire finds application in furniture, agriculture and appliance sectors. Several new steel mill technologies were developed to meet demand for high-quality steel wire rod products from construction and automotive industries. These technological innovations in the field of dimension measurements, improved finishing operations, and rolling with precision tolerances, ensured consistency in dimensions, finish, and mechanical properties.

Global Steel Wire Industry

Steel wire industry is closely linked to the infrastructural development of any country. The major consumers of steel wires and wire products are railways, electricity boards, construction sector and automobile industry etc.. Globally, the industry is relatively unorganized, with big players concentrating on the wire rods segment and the smaller players involved in the manufacture of wires and wire products. In 2010, the Global wire business has been something like 48-50 million tons and in terms of Dollars it was US \$ 29 billion. This market is also expected to grow to some 56 million tons of wires by 2011 and in Dollar terms it would be something like US \$ 32 billion. North America, Europe and South East Asia each account for approximately 25% of the Global demand for the Steel Wires. (Source: www.swmai.org)

Asia Pacific constitutes the most significant regional market for steel wire. Infrastructure expansion and higher disposable incomes leading to greater ownership of consumer durables and automobiles are major factors driving growth in the Asia Pacific region. Rampant economic expansion in China has catapulted the nation as the largest and fastest growing consumer of steel and steel products in the world. The global steel industry has been marked by excessive capacity in industrialized nations and the introduction of novel and better production methods. On its part steel wire industry in the developed nations is boosted by stimulus packages issued by governments to revive the construction and manufacturing industries. In the near future Chinese export of steel wire products especially PC strand wires is expected to increase significantly.

The global economic downturn affected the steel wire industry adversely in 2008 and 2009 as the demand for steel wire from end use industries plummeted. The value sales of global steel wire industry fell in 2008, as compared to the previous year, and plummeted further exhibiting a negative growth rate in 2009. The developed and mature western markets of North America Europe and Japan were the worst hit recording declines during the period. In the US, consumption of steel in automobile industry witnessed major erosion, mainly on account of the economic slowdown. The demand for PC strand wire declined in 2008 and 2009, picking up pace again in 2010. Chinese PC strand wire imports into US increased

significantly during the period 2008-10, as domestic production in USA declined drastically. In contrast, the Asia-Pacific markets fared well during the recession and suffered only marginal losses. Riding on the robust domestic demand, the Asian region recovered quite fast from the recession in 2009 due to the robust domestic demand. The global market on the whole is expected to fare well post 2010- 2011 due to thriving Asian economies.

Indian Steel Wire Industry

Established in the 1920s, steel wire industry in India has progressed remarkably and has been successful in producing a wide range of products viz. various types of high carbon, alloy steel and special steel wires, in addition to mild steel wires. The industry has become versatile enough to meet the requirements of numerous consuming segment. This sophistication has been possible due to continuous and well-planned R & D efforts on the part of the manufacturers with patronage of SWMAI. The result has been that the industry is in a position to manufacture and supply steel wires, both in the domestic and the international markets, in accordance with Indian (BIS) and International (ASTM, DIN, JIS, BSS) standards.

SUMMARY OF BUSINESS OVERVIEW

Our Company is one of the leading manufacturers of Steel Wires and Wire products in India. Our existing facilities for manufacturing of steel wires with an installed capacity of 60,000 MTPA is located at Kalyani and an installed capacity of 25,000 MTPA is located at Khanyan, West Bengal. We also manufacture steel pins at Khanyan, West Bengal. Besides, manufacturing of steel wires and steel pins, we have installed Wind Power Generation Turbines in Maharashtra and Tamil Nadu. We have manufacturing facility for woven sacks in Silvassa. We are proposing to further enhance our capacity to manufacture wire and wires products by setting up the manufacturing facilities with an installed capacity of 1,80,000 MTPA including Galvanizing capacity of 1,00,000 MTPA at Bharuch, Gujarat.

Our Company was incorporated in the year 1995 by Mr. Bhanwar Lal Jajodia along with his family members. Mr. Bhanwar Lal Jajodia is a first generation entrepreneur with over three decades of experience in dealing with steel & steel related components. Our first manufacturing facility for non-alloy steel wires in Kalyani, West Bengal started its commercial production in the year 2000 with an installed capacity of 40,000 MTPA. To meet the growing demand for steel wires, we added 20,000 MTPA of additional capacity at Kalyani in the year 2002 and 25,000 MTPA in the year 2010 at Khanyan. With a view to tap the growing market and to cater to the increased demand emanating from our existing clients, we set up a galvanizing line with 12,000 MTPA capacity at our existing unit at Kalyani in 2002. Subsequently, we enhanced the galvanizing capacity to 30,000 MTPA in the year 2007 and to 48,000 MTPA in the year 2010. In the year 2006, as a strategy towards forward integration, we set up a facility to manufacture different types of Pins at Khanyan. Further in the year 2008, we set up facility to manufacture woven sacks in Silvassa to cater to the demand emanating from sugar, textile and fertilizer industry. Our manufacturing facilities are strategically located in close proximity to the source of raw material. We have set up two Wind Power Generation Turbines of 5MW each in Maharashtra and Tamil Nadu. These wind power generation turbines besides, being environment friendly, have enabled us to take advantage of the tax benefit available under the Income Tax Act, 1961. Our Clean Development Mechanism project of wind power energy at Tamil Nadu has been registered with UNFCCC thereby entitling us to get carbon credit, which would contribute to the overall profitability of the Company in the coming years.

Our manufacturing facility at Kalyani is ISO 9001:2008 certified from SGS United Kingdom Limited for conforming to the Quality Management System Standards. Business Standard magazine, March 2011 edition has ranked our Company at 302 amongst the unlisted companies, while another magazine Industry 2.0 ranked our Company as 64 out of the 500 best SME Companies in India (Source: Industry 2.0 Magazine – October 2009 Issue)

As per our Restated Financials, our total income for the financial year ending 2011 was ₹38,470.81 lakhs as compared to ₹35,057.22 lakhs for financial year ending 2010. During the same period our PAT was ₹1,722.46 lakhs and ₹1,642.17 lakhs respectively. For the half year ended September 2011, our total income was ₹21,823.31 lakhs and PAT was ₹835.25 lakhs.

Major Clientele

Our portfolio of steel wire products includes Pre stressed Concrete wires, Earth wires, ACSR wires, Cable Armour Wire, Galvanized wires, Barbed Wires, etc. Our products find application in various sectors such as Power, Engineering, Agriculture, Railways, Defence etc. Our products are accredited with Bureau of Indian Standards under various specifications. Our products are registered and are supplied to projects of NTPC, NHPC, PGCIL, Damodar Valley Corporation, Larsen & Toubro Limited, Kalpataru Power Transmission Limited, KEC International Limited, Jyoti Structures Limited, IVRCL Infrastructures & Projects Limited, CESC Limited, Ministry of water Resources, Ministry of Railways, DGS&D, various State Electricity Boards etc.

Competitive Strengths

We believe that the following are our competitive strengths which have been contributing to our growth.

- Wide range of products in the wire industry
- Experience and vision of our Promoters
- Scalable Business Model
- Experienced and efficient management team
- Robust Quality Management Policy
- History of repeat orders

- Location Advantages

Weakness

- Capacity Constraint
- Low Capacity Utilization of our Pins Division and Woven Sacks Division

Opportunities

- Growth in Infrastructure Sector
- Opportunity to be enlisted with other State Electricity Boards
- Demand from industries like automobiles, agriculture, furniture and appliances
- Opportunities exist in the Export Sector

Threats

- Downturn in the economy is likely hamper the growth of the industry
- Escalating cost of Steel and other metals may put pressure on the Company's margin
- Existing players and possible new entrants may augment capacity leading to tougher competition

Growth Strategy

- Setting up manufacturing facilities at strategic locations
- Expand our domestic geographical reach through marketing network
- Tapping the export market
- Multi Product Portfolio
- Continuing to attract, build and develop employee excellence
- Business model based on multiple Revenue Stream

SUMMARY OF FINANCIAL STATEMENT

SUMMARY STATEMENT OF PROFITS & LOSSES, AS RESTATED

₹ in Lacs

Particulars	For the Period ended 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
A Income						
Net Turnover (Net of Excise Duty & Cess)						
Manufacturing : *	13,350.11	29,824.44	26,268.71	25,792.64	19,405.22	14,070.30
Trading	6,608.17	8,866.35	9,145.29	4,802.39	589.63	-
Other Income	16.31	104.21	108.80	50.40	21.98	59.92
Increase/ (Decrease) in stock	1,848.72	(324.19)	(465.58)	1,827.99	1,189.30	85.62
Total Income	21,823.31	38,470.81	35,057.22	32,473.42	21,206.13	14,215.84
B Expenditure						
Raw Materials Consumed/Purchases	17,313.50	30,206.23	27,321.24	26,088.81	16,440.00	11,312.29
Consumption of Stores, Spares & Consumables	207.46	578.36	554.80	505.53	360.03	297.41
Payment to & Provision for Employees	443.03	803.50	619.82	569.08	294.35	204.60
Power & Fuel	529.05	1,055.83	1,004.13	702.99	633.49	490.94
Finance Charges	992.76	1,645.67	1,603.93	1,450.93	858.33	445.54
Manufacturing, Administrative & Other Expenses	525.00	850.01	927.45	704.15	563.05	313.33
Depreciation/Amortization	501.64	757.67	766.92	595.73	447.00	302.94
Preliminary Expenses Written off	-	-	0.06	0.04	0.04	0.04
Total Expenditure	20,512.44	35,897.27	32,798.35	30,617.26	19,596.29	13,367.09
Profit Before Tax (A - B)	1,310.87	2,573.54	2,258.87	1,856.16	1,609.84	848.75
Less : Provision for Tax						
Current (including Wealth Tax)	(490.76)	(795.00)	(569.20)	(210.56)	(191.59)	(95.23)
Deferred Tax Asset / (Liability)	15.14	(56.08)	(47.50)	(6.93)	(98.44)	(67.64)
Fringe Benefit Tax	-	-	-	(4.25)	(2.85)	(2.38)
Sub Total	835.25	1,722.46	1,642.17	1,634.42	1,316.96	683.50
Add : MAT Credit Entitlement	-	-	-	210.30	26.34	-
Profit After Tax as Restated	835.25	1,722.46	1,642.17	1,844.72	1,343.30	683.50
Balance Brought Forward From Previous Year	6,438.57	5,180.78	3,963.93	2,500.18	1,453.65	945.84
Balance available for Appropriations, as restated	7,273.82	6,903.24	5,606.10	4,344.90	2,796.95	1,629.34
Appropriations						
Transfer to General Reserve	-	270.00	230.00	185.00	140.00	52.00
Proposed Dividend on Equity Shares	-	167.50	167.50	167.50	134.00	108.48
Provision for Dividend Distribution Tax	-	27.17	27.82	28.47	22.77	15.21
Balance carried forward to Balance Sheet as Restated	7,273.82	6,438.57	5,180.78	3,963.93	2,500.18	1,453.65

*Manufacturing Turnover includes sales from Power Division.

SUMMARY STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

₹ in Lacs

Particulars		As at 30th Sept., 2011	As at 31st March				
			2011	2010	2009	2008	2007
(A)	Fixed assets						
(i)	Gross Block	13,594.30	13,525.82	11,907.36	10,823.83	7,188.67	6,502.37
	Less : Depreciation	4,180.60	3,678.96	2,925.68	2,169.14	1,675.74	1,229.41
		9,413.70	9,846.86	8,981.68	8,654.69	5,512.93	5,272.96
(ii)	Capital Work In Progress (Including Advances on Capital Account)	5,051.52	35.31	391.82	179.04	47.21	15.54
	Net Block	14,465.22	9,882.17	9,373.50	8,833.73	5,560.14	5,288.50
(B)	Investments	-	-	-	43.00	43.00	-
(C)	Current Assets, Loans and Advances						
(i)	Inventories	6,171.88	4,621.73	4,971.96	4,625.55	3,830.17	1,800.13
(ii)	Sundry Debtors	19,651.90	16,085.29	11,845.62	10,416.09	6,417.78	3,439.04
(iii)	Cash and Bank Balances	462.59	899.68	341.67	203.44	59.78	69.73
(v)	Loans and Advances	1,882.64	1,847.59	2,322.70	2,112.72	2,355.31	1,328.19
(iv)	Other Current Assets	181.52	145.32	197.04	150.00	158.85	117.74
	Total Current Assets	28,350.53	23,599.61	19,678.99	17,507.80	12,821.89	6,754.83
(D)	Less : Liabilities and Provisions						
(i)	Secured Loans	21,581.69	14,641.31	13,706.51	12,185.49	7,135.25	5,234.12
(ii)	Unsecured Loans	3,500.00	504.10	28.68	599.10	813.44	520.54
(iii)	Deferred Tax Liabilities (net)	395.71	410.85	354.77	307.28	300.35	201.91
(iv)	Current Liabilities	3,237.35	4,516.58	2,982.16	2,942.03	1,450.88	1,755.07
(v)	Provisions (net)	167.15	292.68	391.89	209.05	230.82	126.36
	Total Liabilities and Provisions	28,881.90	20,365.52	17,464.01	16,242.95	9,930.74	7,837.99
	Net Worth (A + B + C - D)	13,933.85	13,116.26	11,588.48	10,141.58	8,494.29	4,205.34
	Net Worth Represented By						
(E)	Share Capital	670.00	670.00	670.00	670.00	670.00	542.42
(F)	Reserve and Surplus	13,281.51	12,446.26	10,918.48	9,471.64	7,824.39	3,663.06
(G)	Total (E + F)	13,951.51	13,116.26	11,588.48	10,141.64	8,494.39	4,205.48
(H)	Less : Miscellaneous Expenditure (to the extent not written off or adjusted)	17.66	-	-	0.06	0.10	0.14
	Net Worth (G - H)	13,933.85	13,116.26	11,588.48	10,141.58	8,494.29	4,205.34

SUMMARY STATEMENT OF CASH FLOWS, AS RESTATED

₹ in Lacs

Particulars		As at 30th Sept., 2011	For the year ended 31st March				
			2011	2010	2009	2008	2007
(A)	<u>Cash Flow from Operating Activities</u>						
	Net Profit Before Tax & Extraordinary Items, as restated	1,310.87	2,573.54	2,258.87	1,856.16	1,609.84	848.75
	<u>Adjustments for:</u>						
	Depreciation/Amortization	501.64	757.67	766.92	595.73	447.00	302.94
	Preliminary Expenses/Non Cash Charges	-	-	0.06	0.04	0.04	0.04
	Loss/(Profit) on Sale of Fixed Assets	-	(22.19)	2.86	13.03	1.33	-
	Impairment of Assets	-	-	13.78	-	-	-
	Capital Subsidy Received	-	51.93	-	-	-	-
	Finance Charges	992.76	1,645.67	1,603.93	1,450.93	858.33	445.54
	Operating Profit Before Working Capital Changes	2,805.27	5,006.62	4,646.42	3,915.89	2,916.54	1,597.27
	<u>Adjustments for:</u>						
	(Increase) / Decrease in Inventories	(1,550.16)	350.23	(346.41)	(795.38)	(2,030.04)	147.42
	Increase / (Decrease) in Payable for Goods & Expenses	(1,279.23)	1,534.42	40.14	1,491.15	(304.19)	1,248.72
	(Increase) / Decrease in Advances & Receivables	(3,638.24)	(4,057.47)	(1,690.52)	(3,519.38)	(4,028.75)	(1,775.43)
	Cash Generated From Operations	(3,662.36)	2,833.80	2,649.63	1,092.28	(3,446.44)	1,217.98
	Payment of Direct Taxes	(421.24)	(548.94)	(381.77)	(294.46)	(114.02)	(177.35)
	Net Cash from / (used in) Operating Activities	(4,083.60)	2,284.86	2,267.86	797.82	(3,560.46)	1,040.63
(B)	<u>Cash Flow from Investing Activities</u>						
	Additions to Fixed Assets/Capital Work In Progress	(5,084.69)	(1,447.55)	(1,360.40)	(3,893.27)	(722.32)	(2,886.79)
	Sale of Fixed Assets	-	151.47	37.06	10.94	1.45	-
	(Purchase) / Sale of Investments	-	-	43.00	-	(43.00)	135.15
	Net Cash from / (used in) Investing Activities	(5,084.69)	(1,296.08)	(1,280.34)	(3,882.33)	(763.87)	(2,751.64)
(C)	<u>Cash Flow from Financing Activities</u>						
	Proceeds from issue of Equity Share Capital	-	-	-	-	3,102.38	-
	Receipt of Term Loan (net)	4,066.00	(978.50)	(922.51)	1,128.05	401.02	1,344.26
	Increase in Working Capital Loan	2,906.44	1,971.85	2,366.97	3,880.27	1,494.84	277.59
	Increase / (Decrease) in Vehicle Loan	(32.06)	(58.54)	76.56	41.91	5.25	(8.14)
	Increase / (Decrease) in Unsecured Loans/Deposits	2,995.90	475.42	(570.42)	(214.35)	292.91	520.54
	IPO Issue Expenses	(17.66)	-	-	-	-	-
	Dividend Paid	(167.50)	(167.50)	(167.50)	(134.00)	(108.48)	-
	Tax on Dividend	(27.17)	(27.82)	(28.47)	(22.77)	(15.21)	-
	Finance Charges	(992.76)	(1,645.67)	(1,603.93)	(1,450.93)	(858.33)	(445.54)
	Net Cash from / (used in) Financing Activities	8,731.19	(430.76)	(849.30)	3,228.18	4,314.38	1,688.71
	Net Increase / (Decrease) in Cash & Cash Equivalents (A + B + C)	(437.10)	558.02	138.22	143.67	(9.95)	(22.30)
	Opening Balance of Cash and Cash Equivalents	899.69	341.67	203.45	59.78	69.73	92.03
	Closing Balance of Cash and Cash Equivalents	462.59	899.69	341.67	203.45	59.78	69.73

THE ISSUE

Issue of Equity shares	
Issue by our Company	[●] Equity Shares
<i>Of which⁽¹⁾:</i>	
Qualified Institutional Buyers portion (QIBs)	QIB Portion of not more than [●] Equity Shares constituting not more than 50% of the Issue
<i>Of which:</i>	
Mutual Fund Portion	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
Non - Institutional portion	Not less than [●] Equity Shares constituting not more than 15% of the Issue
Retail portion	Not less than [●] Equity Shares constituting not more than 35% of the Issue
Equity Shares outstanding prior to the Issue	67,00,000 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Objects of the Issue:	
Use of Proceeds of the Issue	For information, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 57 of this Draft Red Herring Prospectus.

⁽¹⁾ Subject to valid Bids received at or above the Issue Price, allocation to all categories, if any, shall be made on a proportionate basis. Under-subscription, if any, in any category 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 BRLMs and the Designated Stock Exchange.

GENERAL INFORMATION

Our Company was originally incorporated as UIC Wires Limited on December 21, 1995 under the Companies Act, 1956 vide Certificate of Incorporation No. 21-76114 of 1995 issued by the Registrar of Companies, West Bengal. Our Company received Certificate for Commencement of Business dated February 01, 1996. The name of our Company was changed to UIC Udyog Limited vide Fresh Certificate of Incorporation dated April 16, 2007. Our Company has been allocated Corporate Identification Number U27109WB1995PLC076114. (For further details, please refer to the chapter titled “History and Other Corporate Matters” beginning on page 106 of this Draft Red Herring Prospectus.)

Our Registered Office

UIC Udyog Limited

Anandlok, Block- A, 1st Floor,
227, A.J.C. Bose Road,
Kolkata – 700020,
West Bengal, India

Tel. no: +91-33-2280 8811/8812/8813

Fax.no: +91-33-2280 9492

Email: ipo@uicudyog.com

Website: www.uicudyog.com

Address of Registrar of Companies

The Registrar of Companies, West Bengal

Nizam Palace, 2nd MSO Building, 2nd Floor,
234/4, A.J.C.Bose Road, Kolkata – 700020,
West Bengal, India.

Board of Directors

The following table sets out details regarding our Board as on the date of filing this Draft Red Herring Prospectus:

Sr. No.	Name, Designation and Occupation	Director Identification Number (DIN)	Age (years)	Address
1.	Mr. Bhanwar Lal Jajodia <i>Designation:</i> Chairman & Managing Director <i>Occupation:</i> Business	00576094	62	CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal, India.
2.	Mr. Ram Chandra Bajaj <i>Designation:</i> Joint Managing Director <i>Occupation:</i> Service	00568295	59	CG-242, Sector-II, Salt Lake City, Kolkata – 700091, West Bengal, India
3.	Mr. Amit Bajaj <i>Designation:</i> Whole Time Director <i>Occupation:</i> Service	00591071	35	CG-242, Sector-II, Salt Lake City, Kolkata – 700091, West Bengal, India
4.	Mr. Kishore Kanjee <i>Designation:</i> Independent Director <i>Occupation:</i> Business	00560274	58	9, Janak Road, Flat No. 4, 4 th Floor, Kolkata-700029, West Bengal, India.
5.	Mr. Mandeep Mishra <i>Designation:</i> Independent Director <i>Occupation:</i> Business	00559088	44	Flat No. AGC, Sneha Garden, 28, Rai Bahadur Road, Kolkata-700053, West Bengal, India
6.	Mr. Rabindra Nath Chakrabarty <i>Designation:</i> Independent Director <i>Occupation:</i> Professional	05151799	68	Flat No W/2/478, Chetla Road, Kolkata, West Bengal – 700027, India

For more details on the Directors, please refer to the chapter titled “Our Management” beginning on page 111 of this Draft Red Herring Prospectus.

Company Secretary & Compliance Officer

Mr. Jayanta Saha,
UIC Udyog Limited
Anandlok, Block- A, 1st Floor,
227, A.J.C. Bose Road,
Kolkata – 700020,
West Bengal, India.
Tel. no: +91-33-2280 8811/8812/8813
Fax.no: +91-33-2280 9492
Email: ipo@uicudyog.com
Website: www.uicudyog.com

Investors may contact our Compliance Officer or Registrar to the Issue, in case of any pre-issue or post- issue related clarification such as non-receipt of letters of allotment/ share certificates/ credit of securities in depository beneficiary account/ refund orders etc.

All grievances relating to ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs or the Syndicate/Sub – Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number and the Designated Branch SCSBs or the Syndicate/Sub – Syndicate Members where the ASBA Bid cum Application Form was submitted by the ASBA Bidders.

For all Issue related queries and for redressal of complaints, Bidders may also write to the BRLMs. All complaints, queries or comments received by SEBI shall be forwarded to the BRLMs, who shall respond to such complaints.

Book Running Lead Managers

BOB CAPITAL MARKETS LIMITED

3rd Floor, South Wing, UTI Tower, Gn Block,
Bandra-Kurla Complex, Bandra –East,
Mumbai-400 051,
Maharashtra, India.
Tel: (91 22) 61389300
Fax: (91 22) 66718535
E-mail: ipo.uic@bobcaps.in
Website: www.bobcaps.in
Contact Person: Mr. Amit Porwal / Mr. Harshal Desai
SEBI Registration No: INM 000009926[#]

[#]SEBI registration certificate was valid upto September 24, 2011. Application for renewal made on June 20, 2011 i.e. 3 months before the expiry of the period of the certificate in terms of Regulation 9(1) of the SEBI (Merchant Bankers) Regulations, 1992. The same has been taken up for permanent registration and the approval is awaited.

LSI FINANCIAL SERVICES PRIVATE LIMITED

Sagar Trade Cube, 5th Floor, 104,
S P Mukherjee Road, Kolkata 700 026,
West Bengal, India.
Tel: +91-33-24863817
Fax: +91-33-2486 3815
Email: mbd@lsimails.com
Website: www.lsifinance.com
Contact Person: Mr. Partha Pratim Samaddar
SEBI Registration No: INM000011468[~]

[~]SEBI registration is valid upto May 03, 2012. Pursuant to Regulation 5(3) of the SEBI (Merchant Bankers) (Amendment) Regulations, 2011 No. LAD – NRO/GN/2011-12/09/21233 dated July 05, 2011 application has been made on March 01, 2012 for extension of the Certificate of Initial Registration upto year 2014.

Syndicate Members

The Syndicate Member(s) will be appointed prior to filing the Red Herring Prospectus with the RoC.

Self-certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on <http://www.sebi.gov.in/pmd/scsb.pdf>. For details on designated branches of SCSBs collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI link.

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Syndicate ASBA Bidding Locations (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat) named by the respective SCSBs to receive deposits of Bid Cum Application Forms from the members of the Syndicate is provided on <http://www.sebi.gov.in/pmd/scsb-asba.html>. For more information on such branches collecting Bid Cum Application Forms from the members of the Syndicate at Syndicate ASBA Bidding Locations, see the above mentioned SEBI link

Registrar to the Issue

Bigshare Services Private Limited

E-2, Ansa Industrial Estate, Saki Vihar Road,
Sakinaka, Andheri (East), Mumbai - 400 072, India.

Tel: +91-22-4043 0200

Fax: +91-22-2847 5207

E-mail: ipo@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Babu Raphael

SEBI Registration No: INR000001385

Legal Advisors to the Issue

JurisPrudent Consulting Partners

Advocates & Corporate Legal Advisors
1st Floor, C-17, Community Centre,
Janakpuri, New Delhi – 110 058

Tel: +91-11-3200 0177

Fax: +91-11-4536 0077

E-mail: ajay@jurisprudentconsulting.in

Contact Person: Mr. Ajay Jain

Auditors to the Company

M/s. Chhaparia & Associates, Chartered Accountants.

Shantiniketan Building, 8, Camac Street,
5th Floor, Suite -2, Kolkata 700 017

Tel No.: +91 033 2282 4241

Fax No.: +91 033 2282 4752

Email: subhash.baid@gmail.com

Membership no: 064917

Contact Person: Mr. Subhash Kumar Baid

Bankers to the Issue / Escrow Collection Bank(s)

The Bankers to the Issue shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

Bankers to our Company

ICICI Bank Limited 3A, Gurusaday Road, Kolkata - 700019 Tel No.: +91-33-44057664 Fax No.: +91-33-44057634 Contact: Mr. Vinod Agarwal Email: vinod.agarwal@icicibank.com Website: www.icicibank.com	IDBI Bank Limited IDBI House, 44, Shakespeare Sarani, Post Bag No. 16102, Kolkata - 700017 Tel No.: +91-33-66338888/99 Fax No.: +91-33-66338812-16 Contact: Ms. Jayati Chakraborty Email: j.chatterjee@idbi.co.in Website: www.idbi.com
State Bank of India Limited Commercial Branch, Alipore, 24/1/1, Alipore Road, Kolkata – 700 027 Tel No.: +91-33-24481328/3451 Fax No.: +91-33-24481329 Contact: Mr. G K Wadhwa Email: sbi.04263@sbi.co.in Website: www.statebankofindia.com	DBS Bank Limited 4A, Little Russell Street, Kolkata 71 Tel No.: +91-33-66218888 Fax No.: +91-33-66218899 Contact: Mr. Tejen Banerjee Email: tejenbanerjee@dbb.com Website: www.dbs.com

Refund Banker(s)

The Refund Banker(s) shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

Credit Rating

This being an issue of Equity Shares, credit rating is not required.

IPO Grading Agency

[●]

IPO Grading

This Issue has been graded by [●], a SEBI registered IPO Grading Agency, 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.

A copy of the report provided by [●], furnishing the rationale for its grading, will be annexed to the Red Herring Prospectus and will be made available for inspection at our Registered Office from 10.00 a.m. to 4.00 p.m. on working days from the date of filing of the Red Herring Prospectus, until the Bid/Issue Closing Date. For details of and a summary of the rationale for the grading assigned by the IPO Grading Agency, please refer to the section titled “Annexure [●]” of the Red Herring Prospectus.

Appraising Agency**LSI FINANCIAL SERVICES PRIVATE LIMITED**

Sagar Trade Cube, 5th Floor, 104,
S P Mukherjee Road, Kolkata 700 026,
West Bengal, India.

Tel: +91-33-24863817

Fax: +91-33-2486 3815

Email: anathany@lsimails.com

Website: www.lsifinance.com

Contact Person: Mr. Anshuman Nathany

Trustees

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

Inter se Responsibilities of the BRLMs

Sr. No.	Activities	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as type of instruments, etc.	BOBCAPS, LSI	BOBCAPS
2.	Due diligence of the Company's operations / management / business plans / legal etc. Drafting and design of offer document and of statutory advertisement including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with Stock Exchange, RoC and SEBI, including finalization of Prospectus and filing the same with the RoC.	BOBCAPS, LSI	BOBCAPS
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure, corporate films etc	BOBCAPS, LSI	LSI
4.	Appointment of registrar, bankers and grading agency to the issue	BOBCAPS, LSI	BOBCAPS
5.	Appointment of advertising agency and printers to the issue	BOBCAPS, LSI	LSI
6.	Marketing activities including: <ul style="list-style-type: none"> Finalize media and public relations strategy Preparing Road show presentation and FAQs 	BOBCAPS, LSI	BOBCAPS
7.	Institutional marketing of the Issue, which will cover, inter alia, finalize the list and division of investors for one to one meetings; and finalize road show schedule and investor meeting schedules;	BOBCAPS, LSI	BOBCAPS
8.	Non institutional marketing of the Issue, which will cover inter alia, <ul style="list-style-type: none"> Formulating marketing strategies, preparation of publicity budget Organise HNI meets 	BOBCAPS, LSI	BOBCAPS
9.	Retail marketing of the Issue, which will cover inter alia, <ul style="list-style-type: none"> Formulating marketing strategies, preparation of publicity budget Finalizing centers for holding conferences for brokers, etc. Finalize collection centers <p>Follow-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material</p>	BOBCAPS, LSI	LSI
10.	Managing the book, co-ordination with Stock Exchanges for book building software, bidding terminals and mock trading	BOBCAPS, LSI	BOBCAPS
11.	Finalization of Issue Price in consultation with the Company	BOBCAPS, LSI	BOBCAPS
12.	Post bidding activities including management of Escrow Accounts, co-ordination with registrar and banks, refund to bidders, co-ordinating for three year track record of BRLMs etc. <p>The post Issue activities of the Issue will involve essential follow up steps, which must include finalization of listing of instruments and dispatch of certificates and refunds, with the various agencies connected with the work such as Registrars to the Issue, Bankers to the Issue and the Refund Banker. BRLMs shall be responsible for ensuring that these agencies fulfil their functions and enable him to discharge this responsibility through suitable agreements with the Issuer.</p>	BOBCAPS, LSI	LSI

Monitoring Agency

There is no requirement for a monitoring agency to be appointed for the Issue in terms of Regulation 16(1) of the SEBI (ICDR) Regulations. As required under the listing agreements with the Stock Exchanges, the Audit Committee appointed by our Board of Directors will monitor the utilization of the Issue proceeds. We will disclose the utilization of the proceeds of the Issue, including interim use, under a separate head in our quarterly financial disclosures and annual audited financial statements until the Issue proceeds remain unutilized, to the extent required under the applicable law and regulation.

Expert Opinion

Except as disclosed in this Draft Red Herring Prospectus and the report of [●] in respect of the IPO grading of this Issue and the reports of the Statutory Auditors of our Company on the restated financial statements and Statement of Tax Benefits, included in this Draft Red Herring Prospectus, our Company has not obtained any expert opinions.

Public Announcement pursuant to filing of the DRHP

In accordance with the provisions of SEBI (ICDR) Regulations, pursuant to the filing of this DRHP with SEBI, our Company shall on the next day, make a public announcement in an English national newspaper, a Hindi national newspaper and in one regional newspaper, each with wide circulation. This public announcement, subject to the provisions of section 60 of the Companies Act, shall invite public to give their comments to SEBI and the BRLMs in respect of disclosures made in this DRHP.

Book Building Process

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of this Draft Red Herring Prospectus within the Price Band. The Issue Price is finalized after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Managers;
- Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters. The Syndicate Members are appointed by the Book Running Lead Managers;
- Registrar to the Issue;
- Escrow Collection Banks; and
- Self Certified Syndicate Banks;

The Issue is being made under sub-regulation 1 of Regulation 26 of the SEBI (ICDR) Regulations, and through the Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs. Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

In accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall be not less than 1,000.

Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange and in accordance with applicable laws, rules, regulations and guidelines, subject to valid Bids being received at or above the Issue Price. For further details, please refer to the chapter titled “*Issue Procedure*” beginning on page 213 of this Draft Red Herring Prospectus.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 all non - retail Investors i.e. QIBs and Non Institutional Investors are mandatorily required to utilise the ASBA facility to submit their Bids and participate in this Issue. For further details please refer to the chapter titled “*Issue Procedure*” beginning on page 213 of this Draft Red Herring Prospectus. Attention of all QIBs is specifically drawn to the fact that all QIBs are required to pay the entire Bid Amount at the time of the submission of the Bid cum Application Form. Further, allocation to QIBs will be on a proportionate basis. For further details, refer to the chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 207 and 213 respectively of this Draft Red Herring Prospectus.

Our Company shall comply with the SEBI (ICDR) Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed BOB Capital Markets Limited and LSI Financial Services Private Limited as the Book Running Lead Managers to manage the Issue and procure subscriptions to the Issue.

The process of Book Building under the SEBI (ICDR) Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

Illustration of Book Building and Price Discovery Process *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)*

Bidders can bid at any price within the price band. For instance, assuming a price band of ₹40 to ₹48 per share, issue size of 6,000 equity shares and receipt of nine bids from bidders, details of which are shown in the table below, the illustrative book would be as 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 company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	48	500	8.33%
700	47	1,200	20.00%
1,000	46	2,200	36.67%
400	45	2,600	43.33%
500	44	3,100	51.67%
200	43	3,300	55.00%
2,700	42	6,000	100.00%
800	41	6,800	113.33%
1,200	40	8,000	133.33%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired quantum of shares is the price at which the book cuts off i.e. ₹42 in the above example. The Issuer, in consultation with the BRLMs will finalize the issue price at or below such cut-off price i.e. at or below ₹42. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in respective category.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see “*Issue Procedure - Who Can Bid?*” beginning on page 216 of this Draft Red Herring Prospectus);
2. Ensure that you have a dematerialized account and the dematerialized account details are correctly mentioned in the Bid cum Application Form;
3. Ensure that you have mentioned your PAN in Bid cum Application Form or ASBA Form (see “*Issue Procedure – PAN*” beginning on page 240 of this Draft Red Herring Prospectus). Bidders are specifically requested not to submit their GIR number instead of the PAN as the Bid is liable to be rejected on this ground;
4. Ensure that the Bid cum Application Form/ASBA Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and submitted to SCSBs;
5. Ensure the correctness of your demographic details (as defined in the “*Issue Procedure - Bidders PAN, Depository Account and Bank Account Details*” beginning on page 235 of this Draft Red Herring Prospectus) given in the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be, with the details recorded with your Depository Participant; and
6. Bids by ASBA Bidders will have to be submitted to the Designated Branches of the SCSBs or Members of the Syndicate (at ASBA Bidding Locations). ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSBs to ensure that the ASBA Bid cum Application Form is not rejected.

Withdrawal of the Issue

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment of the Equity Shares. In such an event, a public notice would be issued in the newspapers. The public notice shall be issued in the same newspapers in which the pre-issue advertisement were

published, within two(2) days of the Bid/issue Closing Date providing reasons for not proceeding with the Issue. The BRLMs, 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. The Stock Exchanges where the specified securities were proposed to be listed shall also be informed promptly. If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determines that it will proceed with an initial public issue of its Equity Shares, it shall file a fresh draft red herring prospectus with the 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 after it is filed with the RoC.

In terms of the SEBI (ICDR) Regulations, QIB Bidders shall not be allowed to withdraw their Bid after the QIB Bid / Issue Closing Date.

Bid/Issue Period

BID/ISSUE OPENS ON	[●]
BID / ISSUE CLOSES (EXCEPT FOR QIB BIDDERS) ON	[●]
BID / ISSUE CLOSES (FOR QIB BIDDERS) ON	[●]

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 as mentioned above at the bidding centers mentioned on the Bid cum Application Form or in case of bids submitted through ASBA, the designated branches of the SCSBs except that on the Bid/ Issue Closing Date, Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). On the Bid/Issue Closing Date, Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders, Non- Institutional Bidders and (ii) until 5.00 p.m. or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders. It is clarified that Bids not uploaded in the book, would be rejected. Bids will be accepted only from Monday to Friday (excluding any public holiday). Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the Stock Exchanges.

The Registrar to the Issue shall only look at the data entered in the electronic records and will not conduct any verification of data in the electronic book vis a vis the data contained in any physical Bid Cum Application Form for a particular Bidder.

Due to limitation of 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 the times mentioned above on the Bid/Issue Closing Date. All times are Indian Standard Time. 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 issues, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. If such Bids are not uploaded, the Issuer, BRLMs and Syndicate Members will not be responsible. Bids will be accepted only on Working Days.

In case of discrepancy of data between the Stock Exchanges and the Designated Branches of the SCSBs, the decision of the Registrar to the Issue, in consultation with the BRLMs, our Company and the Designated Stock Exchange, based on the physical/electronic records, as the case may be, of the ASBA Bid cum Application Forms shall be final and binding on all concerned. Further, the Registrar to the Issue may ask for rectified data from the SCSBs.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids submitted by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of time period for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges within half an hour of such closure.

Our Company reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI (ICDR) Regulations provided that the Cap Price is less than or equal to 120% of the Floor Price. The Floor Price can be revised up or down to a maximum of 20% of the Floor Price advertised at least one day before the Bid /Issue Opening Date.

In case of revision of the Price Band, the Issue Period will be extended for three additional Business Days after revision of the Price Band subject to the total Bid /Issue Period not exceeding 10 Business Days. Any revision in the Price Band and

the revised Bid/Issue, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release and also by indicating the changes on the web sites of the BRLMs and at the terminals of the Syndicate. Further, the SCSBs shall also be notified by the BRLMs, through the Registrar to the Issue, of any such revision.

Underwriting Agreement

After the determination of the Issue Price but prior to filing of the Prospectus with the ROC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and not joint, and are subject to certain conditions as specified in such agreement.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

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

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Lakhs)
[•]	[•]	[•]
[•]	[•]	[•]
Total	[•]	[•]

The above-mentioned amount is an indicative underwriting and would be finalized after pricing and actual allocation. The above underwriting agreement is dated [•]. In the opinion of the Board of Directors of our Company (based on a certificate given by the Underwriters), the resources of all the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI and are eligible to underwrite as per applicable guidelines.

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the BRLMs and the Syndicate Members shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default, the respective underwriter in addition to other obligations to be defined in the Underwriting Agreement, will also be required to procure/subscribe to the extent of the defaulted amount. For further details about allocation please refer to the section titled “Other Regulatory and Statutory Disclosures” beginning on page 197 of this Draft Red Herring Prospectus.

CAPITAL STRUCTURE

The capital structure of our Company as on the date of filing of this Draft Red Herring Prospectus with SEBI is as set forth below:

	Equity Share Capital as on the date of filing of this Draft Red Herring Prospectus	Amount in ₹	
		Aggregate value at nominal value	Aggregate value at Issue Price
A.	Authorised Capital		
	1,50,00,000 Equity Shares of ₹10 each	15,00,00,000	
B.	Issued, Subscribed and Paid-Up Capital before the Issue		
	67,00,000 Equity Shares of ₹10 each	6,70,00,000	
C.	Present Issue in terms of this Draft Red Herring Prospectus		
	Public Issue of [●] Equity Shares of ₹10 each	[●]	[●]
	<i>Of which:</i>		
	QIB Portion of upto [●] Equity Shares*	[●]	
	Non-Institutional portion of not less than [●] Equity Shares	[●]	
	Retail Portion of not less than [●] Equity Shares	[●]	
D.	Issued, Subscribed and Paid-Up Capital after the Issue		
	[●] Equity Shares of ₹10 each		[●]
E.	Securities Premium Account		
	Before the Issue	42,24,79,750	
	After the Issue ⁽¹⁾		[●]

⁽¹⁾The securities premium account after the Issue will be determined after Book Building Process.

* Allocation to QIBs is proportionate as per the terms of this Draft Red Herring Prospectus. 5% of the QIB Portion shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion.

This Issue of [●] equity shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated November 04, 2011 and by a special resolution passed under Section 81 (1A) of the Companies Act, 1956 at the Extra Ordinary General Meeting of the members held on November 30, 2011.

Details of Increase in Authorised Equity Share Capital since incorporation

Sr. No.	Particulars of increase/change	Cumulative number of Equity Shares	Cumulative authorised capital	Date of shareholders' meeting	AGM/ EGM
1.	Incorporation	10,00,000	1,00,00,000	21-Dec-1995	
2.	Increase from ₹100 lac to ₹400 lac	40,00,000	4,00,00,000	06-Mar-1998	EGM
3.	Increase from ₹400 lac to ₹750 lac	75,00,000	7,50,00,000	26-Nov-1998	EGM
4.	Increase from ₹750 lac to ₹1,000 lac	1,00,00,000	10,00,00,000	23-Oct-1999	EGM
5.	Increase From ₹1,000 lac To ₹1,100 lac	1,10,00,000	11,00,00,000	02-Feb-2000	EGM
6.	Increase From ₹1,100 lac To ₹1,500 lac	1,50,00,000	15,00,00,000	01-July-2005	AGM

Notes to the Capital Structure

1. Equity Share capital history of our Company

Date of Allotment	No. of Equity Shares	Cumulative number of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of payment / consideration	Nature of Allotment	Cumulative Paid -up Capital (₹)	Cumulative security premium (₹)
21-Dec-1995	700	700	10	10	Cash	Subscribers to Memorandum	7,000	NIL
16-Dec-1998	39,99,300	40,00,000	10	10	Cash	Allotment to Promoters, Promoter Group and Others	4,00,00,000	NIL
29-Mar-1999	18,00,000	58,00,000	10	10	Cash	Allotment to Others	5,80,00,000	NIL
22-Jun-1999	17,00,000	75,00,000	10	10	Cash	Allotment to Others	7,50,00,000	NIL
29-Feb-2000	35,00,000	1,10,00,000	10	10	Cash	Allotment to Promoter Group and Others	11,00,00,000	NIL
19-Aug-2006	38,84,000	38,84,000	10	10	Other than Cash	Scheme of Amalgamation*	3,88,40,000	NIL
19-Aug-2006	5,40,162	44,24,162	10	10	Other than Cash	Scheme of Amalgamation**	4,42,41,620	NIL
26-Aug-2006	10,00,000	54,24,162	10	135	Cash	Allotment to Promoter Group	5,42,41,620	12,50,00,000
26-Dec-2007	15,838	54,40,000	10	135	Cash	Allotment to Promoter	5,44,00,000	12,69,79,750
31-Mar-2008	60,000	55,00,000	10	135	Cash	Allotment to Promoter	5,50,00,000	13,44,79,750
31-Mar-2008	12,00,000	67,00,000	10	250	Cash	Allotment to Promoter Group and Others	6,70,00,000	42,24,79,750

*Pursuant to a Scheme of Amalgamation under the provisions of Sections 391(2) & 394 of the Companies Act, 1956 as approved by the Hon'able High Court of Calcutta, the existing paid up capital of the Company was reduced from ₹11,00,00,000 divided into 1,10,00,000 equity shares of ₹10 each into 1,10,00,000 equity shares of ₹4 each and, thereafter, each 5 equity shares paid up to the extent of ₹4 each were consolidated into 2 equity shares of ₹10 each. Pursuant to the scheme, shareholding of Neelgiri Commercial Private Limited and Sigma Dealcom Private Limited was cancelled as these companies were merged with our Company vide order of even date.

**Pursuant to a scheme of Amalgamation under the provisions of Sections 391(2) & 394 of the Companies Act, 1956 as approved by the Hon'able High Court of Calcutta, Neelgiri Commercial Private Limited and Sigma Dealcom Private Limited were amalgamated into our Company. 5,40,162 equity shares of our Company were allotted to the shareholders of Neelgiri Commercial Private Limited and Sigma Dealcom Private Limited against their respective shareholding in these companies. The shareholding of Neelgiri Commercial Private Limited in Sigma Dealcom Private Limited was cancelled as these companies merged with our Company vide order of even date.

Except as stated above our Company has not issued any Equity Share for consideration other than cash. Further, except as disclosed below, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 391(2) and 394 of the Companies Act, 1956. No bonus shares have been issued by capitalizing any revaluation reserve. Our Company has not made any issue of Equity Shares during the preceding one year from the date of this Draft Red Herring Prospectus at a price lower than the Issue Price.

2. Equity Shares issued for consideration other than cash.

Save and except as mentioned below, our Company has not issued any shares for considerations other than Cash:

Person To Whom Issued	No. of Shares Issued	Price (₹)	Whether Any Benefits Have Accrued To The Company Out Of The Issue
Allotment of 5,40,162 equity shares of our Company of face value ₹10 each at par pursuant to order of the High Court of Judicature at Calcutta dated May 10, 2006, wherein the scheme of amalgamation of M/s Sigma Dealcom Private Limited and M/s Neelgiri Commercial Private Limited ("Transferor Companies") with our Company was approved. The allotment was made on August 19, 2006			
Madhya Tradelink Private Limited	219,150	-	Acquisition of the business of the Transferor Company as going concerns by our Company
Mrs. Swati Bhalotia	135,000	-	
Mrs. Kavita Kadia	95,400	-	
Mrs. Madhu Devi Jajodia	36,600	-	
Hemangi Plastics Private Limited	12,000	-	
Sakuntala Distributors Private Limited	12,000	-	
Glyoxal Vyapaar Private Limited	12,000	-	
Blueriver Commodeal Private Limited	12,000	-	
Ulike Stocks & Securities Private Limited	3,480	-	
Annapurna Finance & Investment Private Limited	2,400	-	
Mr. Rajesh Kumar Jajodia	60	-	
Mr. Mohan Lal Agarwal	60	-	
Mr. Navin Kumar Jain	6	-	
Mr. Chandra Bhushan Thakur	6	-	

For further information with regard to the aforementioned scheme please refer to the chapter titled "History and Other Corporate Matters" beginning on page 106 of this Draft Red Herring Prospectus.

- Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company presently do not have any intention or proposal to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise. However, if we go in for acquisition or joint venture, we may consider raising additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
- Details of Build up, Contribution and Lock-In of Promoters and Promoter Group

(a) Capital built up of Promoters as on date of filing of this Draft Red Herring Prospectus with SEBI

Name of the Promoters	Date of Allotment/ acquisition/ transaction and when made fully paid up	Nature of acquisition (Allotment/transfer)	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue/transfer price per Equity Share (in ₹)	% of pre-Issue share capital	% of post-Issue share capital
Mr. Bhanwar Lal Jajodia (A)	21-Dec-1995	Subscriber to Memorandum	100	10	10	-	-
	16-Dec-1998	Allotment	2,20,300	10	10	-	-
	31-Aug-2001	Transfer	200	10	10	-	--
	31-Mar-2003	Transfer	100	10	10	-	-
	Total		2,20,700*	*Reduced to 88,280 equity shares of ₹10 each consequent to a Scheme of Amalgamation approved by the High Court of Calcutta vide order dated 10-May-2006			

	19-Aug-2006	Pursuant to Scheme	88,280	10	-	-	[•]
	26-Dec-2007	Allotment	15,838	10	135	-	[•]
	31-Mar-2008	Allotment	60,000	10	135	-	[•]
	22-Dec-2008	Transfer	72,000	10	125	-	[•]
	02-Feb-2009	Transfer	94,400	10	125	-	[•]
	31-Mar-2010	Transfer	1,63,000	10	75	-	[•]
Total (A)			4,93,518			7.37	[•]
Mrs. Madhu Devi Jajodia (B)	21-Dec-1995	Subscriber to Memorandum	100	10	10	-	
	16-Dec-1998	Allotment	85,500	10	10	-	-
	11-Mar-2004	Transfer	49,000	10	0	-	-
	Total		1,34,600*	*Reduced to 53,840 equity shares of ₹10 each consequent to a Scheme of Amalgamation approved by the High Court of Calcutta vide order dated 10-May-2006			
	19-Aug-2006	Pursuant to Scheme	53,840	10	-	-	[•]
	19-Aug-2006	Allotment pursuant to Scheme	36,600	10	-	-	[•]
	31-Mar-2010	Transfer	1,50,000	10	75	-	[•]
	25-Sep-2010	Transfer	1,14,300	10	250	-	[•]
Total (B)			3,54,740			5.29	[•]
Mr. Mahendra Kumar Jajodia (C)	21-Dec-1995	Subscriber to Memorandum	100	10	10	-	-
	Total		100*	*Reduced to 40 equity shares of ₹10 each consequent to a Scheme of Amalgamation approved by the High Court of Calcutta vide order dated 10-May-2006			
	19-Aug-2006	Pursuant to Scheme	40	10	-	-	[•]
	31-Mar-2010	Transfer	1,63,000	10	75	-	[•]
	25-Sep-2010	Transfer	1,14,300	10	250	-	[•]
Total (C)			2,77,340			4.14	[•]
Mrs. Sangita Jajodia (D)	31-Mar-2010	Transfer	1,50,000	10	75	-	[•]
	25-Sep-2010	Transfer	43,000	10	250	-	[•]
	04-Nov-2011	Transfer	37,500	10	300	-	[•]
Total (D)			2,30,500			3.44	[•]
Mr. Bajrang Jajodia (E)	31-Mar-2010	Transfer	1,50,000	10	75	-	[•]
	25-Sep-2010	Transfer	77,200	10	250	-	[•]
Total (E)			2,27,200			3.39	[•]
Mrs. Pooja Jajodia (F)	31-Mar-2010	Transfer	1,50,000	10	75	-	[•]
	25-Sep-2010	Transfer	43,000	10	250	-	[•]
Total (F)			1,93,000			2.88	[•]
Ms. Ankita Jajodia (G)	31-Mar-2008	Transfer	6,15,150	10	0	-	[•]
	31-Mar-2010	Transfer	1,50,000	10	75	-	[•]
	25-Sept-2010	Transfer	74,300	10	250	-	[•]
Total (G)			8,39,450			12.53	[•]
Total of (A) + (B) + (C) + (D) + (E) + (F) + (G)			26,15,748			39.04	[•]

(b) Details of Promoters contribution locked in for three years.

In terms of Regulation 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the post Issue shareholding of the Promoters shall be locked in for a period of three years from the date of allotment in the Issue. Further our Promoters have given their written consent for including the following Equity Shares as a part of Promoter's contribution. The details of such lock in are set forth in the table below:

Sr. No.	Allotment/ Transfer	Date of allotment/ transfer	Number of Equity Shares	Issue/ acquisition price per Equity Share (₹)	Nature of transaction (cash/ other than cash)	Consideration (₹)	% of post- Issue Capital
Mr. Bhanwar Lal Jajodia							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	TOTAL (A)		[•]	[•]	[•]	[•]	[•]
Mrs. Madhu Devi Jajodia							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	TOTAL (B)		[•]	[•]	[•]	[•]	[•]
Mr. Mahendra Kumar Jajodia							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	TOTAL (C)		[•]	[•]	[•]	[•]	[•]
Mrs. Sangita Jajodia							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	TOTAL (D)		[•]	[•]	[•]	[•]	[•]
Mr. Bajrang Jajodia							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	TOTAL (E)		[•]	[•]	[•]	[•]	[•]
Mrs. Pooja Jajodia							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	TOTAL (F)		[•]	[•]	[•]	[•]	[•]
Ms. Ankita Jajodia							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	TOTAL (G)		[•]	[•]	[•]	[•]	[•]
TOTAL (A + B + C+E+F+G)			[•]	[•]	[•]	[•]	[•]

- i. In terms of SEBI (ICDR) Regulations, in addition to the lock-in of 20% of the post-issue shareholding of the promoters for three years, the balance pre issue share capital of our Company shall be locked-in for a period of one year from the date of Allotment in the Issue.
- ii. The Equity Shares offered by the Promoters for the three years' lock-in are not pledged and are in compliance with Regulation 33(1) of SEBI (ICDR) Regulations
- iii. The Equity Shares that are being locked-in are not ineligible for computation of minimum Promoters's contribution under Regulation 33 of the SEBI (ICDR) Regulations. In this regard, the Company confirms that the Equity Shares being locked-in do not consist of:
 - a. Equity Shares acquired during the preceding three years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets or (b) arising from bonus issue by utilization of revaluation reserves or unrealized profits of the Company or from a bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters contribution;
 - b. Equity Shares acquired by the Promoters during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;
 - c. Equity Shares issued to the Promoters upon conversion of a partnership firm during preceeding one year;
 - d. Equity Shares held by Promoters pledged with any creditor; and
 - e. Any private placement made by solicitation of subscription from unrelated persons, either directly or indirectly, through any intermediary.
- iv. In terms of Regulation 39 of SEBI (ICDR) Regulations, locked-in Equity Shares held by the Promoters can be pledged with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the condition that (i) if the equity shares are locked-in, in terms of clause (a) of Regulation 36, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and pledge of equity shares is one of the terms of sanction of loan; and (ii) if the equity shares are locked-in, in terms of clause (b) of Regulation 36, and the pledge of equity shares is one of the terms of sanction of the loan. The Company is in compliance of this Regulation 39 of the SEBI (ICDR) Regulations.

- v. In terms of Regulation 40 of SEBI (ICDR) Regulations, Equity Shares held by the Promoters and locked-in as per Regulation 36, may be transferred to and amongst the Promoters/ Promoter Group or to a new Promoters or persons in control of the Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeover Regulations), 2011 as applicable. Further, in terms of Regulation 40 of the SEBI (ICDR) Regulations and in compliance with SEBI (Substantial Acquisition of Shares and Takeover Regulations), 2011, Equity Shares held by persons other than the Promoters which are locked-in as per Regulation 37 of SEBI (ICDR) Regulations, may be transferred to any other person holding the Equity Shares which are locked-in along with the Equity Shares proposed to be transferred subject to continuation of the lock-in in the hands of the transferees for the remaining period and provided further that such transferee shall not be eligible to transfer the said Equity Shares till the lock in period stipulated has expired.

(c) 1 Year lock-in

In terms of Regulation 36 of the SEBI (ICDR) Regulations, in addition to the lock-in of 20 % of the post issue capital of promoters for three years, as specified above, the balance pre-issue Equity Share capital of our Company will be locked in for a period of one year from the date Allotment in the Issue.

6. The Aggregate Shareholding of our Promoters and Promoter Group as on the date of filing of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name	No of Equity Shares	% of Pre - Issue Equity Share Capital
Promoters:			
1	Mr. Bhanwar Lal Jajodia	493,518	7.37
2	Mrs. Madhu Devi Jajodia	354,740	5.29
3	Mr. Mahendra Kumar Jajodia	277,340	4.14
4	Mrs. Sangita Jajodia	230,500	3.44
5	Mr. Bajrang Jajodia	227,200	3.39
6	Mrs. Pooja Jajodia	193,000	2.88
7	Ms. Ankita Jajodia	839,450	12.53
Sub-Total		26,15,748	39.04
Promoter Group:			
8	Mrs. Prity Agarwal	901,840	13.46
9	Mrs. Kavita Kedia	975,012	14.55
10	Mrs. Swati Bhalotia	813,520	12.14
11	Madan Lal Jajodia (HUF)	178,600	2.67
12	Bhanwar Lal Jajodia (HUF)	178,600	2.67
13	Mahendra Kumar Jajodia (HUF)	184,300	2.75
14	Bajrang Jajodia (HUF)	178,600	2.67
15	Mr. Kunal Jajodia	391,630	5.85
16	Mr. Akshat Jajodia	282,150	4.21
Sub-Total		40,84,252	60.96
TOTAL		6,700,000	100.00

7. Shareholding pattern of our Company as per Clause 35 of the Equity Listing Agreement as on the date of filing this Draft Red Herring Prospectus:

Category code	Category of Shareholder	No of Share holders	Total no of shares	No of shares held in dematerialized form	Total shareholding as a % of total no of shares		Shares Pledged or otherwise encumbered	
					As a % of(A+B)	As a % of (A+B+C)	No of shares	As a %
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	16	67,00,000	65,21,400	100.00	100.00	0	0
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0
(d)	Financial Institutions/ Banks	0	0	0	0	0	0	0
(e)	Any Others(Specify)	0	0	0	0	0	0	0
	Sub Total(A)(1)	16	67,00,000	65,21,400	100.00	100.00	0	0
2	Foreign							
A	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0	0	0	0
B	Bodies Corporate	0	0	0	0	0	0	0
C	Institutions	0	0	0	0	0	0	0
D	Any Others(Specify)	0	0	0	0	0	0	0
	Sub Total(A)(2)	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	16	67,00,000	65,21,400	100.00	100.00	0	0
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI	0	0	0	0	0	0	0
(b)	Financial Institutions / Banks	0	0	0	0	0	0	0
(c)	Central Government/ State Government(s)	0	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0
(h)	Any Other (specify)	0	0	0	0	0	0	0
	Sub-Total (B)(1)	0	0	0	0	0	0	0
B 2	Non-institutions							
(a)	Bodies Corporate	0	0	0	0	0	0	0
(b)	Individuals	0	0	0	0	0	0	0
I	Individuals -i. Individual shareholders holding nominal share capital upto ₹1 lakh	0	0	0	0	0	0	0
II	ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh.	0	0	0	0	0	0	0
(c)	Any Other (specify)	0	0	0	0	0	0	0
(c-i)	Employees	0	0	0	0	0	0	0
	Sub-Total (B)(2)	0	0	0	0	0	0	0
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	0	0	0	0	0	0	0
	TOTAL (A)+(B)	16	67,00,000	65,21,400	100.00	100.00	0	0
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	16	67,00,000	65,21,400	100.00	100.00	0	0

8. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum Allotment lot and multiple of one share thereafter, while finalising the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in for a period of 3 years.

9. Equity shares held by the Top Ten Share Holders

(a) Particulars of the top ten shareholders as on the date of filing this Draft Red Herring Prospectus with SEBI

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-up Capital
1.	Mrs. Kavita Kedia	9,75,012	14.55
2.	Mrs. Prity Agarwal	9,01,840	13.46
3.	Ms. Ankita Jajodia	8,39,450	12.53
4.	Mrs. Swati Bhalotia	8,13,520	12.14
5.	Mr. Bhanwar Lal Jajodia	4,93,518	7.37
6.	Mr. Kunal Jajodia	3,91,630	5.85
7.	Mrs. Madhu Devi Jajodia	3,54,740	5.29
8.	Mr. Akshat Jajodia	2,82,150	4.21
9.	Mr. Mahendra Kumar Jajodia	2,77,340	4.14
10.	Mrs. Sangita Jajodia	2,30,500	3.44
	Total	55,59,700	82.98

(b) Particulars of top ten shareholders ten days prior to the date of filing this Draft Red Herring Prospectus with SEBI.

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-up Capital
1.	Mrs. Kavita Kedia	9,75,012	14.55
2.	Mrs. Prity Agarwal	9,01,840	13.46
3.	Ms. Ankita Jajodia	8,39,450	12.53
4.	Mrs. Swati Bhalotia	8,13,520	12.14
5.	Mr. Bhanwar Lal Jajodia	4,93,518	7.37
6.	Mr. Kunal Jajodia	3,91,630	5.85
7.	Mrs. Madhu Devi Jajodia	3,54,740	5.29
8.	Mr. Akshat Jajodia	2,82,150	4.21
9.	Mr. Mahendra Kumar Jajodia	2,77,340	4.14
10.	Mrs. Sangita Jajodia	2,30,500	3.44
	Total	55,59,700	82.98

(c) Particulars of the top ten shareholders two years prior to the date of filing of this Draft Red Herring Prospectus with SEBI.

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-up Capital
1.	UIC Finance Private Limited	23,60,000	35.22
2.	Anisha Estate & Finance Private Limited	10,33,600	15.43
3.	Mrs. Swati Bhalotia	8,13,520	12.14
4.	Mrs. Kavita Kadia	7,75,412	11.57
5.	Ms. Ankita Jajodia	6,15,150	9.18
6.	Mrs. Prity Agarwal	5,01,840	7.49
7.	Mr. Bhanwar Lal Jajodia	3,30,518	4.93
8.	Mr. Mayank Agarwal	1,79,480	2.68
9.	Mrs. Madhu Devi Jajodia	90,440	1.35
10.	Mr. Mahendra Kumar Jajodia	40	0.00
	Total	67,00,000	100.00

10. The Equity Shares, which are subjected to lock-in, shall carry the inscription “non-transferable” along with the specified duration and in respect of demat shares, the non transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchanges before the listing of the Equity Shares.
11. Our Company, our Promoters, Promoter Group, our Directors and the BRLMs have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
12. Except as stated below, there are no transactions in our Equity Shares, which have been purchased/ (sold) by our Promoters, persons in Promoter group and their immediate relatives (as defined under sub-clause ii of clause (zc) sub-regulation (1) Regulation 2 of the SEBI (ICDR) Regulations, 2009) or the Directors of our Company during the six months preceding the date of filing Draft Red Herring Prospectus with SEBI,

Transferor	Transferee	Date of Transfer	Number of Shares	Price per share (₹)
Mayank Agarwal (HUF)	Mrs. Prity Agarwal	November 04, 2011	1,50,000	Gift
Mayank Agarwal (HUF)	Mrs. Sangita Jajodia	November 04, 2011	37,500	300
Mayank Agarwal	Mr. Kunal Jajodia	November 04, 2011	2,59,480	Gift
Mayank Agarwal	Mr. Akshat Jajodia	November 04, 2011	1,50,000	Gift

13. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI.
14. This issue is being made through Book Building Process wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, 5% of the QIB Portion shall be reserved for Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion of the QIB Portion will also be eligible for allocation in the remaining QIB Portion. Under subscription, if any, in the Mutual Funds portion will be met by a spillover from the QIB Portion and be allotted proportionately to the QIB Bidders. Further, not less than 15% of Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
15. Under-subscription, in any category, would be met with spill over from any other categories or combination of categories at the discretion of our Company in consultation with the BRLMs and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
16. Since the entire issue price per share is being called up on application, all the successful applicants will be allotted fully paid up shares.
17. As on the date of filing this Draft Red Herring Prospectus, the entire issued capital of our Company is fully paid up.
18. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed.
19. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any Equity Shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
20. As on date of filing of this Draft Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments which would entitle the Promoters or shareholder or any other person any option to acquire our Equity Shares.
21. There shall be only one denomination of Equity Shares of our Company at any given time, unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.
22. A Bidder cannot make a Bid for more than the number of Equity Shares offered to the public through the Issue, subject to maximum limit of investment prescribed under relevant laws applicable to each category of investors.
23. Our Company has sixteen members as on the date of this Draft Red Herring Prospectus.

24. Our Company has not made any public or rights issue of any class or kinds of securities since its incorporation.
25. No payment, direct or indirect, in the nature of discount, allowance, commission or otherwise, shall be made either by us or our Promoters to the persons who receives Allotments, if any, in the Issue.
26. Our BRLMs and its associates do not hold any Equity Shares in our Company as on the date of filing this Draft Red Herring Prospectus.

OBJECTS OF THE ISSUE

The objects of the Issue are to finance our growth plans and to achieve the benefits of listing on Stock Exchanges. Our Company believes that listing of equity shares on the stock exchanges will enhance the corporate image and brand name.

Our Company intends to utilize the Issue proceeds for Setting up a facility for manufacture of steel wires and wire products at Bharuch, Gujarat

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through this Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Requirement of Funds

The details of the requirement of funds are summarized in the table below:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1.	Setting up a facility for manufacture of steel wires and wire products at Bharuch, Gujarat	50,800
	Total	50,800

Means of Finance

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1	Initial Public Issue	10,800
2.	Term Loan	
	A) Bank of Baroda vide sanction letter dated December 12, 2011	10,000
	B) Dena Bank vide sanction letter dated February 03, 2012	7,500
	C) Axis Bank vide sanction letter dated December 16, 2011	6,000
	D) State Bank of Hyderabad vide sanction letter dated February 04, 2012	5,000
	E) DBS Bank vide agreement dated May 20, 2011	4,505
	F) Term Loan yet to be tied up	2,495
3.	Internal Accruals	4,500
	Total	50,800

As per our audited financial statements, internal accruals for the FY ended 2011 and for the six months period ended September 30, 2011 are ₹1,272.81 lakhs and ₹636.22 lakhs respectively as certified by our Statutory Auditors M/s Chhaparia & Associates, Chartered Accountants vide their certificate dated February 24, 2012

We confirm that firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the proposed Issue, have been made.

The assessment of fund requirement is based on the Appraisal Report of LSI Financial Services Private Limited dated August 2011. The actual costs would depend upon the negotiated prices with the suppliers/contractors and may vary from the above estimates. Our business, by its very nature, is dynamic and competitive in nature and thus may necessitate changes in our business plan to avail of new opportunities be made keeping in mind investor's interest.

In case of shortfall in the Issue proceeds or debt to meet the aforesaid objects of the Issue, we propose to meet the same through our internal accruals, debt or equity..

No part of the Issue proceeds is currently intended to be paid as consideration to our Promoters, Directors or Entities Promoted by our Promoters.

APPRAISAL

LSI Financial Services Private Limited were appointed as Exclusive Arranger to approach lenders to avail debt financing for the Proposed Project at Bharuch, Gujarat. LSI Financial Services Private Limited conducted a Techno Economic Feasibility Report (Appraisal) dated August 2011 in respect of the proposed project and approached the lenders for debt financing. Based on the discussions with the Company, LSI has vide its letter dated February 15, 2012 intimated the revised schedule of implementation for the proposed manufacturing facility at Jhagadia Industrial Estate in Bharuch, Gujarat.

Funding Arrangement

The total funds required for the objects of the Issue are ₹50,800 lakhs. 75% of the total funds required, excluding funds to be raised through the Issue have been arranged as indicated in the Table below:

(₹ in lakhs)

Funds required for Objects of the Issue	50,800.00
Funding through IPO	10,800.00
Funds required excluding the Issue	40,000.00
75% of the above	30,000.00
Arrangements	
Funded through internal accrual	1,384.25
Funded through third party debt ⁽¹⁾	
<i>Loan Agreement</i>	4,505.00
<i>Sanction letters</i>	28,500.00
Total Debt	33,005.00
Grand Total	34,389.25

⁽¹⁾ For details, see “Details of funding through third party debt” below.

Details of funding through third party debt

Following are the details of loans/sanction letters from banks and financial institutions availed in respect of the Proposed Project in Bharuch, Gujarat:

(₹ in lakhs)

Sr. No.	Name of the Bank	Total sanctioned amount
1.	Bank of Baroda (sanction letter dated December 12, 2011) ⁽¹⁾	10,000
2.	Dena Bank (sanction letter dated February 03, 2012) ⁽²⁾	7,500
3.	Axis Bank (sanction letter dated December 16, 2011) ⁽³⁾	6,000
4.	State Bank of Hyderabad (sanction letter dated February 04, 2012) ⁽⁴⁾	5,000
5.	DBS Bank (agreement dated May 20, 2011) ⁽⁵⁾	4,505
	Total	33,005

⁽¹⁾Our Company has received sanctioned limit of ₹8,000 lakhs as Inland/Foreign Letter of Credit (as a sublimit of Term Loan) for the purpose of purchase (import/domestic) of capital equipment for the proposed project;

⁽²⁾Our Company has received sanctioned limit of ₹6,000 lakhs as Inland/Foreign Letter of Credit (as a sublimit of Term Loan) for the purpose of purchase (import/domestic) of capital equipment for the proposed project;

⁽³⁾Our Company has received sanctioned limit of ₹5,000 lakhs as Inland/Foreign Letter of Credit (as a sublimit of Term Loan) for the purpose of purchase (import/domestic) of capital equipment for the proposed project;

⁽⁴⁾Our Company has received sanctioned limit of ₹5,000 lakhs as Inland/Foreign Letter of Credit (as a sublimit of Term Loan) for the purpose of purchase (import/domestic) of capital equipment for the proposed project;

⁽⁵⁾Our Company has received Foreign Currency Loan for USD 10 million from DBS Bank Limited, Singapore. Currency conversion rate for USD/INR is 45.05

Loan Agreements

For further details of the loan agreement, please refer to the chapter titled “Financial Indebtedness” beginning on page 176 of this Draft Red Herring Prospectus.

DETAILS OF THE PROJECT

SETTING UP A FACILITY FOR MANUFACTURE OF STEEL WIRES AND WIRE PRODUCTS AT BHARUCH, GUJARAT

Our Company is headquartered in Kolkata and has two facilities for manufacturing steel wires and wire products situated at Kalyani and Khanyan, West Bengal. Our steel wire manufacturing facility situated at Kalyani commenced commercial production for 40,000 MTPA in 2000 and the capacity was enhanced by 20,000 MTPA in 2002. Subsequently, our Khanyan unit commenced operation in 2010 with an installed capacity of 25,000 MTPA. The total installed capacity of our Company for manufacturing steel wire is 85,000 MTPA.

Our Company proposes to set up facility for manufacturing of steel wires and wire products with an installed capacity of 1,80,000 MTPA including Galvanizing capacity of 1,00,000 MTPA at Bharuch, Gujarat.

The details of the estimated costs as set out below are based on the project cost estimated by LSI Financial Services Private Limited in their appraisal report dated August 2011. There has been no revision in the project cost and the means of finance since the date of issue of the appraisal report issued by LSI Financial Services Private Limited. Following is the detailed break-up of cost involved in setting up of the proposed manufacturing facility unit, Bharuch, Gujarat as per the appraisal report:

(₹ in Lakhs)

Particulars	Amount estimated in LSI Appraisal Report
Land & Site Development	1,530
Building & Civil Works	3,690
Plant & Machinery	30,700
Utilities & Infrastructure	2,300
Miscellaneous Fixed Asset	2,000
Preliminary & Pre-operative Expenses	1,200
Interest during construction	2,600
Contingencies	1,935
Capex	46,000
Margin for Working Capital	4,800
Total Project Cost	50,800

Detailed Breakup of cost of Project

Land & Site Development

Our Company has taken land on lease aggregating to 95,178.86 Sq. Meters from Gujarat Industrial Development Corporation for the proposed project to manufacture steel wire and wire products. The total cost of the land and site development is estimated at ₹1,530 lakhs. Cost of land development includes land levelling cost, land filling cost and other incidental expenses and cost of boundary wall. For details on land acquisition please refer to paragraph titled “*Our Properties*” beginning on page 97 of this Draft Red Herring Prospectus.

Building and Civil Works

The estimated cost of the building and civil works is ₹3,690 lakhs as per the Appraisal Report and the details are given below:

Particulars	Estimated Cost (₹ in lakhs)
Construction of Main Shed	2,283
Pickling Shed	109
Cost of flooring main shed and Pickling Shed	795
Raw Material Shed	87
Admin Building	140
Guest House	90
Utility Building	100
Other Auxiliary Structure	86
TOTAL	3,690

We have not awarded any contract for construction of building/shed at the proposed site.

Plant and Machinery

1. Imported Plant and machinery

The estimated cost of imported plant and machinery is ₹20,348 as stated in the Appraisal Report as per the details given below:

Particulars	Qty	Estimated Cost (₹ in lakhs)
Pickling Plant	1	2,504
LRPC Strand Production Plant	1	3,436
Multipass Wire Drawing Line	1	2,260
Galvanizing Plant 50 lines with annealing & auto control	1	11,637
Wrapping machine	1	116
Wrapping & Compacting Machine	1	108
Buttwelding Machine	1	136
Pointing Machine	1	62
Internal Handling Machine	1	16
External Handling Machine	1	73
Total		20,348

2. Indigenous Plant and Machinery

The estimated cost of indigenous plant and machinery is ₹10,352 as stated in the Appraisal Report as per the details given below:

Particulars	Qty	Estimated Cost (₹ in lakhs)
Galvanizing Furnace Plant, 50 lines	1	5,879
Straight Line Wire Drawing	10	1,828
Stress Relieving Furnace 8 lines	1	1,235
Straightening Machine	5	115
Stranding Machine 7ply	4	348
Stranding Machine 3ply	3	131
Barbed Wire Machine		500
Other Auxiliary Machine and Foundation Cost		316
Total		10,352

Utilities & Infrastructure

The estimated cost of utilities and infrastructure is ₹2,300 lakhs as per the Appraisal Report and the details are given below:

Particulars	Estimated Cost (₹ in lakhs)
Cost of Electricals including Transformer	1,500
Fire Fighting Equipments and installation	100
LPG / CNG with installation	100
150 tonne Lead for Tank	179
60 tonne Zinc for Tank	86
Workers Barrack	100
Water Reservoir	50
Storage Tanker	24
Air Compressor	25
Water treatment plant	25
Pump sets	25
Drainage & Sewerage	50
Pipe Line & valves	4
Misc.	32
Total	2,300

Miscellaneous Fixed Assets

The cost of miscellaneous fixed assets is ₹2,000 lakhs as per the Appraisal Report and the details are given below:

Particulars	Estimated Cost (₹ in lakhs)
Pollution Control Equipments	600
Quality Control Equipments	112
Maintenance Equipments	112
DG sets	115
EOT Crane 10T	350
Flocar 8T	175
Chease Coilin 3T	50
Hydraulic Crane 10T	35
Weigh Bridge	35
Concrete Ramp	13
Scraper	60
Chimney	40
Die room Equipments	18
Spare Parts	60
Computer System	200
Other Misc. Items	25
	2,000

Our Company has already placed order for purchase of following indigenous plant & machinery/utilities & Infrastructure/miscellaneous fixed assets:

(₹ in Lakhs)

Sr. No.	Description	Qty	Contractor/Supplier	Date of Placing Order	Expected Date of Supply	Total Cost of Machinery*	Fund Deployed
1.	Galvanizing Furnace with 50 pay offs	1	Sree Ma Sarda Ores & Forgings India (P) Limited	June 13, 2011	February 2013	5,885	3,000
2.	Heavy Duty Wire Straightening Machine	5	M.K. Engineering Works	July 22, 2011	February 2013	115	600
3.	Take up with Gear Box for Stress Reliving Furnace	8	M.K. Engineering Works	July 22, 2011	February 2013	643	
4.	Stress Reliving Furnace	1	M.K. Engineering Works	July 22, 2011	February 2013	591	
5.	Tensile Testing Machine Relaxation Machine, Torsion Testing Machine		Arpan Enterprise	August 03, 2011	May 2013	111.82	60
6.	Drilling, Cutting, Welding & Milling Machine		Krishma Exports India Limited	August 30, 2011	May 2013	136.92	50
7.	Butt Welding, Ointing, Filter Press Machine		Shiv Udyog	August 03, 2011	April 2013	895.84	450
8.	Pre Fabricated Mill	1	Shree Ram Engineering & Casting	February 07, 2012	March 2013	1,338.82	600
Total						9,717.40	4,760.00

* Include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.

Note: The actual suppliers of the Plant and Machinery for which orders have not yet been placed, the corresponding type of plant and Machinery and the prices may differ depending upon conditions prevailing while placing the orders. We do not propose to purchase any second hand machinery in the proposed project. We have not yet placed any order for purchase of imported plant & machinery and other indigenous plant & machinery / utilities & Infrastructure / miscellaneous fixed assets.

Preliminary & Pre-operative Expenses

Preliminary & Pre-operative Expenses are estimated to be ₹1,200 lakhs for the proposed project and includes expenses related to Initial Public Offering (IPO), fees to be paid towards technical studies conducted by owner's engineer and lenders' independent engineer, legal expenses for fees payable to the lenders and owner's legal counsel, insurance advisor's fees, start up fuel, construction power, employees recruitment, training and salaries, appraisal fees, merchant banker's fees, upfront fees to lenders, advisors fees, etc.

Interest during construction

Interest during construction period has been worked out at ₹2,600 lakhs assuming 12.50% ROI and construction period of 6 quarters.

Contingency

Reasonable Contingencies provision at the rate of 5% of hard cost (excluding Land and Site development cost) has been considered amounting to ₹1,935 lakhs.

Margin for Working Capital

Margin money for Working Capital works out to ₹4,800 lakhs for the 1st year of operation of the proposed project. The assessment of working capital requirement as per the Appraisal Report is as under:

(₹ in lakhs)

Particulars	Estimated for the Project	
	Year 1	Year 2
Raw Material	2,050	2,489
Stores, Consumables & Packing Material	126	153
Work-in-Progress	4,319	5,499
Finished Goods	1,058	1,368
Receivables	16,184	21,324
Total	23,737	30,833
Less: Sundry Creditors	4,500	5,000
Working Capital Requirement (A)	19,237	25,833
Less: Margin Money (25% of A)	4,809	6,458
Rounded off	4,800	6,450

Schedule of Implementation

The detailed schedule of implementation as per the Appraiser for our Objects is as follows:

Sr. No.	Particulars	Commencement Date	Completion Date
1.	Land Acquisition	Completed	-
2.	Land Development	August 2012	October 2012
3.	Civil Work & Building construction	October 2012	June 2013
4.	Order for Plant & Machinery	June 2011	December 2012
5.	Delivery of Plant & Machinery	November 2012	May 2013
6.	Erection of Plant & Machinery	December 2012	August 2013
7.	Procurement of Miscellaneous Fixed Asset Utilities	August 2011	July 2013
8.	Utilities		
9.	Trial Run	August 2013	September 2013
10.	Commercial Production	October 2013	-

Estimated Schedule of Deployment of Funds

The year wise deployment of funds towards the overall cost of the proposal project is given below:

(₹ in Lakhs)

Sr. No.	Particulars	Total Fund Required	Amount incurred till February 11, 2012	Deployment in FY 2012 (After February 11, 2012)	Deployment in FY 2013	Deployment in FY 2014
1.	Setting up a new facility for manufacturing of steel wire and wire products	50,800	5,889.25	160.00	30,980.16	13,770.59

Deployment of Funds in the Project

We have incurred the following expenditure on the objects of the issue till February 11, 2012. The same has been certified by M/s Chhaparia & Associates, Chartered Accountant *vide* certificate dated February 13, 2012.

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1.	Land	620.18
2.	Interest Cost	224.46
3.	Loan Processing & Syndication Charges	208.74
4.	IPO Expenses	19.84
5.	Professional Charges	21.69
6.	Miscellaneous Expenses	9.07
7.	Advance towards Capital Goods	4,760.00
8.	Other Sundry Advances and Deposits	25.27
	Total	5,889.25

Till February 11, 2012, our Company has already invested ₹1,384.25 lakhs through internal accruals and ₹4,505.00 lakhs through Secured Loan from Bank/Financial Institute in the setting up facility for the manufacture of steel wires and wire products.

In order to complete the proposed project as per schedule of implementation, our Company has invested and will continue to invest out of its internal accruals. On completion of the public issue, the Company will plough back the money already spent for implementing the project in excess of the money to be spent through internal accruals as disclosed in the stated means of finance described herein above.

Interim Use of Funds

We, in accordance with the policies established by the Board, will have flexibility in deploying the Net Proceeds. The particular composition, timing and schedule of deployment of the Net Proceeds will be determined by us based upon the development of the projects. Pending utilisation for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration. Such investments will be approved by the Board or its committee from time to time, in accordance with its investment policies.

Monitoring of Utilization of Funds

We have not appointed a monitoring agency to monitor the utilization of the Issue Proceeds. We will disclose the utilization of the Issue Proceeds under a separate head along with details, for all such Issue Proceeds that have not been utilized. We will indicate investments, if any, of unutilized Issue Proceeds in our financial statements for the relevant Financial Years subsequent to our listing.

Our audit committee will also monitor the utilization of the Issue Proceeds. 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 Issue Proceeds. Further, on an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Prospectus and place it before the audit committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement shall be certified by the Statutory Auditors.

Further, Pursuant to clause 43A of the Listing Agreement, our Company will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of Issue Proceeds from the Objects stated in the Prospectus. Our Company shall be required to inform material deviations in the utilization of the Net Proceeds of the Issue to the Stock Exchanges and shall also be required to simultaneously make the material deviations/adverse comments of the audit committee public through advertisement in newspapers.

Other Confirmations

No part of the Issue Proceeds will be paid by our Company as consideration to its Promoters, Directors, Group Companies or key managerial employees.

Bridge financing facilities

We have not raised any bridge loan against the Proceeds of the Issue.

GOVERNMENT AND ENVIRONMENTAL CLEARANCES

Our Company has not commenced any activities of the proposed project. We are yet to obtain all the required government and environmental clearances for the proposed projects. We may apply for the same based on the stage of development of work.

BASIS FOR ISSUE PRICE

Investors should read the following summary along with the chapter titled “Risk Factors” and “Financial Statements” beginning on page 12 and 141 respectively of this Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price will be determined by our Company in consultation with the BRLMs on the basis of assessment of market demand for the equity shares offered by way of book building.

Qualitative Factors

Some of the qualitative factors, which form the basis for computing the price, are as follows:

- Experienced promoter assisted by experienced management team with proven project execution skills
- Wide range of products catering to various industry segments like power transmission & distribution, cable & conductor industries, agriculture, automobile and ancillaries, road and railway infrastructure, defence etc.
- Approved vendors of Power Grid Corporation, Electricity Boards of various States and accredited by Bureau of Indian Standards (ISI)
- Our products are registered and are supplied to projects of NTPC, NHPC, PGCIL, DVC, State Electricity Boards, L & T, KEC International, Kalpataru Power Transmission, Jyoti Structures, Nagarjuna Construction etc. with history of repeat orders.

For further details, please refer to “Business Overview” beginning on page 85 of this Draft Red Herring Prospectus.

Quantitative Factors

The information presented below is based on the Company’s restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Weighted Average Earning Per Share (EPS):

Year Ended	EPS (₹)	Weightage
March 31, 2011	25.71	3
March 31, 2010	24.51	2
March 31, 2009	27.53	1
Weighted average EPS	25.61	

Notes

- Earnings per share represents both basic and diluted earnings per share calculated as net profit attributable to equity shareholders as restated divided by weighted average number of shares outstanding during the year.
- Face value per share is ₹10.
- The Earning per share calculations have been done in accordance with Accounting Standard 20 “Earning per share” notified by the Companies (Accounting Standards) Rules, 2006, [as amended].

2. Price to Earnings Ratio (P/E) in relation to Issue Price of ₹[●] per share

Particulars	PE at lower end of price band	PE at higher end of price band
Based on Weighted Average EPS of ₹[●] per equity share	[●]	[●]
Based on EPS of fiscal year ended March 31, 2011	[●]	[●]
Industry P/E* - Iron & Steel Products		
Highest (OCL Iron and Steel Limited)	48.5	
Lowest (Goodluck Steel Tubes Limited)	1.7	
Industry Composite	9.9	

**Source: Capital Market Vol. XXVI/26 dated February 20 – March 04, 2012. Industry – ‘Steel – Medium/Small’*

3. Average Return on Net Worth (1)

Year Ended	Return on Net Worth (%)	Weights
March 31, 2011	13.13	3
March 31, 2010	14.17	2
March 31, 2009	18.19	1
Weighted Average Return on Net Worth (%)	14.32	

⁽¹⁾ Return on Net Worth = Profit after tax as restated/ Net Worth at the end of the year

4. Minimum Return on Increased Net Worth required to maintain pre-issue earning per share for the year ended March 31, 2011

The minimum RONW required for maintaining Pre-Issue EPS for Fiscal year 2011 is [●]%

5. Net Asset Value per Equity Share

Particulars	Amount (₹ per share)
As on March 31, 2011	195.77
As on September 30, 2011	207.97
As of March 31, 2011 after the issue	[●]
Issue Price	[●]*

*Issue Price per Share will be determined on conclusion of the Book Building Process.

Net asset value per Equity Share represents the net worth, as restated, divided by the number of Equity Shares outstanding at the end of the period.

6. Comparison with Industry Peers

There is no listed company having business model/operations exactly similar to that of our Company. However, following listed companies operate in the industry in which our Company operates and can be considered for peer comparison:

(Standalone)					
Name of the Company	Face Value (₹ Per equity share)	RONW (%)	NAV per share (₹)	EPS (₹)	P/E Multiple [#]
UIC Udyog Limited	10	13.13	195.77	25.71	[●]
Usha Martin Limited	1	6.39	51.09	3.27	11.64
Bedmutha Industries Limited	10	2.32	70.75	1.64	15.02
Rajratan Global Wires Limited	10	13.76	134.55	18.51	6.48

EPS, RONW and NAV have been calculated from the Annual Report of the respective companies for the financial year ended March 31, 2011 of the peer group. (For calculation of Net worth of peer group, revaluation reserve has been excluded).

The ratios of Issuer and the peer group have been taken based on the standalone financial statements.

[#]P/E Multiple is based on the standalone EPS for the financial year ended March 31, 2011 and the Market Price (NSE) as on February 23, 2012.

7. The face value of Equity Shares is ₹10 and the Issue Price is ₹[●] i.e., [●] times of the Face Value.

8. The Issue Price of ₹[●] has been determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares by way of Book Building and is justified on the basis of the above factors. The BRLMs believe that the Issue Price of ₹[●] is justified in view of the above qualitative and quantitative parameters.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
UIC Udyog Limited
Anandlok, Block A, 1st Floor,
227, A.J.C Bose Road,
Kolkata – 700 020

Dear Sirs,

Statement of Possible Tax Benefits available to the Company and its shareholders

We hereby report that the enclosed statement states the possible tax benefits under the Income-tax Act, 1961 amended by Finance Act 2011, presently in force in India available to the Company and to the shareholders of the Company under the Income tax Act, 1961 and Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

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

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

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

No assurance is given that the revenue authorities / Courts will concur with the views expressed herein. Our views are based on existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We are not liable to any other person in respect of this statement.

This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibilities under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

For **Chhaparia & Associates**
Chartered Accountants
FRN: 322169E

-S/d-

Subhash Kumar Baid
Partner
Membership No.: 064917

Place: Kolkata
Date: 07th February, 2012

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO UIC UDYOG LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS

A. BENEFITS AVAILABLE TO THE COMPANY

I. Special Tax Benefits available to the Company

1. Deduction under section 80IA

As per the provisions of Section 80- IA(1) and 80-IA(4) of the Income Tax Act, the Company is eligible to claim 100% tax benefit with respect to profits derived from an undertaking which is set up in any part of India for the generation or generation and distribution of power if it begins to generate power at any time during the period beginning on the 1st day of April, 1993 and ending on the 31st day of March 2011. However, the benefit is available subject to fulfilment of conditions prescribed under the section.

II. Business Income

1. Depreciation

1.1. Under Section 32 of the Act, the company can claim depreciation allowance at the prescribed rates on tangible assets such as building, plant and machinery, furniture and fixtures, etc. and intangible assets such as patent, trademark, copyright, know-how, licenses etc.

1.2. In respect of new machinery or plant (other than ships and aircraft) which has been acquired and installed after 31st March 2005 for manufacturing facilities, the company is entitled to a further sum of 20% of the actual cost of such machinery or plant subject to condition specified in section 32 of the Act.

1.3 Unabsorbed depreciation

As per the provisions of section 32(2) of the Act, where full allowance cannot be given to the depreciation allowance in any year, the same can be carried forward and claimed in the subsequent years.

2. Amortization of Preliminary Expenses

The Company will be entitled to a deduction equal to 1/5th of the expenditure incurred of the nature and amounts specified in section 35D of the Act, including expenditure incurred on present issue such as underwriting commission, brokerage and other charges as specified, by way of amortization over a period of five successive years, after the commencement of the business in connection with the extension of undertaking or in connection with the setting up of new unit. [Section 35D of the Act].

3. Credit of Minimum Alternate Tax (MAT)

MAT credit allowable is the difference between MAT paid and the tax computed as per the general provisions of the Act and can be utilized in the years in which tax becomes payable under the general provisions of the Act. MAT credit can be utilized to the extent of difference between tax payable under the general provisions and MAT payable for the relevant year. MAT credit can be carried forward and set off for a period of ten assessment year immediately succeeding the assessment year in which it becomes allowable. [Section 115 JAA of the Act].

4. As per the provisions of **Section 35DDA** of the Act, any expenditure incurred in any previous year by way of payment of any sum to an employee in connection with his voluntary retirement, in accordance with any scheme or schemes of voluntary retirement, 1/5th of the amount so paid shall be deducted in computing the profits and gains of the business for that previous year, and the balance shall be deducted in equal instalments for previous year for each of the four immediately succeeding previous years.

5. Business losses if any, for any assessment year (AY) can be carried forward and set off against business profits for eight subsequent AYs.

III. Capital Gains

1. Capital assets may be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets (except shares held in a company or any other listed securities or units of UTI or specified Mutual Fund units) are considered to be long-term capital assets if they are held for a period in excess of 36 months. Shares held in a company, any other listed securities, units of UTI and specified Mutual Fund units are considered as long-term capital assets if these are held for a period exceeding 12 months. Consequently, capital gains arising on sale of shares held in a company or other listed securities or units of UTI or specified Mutual Fund units held for more than 12 months are considered as 'long term capital gains'.

2. In computing the capital gains arising on sale of a capital asset, the cost of acquisition/ improvement and expenses incurred in connection with the transfer of a capital asset shall be deducted from the sale consideration. However, in respect of capital gains arising from transfer of long-term capital assets, the Act offers a benefit by permitting substitution of cost of acquisition/ improvement with the indexed cost of acquisition/ improvement. The indexed cost of acquisition/ improvement is computed by adjusting the cost of acquisition/ improvement by a cost inflation index as prescribed from time to time [Section 48 of the Act].

3. As per the provisions of section 10(38) of the Act, long term capital gains arising on sale of equity shares in a company or a unit of an equity oriented fund would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax (STT). Such income can however be taxed under the provisions of Minimum Alternate tax (MAT).

4. Long-term capital gains (in cases not covered under section 10(38) of the Act) are taxed at the rate of 20% (plus applicable surcharge and education cess) after claiming indexation benefit. However, the tax liability on long term capital gains arising from the transfer of a long term capital asset being listed security can be restricted to 10% (plus applicable surcharge and education cess) if the indexation benefit is not claimed [Section 112 of the Act].

5. As per the provisions of section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under section 10(38) of the Act) would not be chargeable to tax to the extent such capital gains are invested up to Rs 50 lakhs in certain notified bonds within 6 months from the date of transfer. The investment in such bonds would need to be retained for a period of 3 years from the date of acquisition.

6. Under section 111A of the Act, short-term capital gains arising from sale of an equity share in a company or a unit of an equity oriented fund would be taxable at a concessional rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT.

7. As per section 70 read with section 74, Short term capital loss suffered during the 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, could be carry forward for eight years for claiming set-off against subsequent year's short-term as well as long-term capital gains.

8. As per section 70 read with section 74, Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long –term capital gains.

IV. Income from Other Sources

1. Dividends

Dividend income (interim or final) received from a domestic company is exempt from tax in the hands of the resident shareholders. Thus the dividend income received by the Company from investments made in any domestic company will be exempt in its hands. However, a domestic company / a mutual fund have to pay Dividend Distribution Tax (DDT) on the amount of dividend declared, distributed or paid. From Assessment year 2009-10 onwards, while computing the DDT payable, the domestic company can reduce the amount of dividend received from its subsidiary, which has paid the DDT on such dividend distributed subject to fulfilment of certain conditions prescribed therein. [Section 10(34) of the Act read with Section 115O]

2. Income from Units

The following incomes are exempted from tax under the Act:

- 2.1. Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or
- 2.2. Income received in respect of units from the Administrator of a specified undertaking; or
- 2.3. Income received in respect of units from a specified company, a company as referred to in clause (h) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeals Act, 2002 (58 of 2002)).

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be [Section 10(35) of the Act].

V. Relief from Double Taxation

In terms of section 90 / 91 of the Act and depending upon the Double Taxation Avoidance Agreement signed between India and the country with which our company does business with, India allows as a credit from the tax on the income of the company.

B. BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS OF THE COMPANY

1. Dividends

Dividend income (interim or final) received from a domestic company is exempt from tax in the hands of the resident shareholders and accordingly no taxes are required to be deducted at source on the dividend payment [Section 10(34) of the Act read with Section 115O].

2. Capital gains

2.1 In computing the capital gains arising on sale of a capital asset, the cost of acquisition/ improvement and expenses incurred in connection with the transfer of a capital asset shall be deducted from the sale consideration. However, in respect of capital gains arising from transfer of long-term capital assets, the Act offers a benefit by permitting substitution of cost of acquisition/ improvement with the indexed cost of acquisition/ improvement. The indexed cost of acquisition/ improvement is computed by adjusting the cost of acquisition/ improvement by a cost inflation index as prescribed from time to time. [Section 48 of the Act]

2.2 Long-term capital gains arising on transfer of equity shares of a listed company are exempt from tax in the hands of the shareholders provided the transaction for sale of such equity shares is liable to STT. [Section 10(38) of the Act]

2.3 Long-term capital gains (in cases not covered under section 10(38) of the Act) are taxed at the rate of 20% (plus applicable surcharge and education cess) after claiming indexation benefit. However, the tax liability on long term capital gains arising from the transfer of a long term capital asset being listed security can be restricted to 10% (plus applicable surcharge and education cess) if the indexation benefit is not claimed [Section 112 of the Act].

2.4 Short-term capital gains from transfer of equity shares are taxed at the rate 15% (plus applicable surcharge and education cess) provided the transaction for sale of such equity shares is liable to STT [Section 111A of the Act].

2.5 As per the provisions of section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under section 10(38) of the Act) would not be chargeable to tax to the extent such capital gains are invested up to Rs 50 lakhs during any financial year in certain notified bonds within 6 months from the date of transfer. The investment in such bonds would need to be retained for a period of 3 years from the date of acquisition.

2.6 Long-term capital gains (in cases not covered under section 10(38) of the Act) arising to an individual or a Hindu Undivided Family (HUF) on transfer of shares are exempt from capital gains tax if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer. If part of the net consideration is invested within the prescribed period in a residential house, such gains would be exempt from tax on a proportionate basis. The minimum holding period for the new purchased / Constructed house to remain eligible for exemption is 3 years [Section 54F of the Act].

2.7 As per section 70 read with section 74, Short term capital loss suffered during the 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, could be carry forward for eight years for claiming set-off against subsequent year's short-term as well as long-term capital gains.

2.8 As per section 70 read with section 74, Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long –term capital gains.

3. Securities Transaction Tax (STT) allowed as deductible expenditure

In computing the business income, an amount equal to STT paid in respect of taxable securities transactions entered into in the course of business will be allowed as a deductible expense, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and Gains of Business or Profession' (Section 36 (xv) of the Act).

4. Under **Section 10(32)** of the Act, any income of minor children clubbed in the total income of the parent under **section 64(1A)** of the Act, will be exempt from tax to the extent of Rs. 1500 per minor child whose income is so included.

C. BENEFITS AVAILABLE TO NON-RESIDENT SHAREHOLDERS OF THE COMPANY

1. Dividends

Dividend income (interim or final) received from a domestic company is exempt from tax in the hands of the non resident shareholders and accordingly no taxes are required to be withheld on dividend payment [Section 10(34) of the Act read with Section 115O].

2. Capital gains

2.1. In computing capital gains arising from transfer of shares acquired in convertible foreign exchange (as per the exchange control regulations), the capital gain/ loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer, into the same foreign currency which was utilized for the purchase of shares. Cost indexation benefit is not available in such a case [Section 48 of the Act].

2.2. Long-term capital gains arising on transfer of equity shares of a listed company are exempt from tax in the hands of the shareholders provided the transaction for sale of such equity shares is liable to STT [Section 10(38) of the Act].

2.3. Long-term capital gains (in cases not covered under section 10(38) of the Act) are taxed at the rate of 20% (plus applicable surcharge and education cess). However, the tax liability on long term capital gains arising from the transfer of a long term capital asset being listed security can be restricted to 10% (plus applicable surcharge and education cess) without considering the indexation benefit [Section 112 of the Act].

2.4. Short-term capital gains from transfer of equity shares are taxed at the rate 15% (plus applicable surcharge and education cess) provided the transaction for sale of such equity shares is liable to STT [Section 111A of the Act].

2.5. As per the provisions of section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under Section 10(38) of the Act) would not be chargeable to tax to the extent such capital gains are invested up to Rs 50 lakhs during any financial year in certain notified bonds within 6 months from the date of transfer. The investment in such bonds would need to be retained for a period of 3 years from the date of acquisition.

2.6. Long-term capital gains (in cases not covered under section 10(38) of the Act) arising to an individual or a Hindu Undivided Family (HUF) on transfer of shares of the Company are exempt from capital gains tax if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer. If part of the net consideration is invested within the prescribed period in a residential house, such gains would be exempt from tax on a proportionate basis. The minimum holding period for the new purchased / constructed house to remain eligible for exemption is 3 years [Section 54F of the Act].

2.7. Where shares in the Company are acquired or 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 on a

recognized stock exchange, shall (in cases not covered under section 10(38) of the Act) be concessionally taxed at the flat rate of 10% (plus applicable surcharge and educational cess) (without indexation benefit but with protection against foreign exchange fluctuation [Section 115E of the Act]).

2.8. Long term capital gains (in case 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 (in cases not covered under section 115E of the Act) shall be exempt from Income tax, if the net consideration is reinvested in specified assets 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 [Section 115F of the Act].

2.9. It shall not be necessary for a Non-Resident Indian to furnish his return of income if his income chargeable under the Act, consists of 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 [Section 115G of the Act].

2.10. Under Section 115-I of the IT Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any Assessment Year by furnishing his Return of Income under section 139 of the Income Tax 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 provisions of the Act shall apply

2.11. As per section 70 read with section 74, Short term capital loss suffered during the 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, could be carry forward for eight years for claiming set-off against subsequent year's short-term as well as long-term capital gains.

2.12. As per section 70 read with section 74, Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long –term capital gains.

3. Provisions of the Act vis-à-vis provisions of the tax treaty

A non resident taxpayer has an option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial to him [Section 90(2) of the Act].

4. STT as deductible expenditure

In computing the business income, an amount equal to STT paid in respect of taxable securities transactions entered into in the course of business will be allowed as a deductible expense, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and Gains of Business or Profession' (Section 36 (xv) of the Act).

5. Under **Section 10(32)** of the Act, any income of minor children clubbed in the total income of the parent under **section 64(1A)** of the Act, will be exempt from tax to the extent of Rs. 1500 per minor child whose income is so included.

D. BENEFITS AVAILABLE TO SHAREHOLDERS BEING MUTUAL FUNDS

Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, or Mutual Funds set up by public sector banks or public financial institutions or Mutual Funds authorized by the Reserve Bank of India and subject to the conditions notified by Central Government in this regard, would be eligible for income-tax exemption on their income [Section 10(23D) of the Act].

E. BENEFITS AVAILABLE TO SHAREHOLDERS BEING FOREIGN INSTITUTIONAL INVESTORS (FIIS)

1. Dividends

Dividend income (interim or final) received from a domestic company is exempt from tax in the hands of the FIIs and accordingly no taxes are required to be withheld on dividend payment [Section 10(34) of the Act read with Section 115O].

2. Capital Gains

2.1 Long-term capital gain arising on transfer of equity shares of a listed company are exempt from tax in the hands of the shareholders provided the transaction for sale of such equity shares is subject to STT and accordingly no taxes are required to be deducted at source [Section 10(38) of the Act].

2.2 Short-term capital gains from transfer of equity shares are taxed at the rate 15% (plus applicable surcharge and education cess) provided the transaction for sale of such equity shares is subject to STT [Section 111A of the Act].

2.3 Long term Capital gains arising from transfer of shares (in cases not covered under section 10(38) of the Act), are taxed at the rate of 10% (plus applicable surcharge and education cess). The benefits of indexation and foreign currency fluctuation protection as provided under section 48 of the Act are not available to FIIs. [Section 115AD of the Act]

2.4 As per the provisions of section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under section 10(38) of the Act) would not be chargeable to tax to the extent such capital gains are invested up to Rs 50 lakhs during any financial year in certain notified bonds within 6 months from the date of transfer. The investment in such bonds would need to be retained for a period of 3 years from the date of acquisition.

3. Provisions of the Act vis-à-vis provisions of the tax treaty

A non-resident taxpayer has an option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial to him [Section 90(2) of the Act]

4. STT as deductible expenditure

In computing the business income, an amount equal to STT paid in respect of taxable securities transactions entered into in the course of business will be allowed as a deductible expense, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and Gains of Business or Profession' (Section 36 (xv) of the Act).

F. VENTURE CAPITAL COMPANIES / FUNDS

In terms of Section 10(23FB) of the Act, all venture Capital Companies /Funds registered with Securities and Exchange Board of India, subject to the conditions specified, are eligible for exemption from Income tax on their entire income, including income from investment in the Shares of the Company in the specified sectors.

UNDER THE WEALTH TAX ACT, 1957

Shares in a Company held by a shareholder will not be treated as an asset within the meaning of Section 2(ea) of Wealth-tax Act, 1957; hence, wealth tax is not leviable on shares held in a Company.

UNDER THE GIFT TAX ACT, 1957

Gifts of shares of the company made on or after October 1, 1988 are not liable to gift tax, however the same is taxable U/s 56 (2) (v) of the Income Tax Act, 1961.

NOTES:

Tax Benefits available to the Company and its shareholders will be varied/change up on applicability of Direct Taxes Code Bill, 2009 which is proposed to be made applicable w.e.f. 1st April, 2012.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from the Steel Wire Manufacturers Association of India (SWMAI), various government and other public sources. Neither we nor any other person connected with the Issue have verified this information. Industry sources and publications generally 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 and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information and estimates as of specific dates and may no longer be current. The data may have been re-classified by us for the purpose of presentation. While, reasonable actions have been taken by us to ensure that the information is extracted accurately and in its proper context, we have not independently verified any of the data from third parties contained in this section and in this Draft Red Herring Prospectus.

Overview of the Indian Economy

India, the world's largest democracy in terms of population had a GDP on a purchasing power parity basis estimated to be U.S. \$ 4.463 trillion in 2011. This makes it the fourth largest economy in the world after the European Union, United States of America and China. The growth rate has been spurred by the manufacturing sector, which has logged approximately 26.30% share while the share of agriculture sector is approximately 18.10% of GDP and that of the services sector is relatively high for an emerging market at approximately 55.6% of GDP in 2011. (Source: CIA World Factbook).

As per the Advance Estimates of National Income, the growth in Indian GDP during 2011-12 is estimated at 6.9 percent as compared to growth rate of 8.4 percent in 2010-11. (Source: Central Statistical Organization of India)

Overview of Steel Industry

Steel is an alloy consisting mainly of iron and other elements such as carbon, manganese, chromium, vanadium, and tungsten. By suitably modifying the properties of steel such as hardness, ductility, tensile strength and resistance to rust, it is possible to produce steel of varying qualities and in varying forms such as billets, rods, wires, sheets, tubes and others. The steel of varying qualities and forms then finds applications for different uses.

Steel is an internationally traded commodity essential to economic growth of the nation and plays a central part in infrastructure, transport, energy delivery, housing and construction, and key consumer goods. Global supply and demand together with pricing dynamics therefore have a significant impact on Indian steel markets. Steel is a cyclical commodity, and increases in production capacities follow increase in demand. Increase in demand cause producers to increase utilization levels of existing capacities, and can lead to increase production capacity. Additional capacities become operational after a gestation period that may last from 15 to 24 months, thereby causing a lag effect between demand and supply and cyclicity in prices.

World Steel Sector

World crude steel production reached 1,527 mega tonnes (Mt) for the year of 2011 showing an increase of 6.8% compared to 2010 and is a record for global crude steel production. The growth in steel production has primarily been driven by tremendous growth for steel demand in China, India and other developing economies. From being the fifth largest producer of crude steel for the year 2010, India has moved up to become fourth largest producer in the year 2011 as per the data released by World Steel Association. (Source: www.worldsteel.org)

Country wise Crude steel production for the top 10 countries for 2011 is as follows:

World Crude Steel Production in 2011		
Rank	Country	Production (Million Tonne)
1	China	695.5
2	Japan	107.6
3	United States	86.2
4	India	72.2
5	Russia	68.7
6	South Korea	68.5
7	Germany	44.3
8	Ukraine	35.3
9	Brazil	35.2
10	Turkey	34.1

(Source: www.worldsteel.org)

Based on the expected growth rate and consumption patterns in sectors such as construction, automobile, infrastructure and capital goods, it is expected that demand for steel will continue to be led by China in the near future while India will follow closely. A tabular presentation of production of steel and steel products including ingots, semi-finished products, hot-rolled and cold-finished products, tubes, wire, and un-worked castings and forgings is illustrated below. The table comprises the exports of 37 countries, which represents approximately 90% of total world trade in 2009.

(in Mn Metric Tons)

	2006	2007	2008	2009	2010
Ingots	933.81	947.05	887.94	592.76	709.71
Hot Rolled Long Products	4,828.40	5,295.84	5,257.91	5,380.79	5,378.28
Hot Rolled Flat Products	5,983.58	6,598.81	6,653.81	5,819.57	7,033.99
Railway Track Materials	80.77	86.32	103.27	103.76	93.61
Heavy Sections (≥ 80 mm)	406.40	503.30	467.47	353.70	316.84
Light Sections (≤ 80 mm)	418.42	438.53	458.75	495.41	525.26
Concrete Reinforcing Bars	1,470.82	1,648.84	1,586.75	1,700.56	1,649.10
Hot Rolled Bars (other than Concrete Reinforcing Bars)	1,067.91	1,144.32	1,128.56	1,009.68	1,157.71
Wire Rod	1,319.07	1,476.75	1,492.17	1,577.63	1,414.93
Electrical Sheet and Strip	92.57	104.04	104.75	90.82	99.79
Tinmill Products	147.51	150.61	120.12	85.00	94.77
Other Metallic Coated Sheet and Strip	1,044.25	1,047.96	1,017.66	915.57	762.88
Non-metallic Coated Sheet and Strip	118.50	125.90	135.91	117.96	120.39
Tubes and Tube Fittings	901.22	973.10	967.13	363.75	923.17
Seamless Tubes	274.90	299.74	323.42	286.05	346.66
Welded Tubes	527.02	549.49	531.81	505.22	560.23

(Source: www.worldsteel.org)

Indian Steel Sector

As per official estimates, the Iron and Steel Industry contributes around 2% of India's Gross Domestic Product (GDP) and its weight in the Index of Industrial Production (IIP) is 6.2%. From a negligible global presence, the Indian steel industry is now acknowledged for its product quality, demonstrated by trends of rising exports.

(Source: *Annual Report 2010 -11, Ministry of Steel*)

In addition to being the fourth largest producer of crude steel in the world in 2011, India remains the world's largest producer of direct reduced iron (DRI) or sponge iron with nearly 27.56 MnT and fourth largest producer of pig iron with 38.9 MnT in 2011, as per the data released by the World Steel Association. According to the Ministry of Steel, India is likely to become the second largest producer of crude steel by 2015-16. In terms of employment, the steel sector is expected to generate additional employment of around 4 million by 2020. To give an impetus to the national steel production, more than two hundred Memorandum of Understanding (MOUs) have already been signed with various States for a planned capacity of around 276 MnT. (Source: www.worldsteel.org)

According to data released by the Ministry of Steel, Government of India, for the period April to December 2010, crude steel production reached 50.59 MnT, a growth of 4.5% over the similar period of previous year, Capacity utilization during the same period was 89%. This growth was driven by both capacity expansion (from 47.99 MnT in 2004-05 to approximately 74.46 MnT till April-December 2010) as well as improved capacity utilisation. Crude steel production grew at a CAGR of 8.4% during the five year period from 2004-05 to 2009-10. Production for sale of total finished steel was at 60.89 MnT in 2009-10, as compared to 57.16 MnT the year before, a growth of 6.5%. Available results for the 9 month period of April-December 2011 point towards continuation of the existing growth trend. During the preceding four year period from 2005-06 till 2009-10, Production for sale of finished steel, both alloy and non alloy combined, grew from 46.57 MnT to 60.89 MnT at a CAGR of 6.9%.

While the steel industry in India successfully overcame the adverse effects of the global economic slowdown to register a positive year on year (YOY) growth during the calendar year 2010, early results for the first five months of the present calendar year of 2011 indicate that there has been marginal slow down in crude steel production in most of the top steel manufacturing countries. In fact, China, the United States and India have all registered negative growth ranging between 3-9% during this period. The marginal country wise dip in production in the major steel producing countries is primarily due to relocation of manufacturing units from the traditional zones to Africa. As a result the African region is showing positive growth in Steel output, while the Non European Union countries in Europe and Latin America have recorded the steepest decline at 14.02% and 19.40% respectively. (Source: www.worldsteel.org)

Production, Consumption and Growth of Steel

The National Steel Policy 2005 had projected consumption to grow at 7% based on a GDP growth rate of 7-7.5% and production of 110 MnT by 2019-2020. These estimates though will be largely exceeded and it is envisaged that, on a "most likely scenario" basis, steel production capacity in India by the year 2012-2013 will be nearly 110 MnT. If the proposed expansion plans are implemented as per schedule, India may become the second largest crude steel producer by 2015-16.

The table below shows the trend in production for sale, import, export and consumption of total finished steel (alloy and non-alloy) in the country in the last six years:

Year	Total finished steel (alloy + non-alloy) (MnT tonne)			
	Production for sale	Import	Export	Consumption
2005-06	46.57	4.31	4.80	41.43
2006-07	52.53	4.93	5.24	46.78
2007-08	56.08	7.03	5.08	52.13
2008-09	57.16	5.84	4.44	52.35
2009-10	60.89	7.30	3.24	57.68
Apr-Dec 2010-11*	47.30	5.36	2.46	44.28

* indicates Provisional Data

(Source: Ministry of Steel, Annual Report 2010-11)

STEEL WIRE INDUSTRY

The steel industry's business cycles are reflections of the general economic activity of a nation. Steel wire being a part of steel industry is no exception and is dependant on a number of factors such as level of economic activity and state of the end use industries viz. construction and automotive industry (which are major consumers of steel wire). Growing investments in infrastructure and higher disposable incomes in several developing economies are key factors driving growth in steel and its derivative products. Besides, the steel wire industry is engaged in the production of a wide gamut of products such as steel cords used in reinforcing tires and hoses. Buoyancy in construction and automotive industries largely determines the demand for wire products worldwide, as they represent the key end-use markets for steel wire. In addition, steel wire finds application in furniture, agriculture and appliance sectors. Several new steel mill technologies were developed to meet demand for high-quality steel wire rod products from construction and automotive industries. These technological innovations in the field of dimension measurements, improved finishing operations, and rolling with precision tolerances, ensured consistency in dimensions, finish, and mechanical properties.

Global Steel Wire Industry

Steel wire industry is closely linked to the infrastructural development of any country. The major consumers of steel wires and wire products are railways, electricity boards, construction sector and automobile industry etc.. Globally, the industry is relatively unorganized, with big players concentrating on the wire rods segment and the smaller players involved in the manufacture of wires and wire products. In 2010, the Global wire business has been something like 48-50 million tons and in terms of Dollars it was US \$ 29 billion. This market is also expected to grow to some 56 million tons of wires by 2011 and in Dollar terms it would be something like US \$ 32 billion. North America, Europe and South East Asia each account for approximately 25% of the Global demand for the Steel Wires. (Source: www.swmai.org)

Asia Pacific constitutes the most significant regional market for steel wire. Infrastructure expansion and higher disposable incomes leading to greater ownership of consumer durables and automobiles are major factors driving growth in the Asia Pacific region. Rampant economic expansion in China has catapulted the nation as the largest and fastest growing consumer of steel and steel products in the world. The global steel industry has been marked by excessive capacity in industrialized nations and the introduction of novel and better production methods. On its part steel wire industry in the developed nations is boosted by stimulus packages issued by governments to revive the construction and manufacturing industries. In the near future Chinese export of steel wire products especially PC strand wires is expected to increase significantly.

The global economic downturn affected the steel wire industry adversely in 2008 and 2009 as the demand for steel wire from end use industries plummeted. The value sales of global steel wire industry fell in 2008, as compared to the previous year, and plummeted further exhibiting a negative growth rate in 2009. The developed and mature western markets of North America Europe and Japan were the worst hit recording declines during the period. In the US, consumption of steel in automobile industry witnessed major erosion, mainly on account of the economic slowdown. The demand for PC strand wire declined in 2008 and 2009, picking up pace again in 2010. Chinese PC strand wire imports into US increased significantly during the period 2008-10, as domestic production in USA declined drastically. In contrast, the Asia-Pacific markets fared well during the recession and suffered only marginal losses. Riding on the robust domestic demand, the Asian region recovered quite fast from the recession in 2009 due to the robust domestic demand. The global market on the whole is expected to fare well post 2010- 2011 due to thriving Asian economies.

Indian Steel Wire Industry

Established in the 1920s, steel wire industry in India has progressed remarkably and has been successful in producing a wide range of products viz. various types of high carbon, alloy steel and special steel wires, in addition to mild steel wires. The industry has become versatile enough to meet the requirements of numerous consuming segment. This sophistication has been possible due to continuous and well-planned R & D efforts on the part of the manufacturers with patronage of SWMAI. The result has been that the industry is in a position to manufacture and supply steel wires, both in the domestic and the international markets, in accordance with Indian (BIS) and International (ASTM, DIN, JIS, BSS) standards.

The product range of steel wire manufacturers is being continuously widened. An indicative list of the various types of steel wires and wire products produced in India is given below:

Hard Bright Wire	Heald Wire
Ball Bearing Wire	Galvanized Wire
ACSR Core Wire	Alloy Steel Wire
Lock Washer Wire	Cycle Spoke Wire
Tyre Bead Wire	Sectional Wire
Spring Steel Wire	Umbrella Rib Wire
Card & Gill Pin Wire	Wire Nail
Electrode Wire	Piano Wire
Signal Wire	Stainless Steel Wire
Rivet Wire Cable	Armouring Wire
Bolt Wire	Binding Wire
Needle Wire	Netting Wire
Barbed Wire	Pre-stressed concrete Wire & Strands
Stitching Wire	Telegraph & Telephone Wire
Upholstery Wire	Weldmesh Wire
Staple and Pin Wire	Panel Pin Wire
Roping Wire	Animal Shoe Nail Wire

Reed Wire	Screw and Nail Wire
Ring Traveller Wire	Cold Heading Quality Wire
Stay Wire	Hair Pin Wire

(Source: www.swmai.org)

The production of Steel Wire Drawing Units has shown a steady increase over the past 5 years as is evident from the table below:

(in MillionTonnes)					
Category	2005-06	2006-07	2007-08	2008-09	2009-10*
Mild steel	0.08	0.07	0.13	0.16	0.12
Medium/ high carbon Steel	0.2	0.18	0.17	0.19	0.15
Alloy steel	0.04	0.04	0.04	0.07	0.05
Stainless steel	-	-	-	-	-
Others	0.17	0.14	0.12	0.17	0.14
Total reported	0.49	0.43	0.46	0.47	0.37
Total estimated	0.01	0.11	0.1	0.12	0.09
Grand total	0.5	0.54	0.56	0.59	0.46

* Data for 2009 – 10 available only upto the month of December 2009

(Source: Ministry of Steel, Annual Report 2009-10)

The above mentioned steels are the main Raw Material used in the manufacture of different kinds of Wires. Each raw material has unique properties & is used for different kinds of wires

Carbon / Mild Steel: Carbon steel, also called plain carbon steel is steel where the main alloying constituent is carbon. The AISI defines carbon steel as: "Steel is considered to be carbon steel when no minimum content is specified or required for chromium, cobalt, columbium, molybdenum, nickel, titanium, tungsten, vanadium or zirconium, or any other element to be added to obtain a desired alloying effect; when the specified minimum for copper does not exceed 0.40 percent; or when the maximum content specified for any of the following elements does not exceed the percentages noted: manganese 1.65, silicon 0.60, copper 0.60."

High Carbon Steel: Carbon steels which can successfully undergo heat-treatment have carbon content in the range of 0.30–1.70% by weight. Trace impurities of various other elements can have a significant effect on the quality of the resulting steel. These steels can be tempered to great hardness and thus provide strength to the end product. Generally used for large parts, forging and automotive components, springs and high-strength wires.

Alloy Steel: Alloy steel is steel alloyed with other elements in amounts of between 1 and 50% by weight to improve its mechanical properties. Common alloying elements are molybdenum, manganese, nickel, chromium, vanadium, silicon and boron. These steels have greater strength, hardness, hot hardness, wear resistance, harden-ability, or toughness compared to carbon steel. However, they may require heat treatment to achieve such properties. Low alloy steels are usually used to achieve better hardenability, which in turn improves its other mechanical properties. They are also used to increase corrosion resistance in certain environmental conditions.

Stainless Steel: In metallurgy, stainless steel, also known as inox steel or inox, is defined as a steel alloy with a minimum of 10.5 or 11% chromium content by mass. Stainless steel differs from carbon steel by the amount of chromium present. Carbon steel rusts when exposed to air and moisture. This iron oxide film (the rust) is active and accelerates corrosion by forming more iron oxide. Stainless steels have sufficient amounts of chromium present so that a passive film of chromium oxide forms which prevents further surface corrosion and blocks corrosion from spreading into the metal's internal structure.

The main product range in the industry consists of Galvanized wires, Cable Armour Wires, ACSR Wires, Earth Wires, Wire Nails, Stay Wires, Spring Steel Wires, and Barbed Wires

Galvanized Wire is designed to prevent rusting and is shiny silver in color. It is an extremely versatile wire, used by landscapers, craft makers, ribbon manufacturers, tag manufacturers, jewelers, contractors, etc, etc. It is perfect for beading and for use in displays and projects. It's aversion to rust makes it extremely useful around the shipyard, in the backyard, or anywhere else. With India's growing infrastructure development and the growth in power sector, Cable Armour wires, ACSR wires and Earth Wires have great growth potential. Modern power cables come in a variety of sizes, materials, and types, each particularly adapted to its uses. Cables consist of three major components: conductors, insulation and protective jacket. The makeup of individual cables varies according to application. The construction and material are determined by three main factors:

- Working voltage, determining the thickness of the insulation;
- Current-carrying capacity, determining the cross-sectional size;
- Environmental conditions such as temperature, water, chemical or sunlight exposure, and mechanical impact, determining the form and composition of the outer cable jacket.

Cables for direct burial or for exposed installations may also include metal armor in the form of wires spiraled around the cable, or a corrugated tape wrapped around it. The armor may be made of steel or aluminum, and although connected to earth ground is not intended to carry current during normal operation.

Power cables use stranded copper or aluminum conductors, although small power cables may use solid conductors. The cable may include uninsulated conductors used for the circuit neutral or for ground (earth) connection.

The overall assembly may be round or flat. Non-conducting filler strands may be added to the assembly to maintain its shape. Special purpose power cables for overhead or vertical use may have additional elements such as steel or Kevlar structural supports.

Some power cables for outdoor overhead use may have no overall sheath. Other cables may have a plastic or metal sheath enclosing all the conductors. The materials for the sheath will be selected for resistance to water, oil, sunlight, underground conditions, chemical vapors, impact, or high temperatures. In nuclear industry applications the cable may have special requirements for ionizing radiation resistance. Cable materials may be specified not to produce large amounts of smoke if burned. Cables intended for underground use or direct burial in earth will have heavy plastic or metal, most often lead sheaths, or may require special direct-buried construction. When cables must run where exposed to mechanical impact damage, they may be protected with flexible steel tape or wire armor, which may also be covered by a water resistant jacket.

For circuits operating at or above 2,000 volts between conductors, a conductive shield may surround each insulated conductor. This equalizes electrical stress on the cable insulation. The individual conductor shields of a cable are connected to earth ground at the ends of the cable, and at locations along the length if voltage rise during faults would be dangerous.

Cables for power distribution of 10kV or higher may be insulated with oil and paper, and are run in a rigid steel pipe, semi-rigid aluminum or lead sheath. For higher voltages the oil may be kept under pressure to prevent formation of voids that would allow partial discharges within the cable insulation.

Most multi-conductor cables today have a bare or insulated grounding or bonding wire which is for connection to earth ground. The grounding conductor connects equipment enclosures to ground for protection from electric shock.

Electrical power cables are often installed in raceways, including electrical conduit and cable trays, which may contain one or more conductors. A hybrid cable can include conductors for control signals or may also include optical fibers for data.

All electrical cables are somewhat flexible, allowing them to be shipped to installation sites wound on reels or drums. Flexible cords contain fine stranded conductors, not solid core conductors, and have insulation and sheaths to withstand the forces of repeated flexing and abrasion. Heavy duty flexible power cords such as those feeding a mine face cutting machine are carefully engineered — their life is measured in weeks. Very flexible power cables are used in automated machinery, robotics, and machine tools.

Barbed wire is a type of fencing wire constructed with sharp edges or points arranged at intervals along the strand(s). It is used to construct inexpensive fences and is used atop walls surrounding secured property. It is also a major feature of the fortifications in trench warfare (as a wire obstacle).

Barbed wire continues to be used today as a means of division in underdeveloped countries & parts of developing countries. Barbed wire fences remain the standard fencing technology for enclosing cattle and dividing land in agricultural sectors.

Barbed wire for agricultural fencing is typically available in two varieties—"soft" or mild-steel wire and "high-tensile". Both types are galvanized for longevity. High-tensile wire is made with thinner but higher-strength steel. It copes with the expansions and contraction caused by heat and animal pressure by stretching and relaxing within wider elastic limits. Soft wire is much easier to work but is less durable and only suitable for short spans such as repairs and gates, where it is less likely to tangle.

Wire Nails are the mostly used industrial & commercial purposes. Common wire nails are ideally suited for all wood framing projects such as window and door frames, wall, joist work, etc. It can be said that almost 100% of the nails made

in the world today are Wire nails. The term Wire nail, refers to the method of manufacture, i.e. nails made from wire rather than a forged nail or a nail cut from a plate.

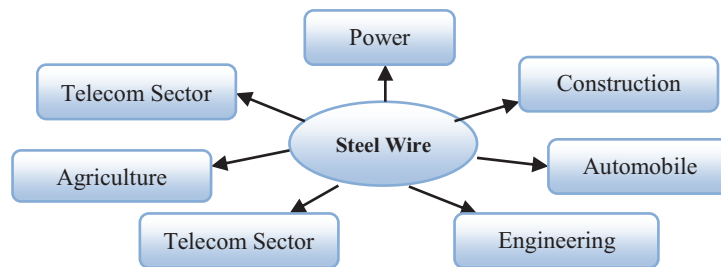
Wire nails in contrast to cut nails are round in shape. Wire nails are made from steel or alloy steel where the steel wire is fed into a machine that grips the wire, cuts it, makes the head, and chisels the point, all in one operation. The process is totally mechanized, requiring only someone to turn the machine on and off. Wire nail machines can make thousands of nails per minute.

Application of Steel Wire and Wire products:

Steel wire has many applications. Steel wire in all its variants and alloy finds application in Power, Automobile, Engineering, Construction and other sectors. Along with its allied products it also finds application in some of the industries listed below, like:

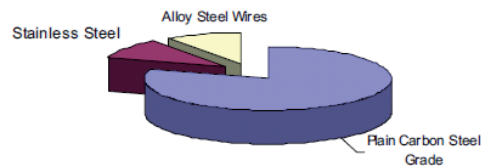
1. Automobile Industry
2. Construction Industry
3. Power Industry
4. Engineering Industry
5. General Application
6. Railways etc
7. Others.

Application of Steel Wire



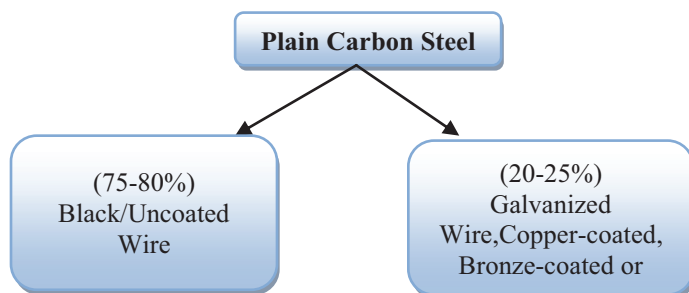
Classification of the steel wire grade:

The steel wire grades are classified into Plain Carbon steel wire, Stainless steel wire and Alloy Steel wire grades. (Source: www.swmai.org)



Grades of Plain Carbon Steel Wire

The Plain Carbon steel grade wire is further classified into Black/ Uncoated wires which form around 75 to 80% and Galvanized Wire, Copper Coated, Bronze Coated or other material coated which forms around 20 to 25%.



Current Status of the Indian Steel Wire Industry

Current Status of the Indian Steel Wire Industry for 2010-2011 could be highlighted as follows

Total Installed Capacity	= 2.6 Million Tonne (M.T.)
Avg. Capacity Utilization	= 70 % (approx.)
Total Production	= 1.820 M.T.
Export	= 0.060 M.T.
Import	= 0.096 M.T.
Total Demand in Country	= (1.820 - 0.060 + 0.096) M.T. = 1.856 M.T.

(Source: www.swmai.org):

With an installed capacity of 2.6 million tonne and a total demand of 1.86 million tones, the size of the industry in terms of value is approximately USD 1.7 billion, combining both organized and unorganized sectors. Of this approximately, 70 per cent of total production comes from organized producers and the rest from the unorganized counterpart. Wire Industry accounts for 5 per cent of total demand of steel in India.

The fortunes of the steel wire industry are closely linked to the fortunes of the primary steel industry. Internationally steelmakers' prospects leading up to 2015 are mixed, due to consolidations in most parts of the old industrial world; a resurgence of steelmaking capacity addition in the Far East (particularly in India), in Latin America (Brazil) and in the Middle East; a revitalization of the Russian steel industry and continued massive expansion in China. One factor stimulating new capacity is the technological revolution which is sweeping the industry.

India's steel production capacity is going to increase manifold in the coming years. The current abysmally low per capita consumption of steel of 49 Kg, compared to the world average of 182 Kg, strengthens the argument that the domestic steel industry has a huge growth potential. The Parliamentary Standing Committee (PSC) on Coal and Steel on Demand for Grants (2007-08) of the Ministry of Steel in its 25th Report had noted that 'to achieve this objective, it is necessary to create required infrastructure for steel industry as well as increase per capita consumption of steel'.

The growth potential for the Indian steel Industry is demonstrated by the following graphic:



- High GDP growth rate of 7% to 8%
- 1.2 Billion Population
- Low Per Capita Steel Consumption of 49 kg (World average of 182 kg)
- Easing of regulations
- Encouraging trade relations with ASEAN and other countries
- Infrastructure building
- Exploring new Energy resources

With the growth in steel production, India is projected to be a net exporter of steel in the near future. The abundant availability of raw materials will provide a tremendous growth opportunity for the steel wire industry.

The Steel Wire Industry in India is quite competitive in its production costs compared to other developed and developing countries. This cost competitiveness needs to be maintained by adoption of new and clean technologies, which lower specific energy consumption and which generate much lesser pollutants. We need to automate processes and focus on product quality and packaging to produce wires which are internationally acceptable.

In today's environmentally conscious world, adoption of such technologies would make the products much more acceptable and also lower costs by reducing wastages. This will throw open many new markets accelerating the pace of growth of the industry.

Raw materials mainly wire rods, account for a major part of the cost of wires. In the past there were very few suppliers but with the growth in the steel industry a number of mid-sized companies have started producing Mild Steel Wire Rods. This has increased the availability and resulted in better commercial terms for the wire industry. Most value added wires use high carbon wire rods as an input. These are now available in the country from five major suppliers (JSPL, JSW, RINL, TISCO, USHA MARTIN) with imports as an alternative whenever they are commercially viable. A number of new wire rod mills (VISA STEEL, ELECTROSTEEL CASTING) are at an advanced stage of commissioning. This will make all grades of wire rods abundantly available.

Industry Outlook

With the increased demands from user industries, the wire and wire products sector in India is expected to witness a robust growth. Furthermore, the steel wire industry in India is at a juncture where very soon raw materials will be available at internationally competitive rates, consumption is poised to jump, new export markets are waiting to be tapped, and skilled manpower is readily available. Therefore, there will be a bright future ahead for the Steel Wire Industry.

Steel Wire Industry Growth Drivers

Mineral Resources:

Abundant availability of iron ore in the country with states such as Orissa, Jharkhand and Chhattisgarh having rich in iron ore reserves. The National Minerals Development Corporation (NMDC) plans to expand its iron ore production capacity from its existing capacity of 30 million tonnes per annum (MTPA) to 50 MTPA by 2014–15 through the capacity expansion of current mines as well as by setting up new mines. (Source: www.ibef.org)

Automobile:

The Indian automobile industry, the seventh largest in the world, has demonstrated a phenomenal growth. India's automobile industry, currently estimated to have a turnover of US\$ 73 billion, accounts for 6 per cent of its GDP, and is expected to hit a turnover of US\$ 145 billion by 2016. (Source: <http://www.ibef.org>) Automobile sector which is experiencing growth and competition is likely to be one of the major drivers for steel wire consumption in the coming years and most likely, its contribution in the overall demand pie is likely to improve from the current levels.

Auto components Industry:

The Indian automotive components industry has actively and quickly transformed from a domestic market supplier, to one of the essential auto parts supplier in the world. The Indian auto component sector has been growing at 20 per cent a year since 2000 and is projected to maintain the high-growth phase of 15-20 per cent till 2015, led by both robust domestic demand as well as exports. (Source: www.ibef.org)

International companies such as General Motors, Ford, Daimler Chrysler, Toyota and Volkswagen are outsourcing auto parts from India as it has cost advantage with regard to forgings and castings. Also, the growing domestic automobile industry, which relies on steel industry for its parts manufacturing, will enhance the demand for steel in India.

Infrastructure:

Infrastructure sector comprises of roads, railways, airports and power. The investment in infrastructure is expected to increase to 8.37 per cent in the final year of the 11th Plan and likely to touch 10 per cent of GDP in the 12th Five Year Plan (2012-2017). The sector wise anticipated investments are \$300bn in power, \$67bn in roads by 2014, \$26.81bn in ports by 2020. Because of surge in the above activities, the demand for long products of steel will be increasing in years ahead. (Source: www.ibef.org)

Consumer Durables:

The consumer durables sector has also been witnessing robust growth. The share of white goods and utensils is predominant in India. The domestic appliances market which includes spin driers of washing machine, almirahs, thermo ware, water filters, dishwashers, microwave ovens, catering equipments, cutlery, furniture etc have opened new opportunities for steel and steel related products consumption, thus ensuring a steadily growing trend of steel off take.

Major Initiatives taken by the Ministry of Steel during the year

1. National Steel Policy 2005 is under review and the process for drafting a 'National Steel Vision' has since been initiated
2. Five year strategy paper has been prepared for promotion of Steel sector in the country.
3. An Inter Ministerial Group (IMG) to monitor and coordinate various issues concerning major steel investments in the country has been constituted under the Chairmanship of Secretary (Steel) for conducting coordination meetings with the steel investors, concerned Central Ministries/Departments and the State Governments. Last meeting of IMG was held on 20.12.10 and problems of steel industry were discussed in depth.
4. The present per capita consumption of steel in the country is only around 49 kg against the world average of 182 kg. A study has been commissioned through the Joint Plant Committee (JPC) during the 2010-11 to estimate the per capita demand for iron and steel in the rural sector of India and to determine the factors that can contribute to its enhancement. The findings of the study are expected to be finalized by June 2011.
5. Ministry of Steel feels that Policy regarding iron ore export should aim at attracting investment in steel making capacity so that the value additions and export of finished products are promoted instead of exporting raw materials.
6. In the Group of Ministers (GoM) meeting to consider National Mineral Policy, 2008, there was an agreement that iron ore resources of the country should be conserved for the use of domestic steel industry. It was decided that although conservation of iron ore resources of the country is of paramount importance, the same may not be achieved by banning or capping the export of iron ore but by taking recourse to appropriate fiscal measures.
7. A Forum of Steel Consumer Council to facilitate regular interaction of producers and consumers and redress the problems faced by the consumers relating to supply/availability of steel products and other related issues had been set up in the Ministry. The 23rd Meeting of Consumer Council was held on 16 July 2010, under the Chairmanship of the Hon'ble Steel Minister. The various issues affecting the consumers of Steel namely opening of new stockyards and monitoring of their working, monitoring of the trend of domestic steel prices, review of prevailing excise and import duties and availability of steel material, figured prominently in the meeting.
8. In order to encourage R&D activities in iron & steel sector, Ministry of Steel is providing financial assistance from Steel Development Fund (SDF) and Plan Fund. 64 research projects initiated by public and private undertakings, research laboratories, educational and other promotional institutions have so far been approved at a cost of ₹442 crore during 2010, of which the SDF component is ₹278 crore. So far 31 projects have been completed and 24 research projects are underway.
9. ₹118 crore was allocated from Plan Fund during the 11th five year plan for promotion of R & D in steel sector. Under this scheme 8 R& D projects have been approved with Plan fund of ₹111 crore.
10. For ensuring quality of Steel, seven items such as galvanised sheet, steel wire for pre-stressed concrete etc. Have been brought under a quality control order issued by the Government. The matter to bring more steel items under this order is under examination.

(Source: Ministry of Steel, Annual Report 2009-10)

BUSINESS OVERVIEW

Our Company is one of the leading manufacturers of Steel Wires and Wire products in India. Our existing facilities for manufacturing of steel wires with an installed capacity of 60,000 MTPA is located at Kalyani and an installed capacity of 25,000 MTPA is located at Khanyan, West Bengal. We also manufacture steel pins at Khanyan, West Bengal. Besides, manufacturing of steel wires and steel pins, we have installed Wind Power Generation Turbines in Maharashtra and Tamil Nadu. We have manufacturing facility for woven sacks in Silvassa. We are proposing to further enhance our capacity to manufacture wire and wires products by setting up the manufacturing facilities with an installed capacity of 1,80,000 MTPA including Galvanizing capacity of 1,00,000 MTPA at Bharuch, Gujarat.

Our Company was incorporated in the year 1995 by Mr. Bhanwar Lal Jajodia along with his family members. Mr. Bhanwar Lal Jajodia is a first generation entrepreneur with over three decades of experience in dealing with steel & steel related components. Our first manufacturing facility for non-alloy steel wires in Kalyani, West Bengal started its commercial production in the year 2000 with an installed capacity of 40,000 MTPA. To meet the growing demand for steel wires, we added 20,000 MTPA of additional capacity at Kalyani in the year 2002 and 25,000 MTPA in the year 2010 at Khanyan. With a view to tap the growing market and to cater to the increased demand emanating from our existing clients, we set up a galvanizing line with 12,000 MTPA capacity at our existing unit at Kalyani in 2002. Subsequently, we enhanced the galvanizing capacity to 30,000 MTPA in the year 2007 and to 48,000 MTPA in the year 2010. In the year 2006, as a strategy towards forward integration, we set up a facility to manufacture different types of Pins at Khanyan. Further in the year 2008, we set up facility to manufacture woven sacks in Silvassa to cater to the demand emanating from sugar, textile and fertilizer industry. Our manufacturing facilities are strategically located in close proximity to the source of raw material. We have set up two Wind Power Generation Turbines of 5MW each in Maharashtra and Tamil Nadu. These wind power generation turbines besides, being environment friendly, have enabled us to take advantage of the tax benefit available under the Income Tax Act, 1961. Our Clean Development Mechanism project of wind power energy at Tamil Nadu has been registered with UNFCCC thereby entitling us to get carbon credit, which would contribute to the overall profitability of the Company in the coming years.

Our manufacturing facility at Kalyani is ISO 9001:2008 certified from SGS United Kingdom Limited for conforming to the Quality Management System Standards. Business Standard magazine, March 2011 edition has ranked our Company at 302 amongst the unlisted companies, while another magazine Industry 2.0 ranked our Company as 64 out of the 500 best SME Companies in India (Source: Industry 2.0 Magazine – October 2009 Issue)

As per our Restated Financials, our total income for the financial year ending 2011 was ₹38,470.81 lakhs as compared to ₹35,057.22 lakhs for financial year ending 2010. During the same period our PAT was ₹1,722.46 lakhs and ₹1,642.17 lakhs respectively. For the half year ended September 2011, our total income was ₹21,823.31 lakhs and PAT was ₹835.25 lakhs.

Major Clientele

Our portfolio of steel wire products includes Pre stressed Concrete wires, Earth wires, ACSR wires, Cable Armour Wire, Galvanized wires, Barbed Wires, etc. Our products find application in various sectors such as Power, Engineering, Agriculture, Railways, Defence etc. Our products are accredited with Bureau of Indian Standards under various specifications. Our products are registered and are supplied to projects of NTPC, NHPC, PGCIL, Damodar Valley Corporation, Larsen & Toubro Limited, Kalpataru Power Transmission Limited, KEC International Limited, Jyoti Structures Limited, IVRCL Infrastructures & Projects Limited, CESC Limited, Ministry of water Resources, Ministry of Railways, DGS&D, various State Electricity Boards etc.

SWOT Analysis of our Company

Competitive Strengths

We believe that the following are our competitive strengths which have been contributing to our growth.

Wide range of products in the wire industry

Our Company's Steel wire product portfolio caters to varied industries like PC (Pre Stressed Concrete) wires used in the Railway concrete sleepers and concrete poles, Earth Wires used in Electricity, Earth as well as Stay Wires used in Electrical support infrastructure etc. We also make ACSR Wires for the conductor industries, Cable Armoury Wires for the Cable Industry, Galvanised Wires having multiple applications in Electricity Generation, general Engineering, fencing (galvanized barbed wire) land sliding etc. In addition to our existing products we propose to manufacture Low Relaxation

Pre Stressed Concrete Wire (LRPC) which finds increasing applications in the erection of bridges, infrastructure for high speed trains, power plants etc. at the proposed manufacturing unit.

Experience and vision of our Promoter

Our Promoter, Mr. Bhanwar Lal. Jajodia, a first generation entrepreneur, has over three decades of business experience in the field of manufacturing, marketing and sales of the steel wire. Mr. Jajodia has also been the past president of the Steel Wire Manufacturers Association of India (SWMAI). His extensive experience in the wire industry enables him to gauge and understand the changing trends and growth prospects in the industry. Under his vision, our Company has been able to constantly upgrade its product profile to meet the dynamic requirements of the various industries that we cater to. Based on the experience and vision of our Promoter, we intend to set up the proposed manufacturing facility in the Bharuch, Gujarat, to cater to the growing demand of our products, derive benefits of economies of scale, and to expand our global footprint, which we believe will have a positive impact on our future performance.

Scalable Business Model

Over the years, our Company has been able to achieve capacity utilisation of over 85% at our manufacturing facility at Kalyani, thus enabling us to add capacities on a regular basis to serve our existing customers as well as to add new customers. Our business model is order driven, and comprises of optimum utilization of our manufacturing facilities, maximum capacity utilization, developing linkages with raw material suppliers and achieving consequent economies of scale. From 40,000 MTPA, we have doubled our capacity to 85,000 MTPA. We believe that this business model has helped us to scale up our capacities as per the requirement generated by our Company in past. We believe that further scaling up of the capacities is necessitated due to the development of new markets both international and domestic, aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

Experienced and efficient management team

We have an experienced management team led by our Promoter, Mr. Bhanwar Lal Jajodia, a first generation entrepreneur with over three decades of experience in this line of business. Apart from the Promoter director, Mr. Ram Chandra Bajaj, Joint Managing Director, with an experience of over 40 years and Mr. Amit Bajaj, Whole time Director having over 12 years of experience in the steel wire industry look into the day to day affairs of our Company. The Board of Directors of our Company is ably assisted by our key managerial personnel and other senior professionals in areas of Production, Marketing, Administration and Finance. We believe that employing and retaining individuals with experience and requisite background has enabled us to capitalize on their collective expertise in understanding this business and ensuring our growth.

Robust Quality Management Policy

Our Company believes in adherence to the quality standards. We are accredited with the Bureau of Indian Standards under various specifications for most of our steel wire products. Our facilities at Kalyani are certified under ISO 9001:2008 from SGS United Kingdom Limited, Systems and Services Certification as conforming to the Quality Management System Standards for “Manufacturing & Supply of Steel Wires, Wire Strands, G.I. Wires, G.I. Wires Strands & Barbed Wire”. Our thrust for quality control enables us to meet the quality specifications of our varied customers. A separate Quality Control Department is entrusted with the responsibility of ensuring that our products meet the highest quality standards within the Industry. Our products are supplied to various public sector undertakings such as Indian Railways, NTPC, NHPC, Power Grid Corporation, and State Electricity Boards like WBSEB, PSEB, RSEB, etc. Further, after setting up the proposed Project, at Gujarat we intend to file applications for obtaining similar certifications for our Proposed Manufacturing Facility..

History of repeat orders

We believe that timely delivery of orders is key factor for growth. Our Company has made continuous efforts to ensure customer satisfaction by taking steps for timely delivery of orders to our customers as well as maintaining consistency in quality and this has yielded results in the form of repeat orders from our customers. The repeat orders reflect the confidence reposed in us by our customers. The Proposed Manufacturing Facility is one of the steps taken by our management towards meeting the requirements of our existing customers.

Location Advantages

All our manufacturing units are strategically located in terms of proximity to customer and access to key raw materials. Our existing manufacturing facilities are located in the Industrial Estate at Kalyani and Khanyan which are well connected by road and rail and are in close proximity to our raw material suppliers. This facilitates efficient movement of both raw materials and finished products. Further, our proposed manufacturing facility at Bharuch, Gujarat is also well connected

with Road and Railways and is in proximity to port. We believe that our existing and our proposed facility will help us cater to the demand for our products in markets within and outside India.

Weakness

Capacity Constraint

Our Capacity utilization at Kalyani since 2009-10 has been more than 85%. We had augmented our existing capacity with an additional capacity of 25,000 MTPA by setting up a new unit in Khanyan, West Bengal to cater to the demand from our existing customers. The said unit has commenced production in the last quarter of FY 2010-11. We are further enhancing our capacity to manufacture wire and wires products by setting up the proposed manufacturing facilities at Jhagadia Industrial Estate, Bharuch, Gujarat. We believe that with the setting up of the proposed project our Company will be able to overcome the current capacity constraint.

Low Capacity Utilization of our Pins Division and Woven Sacks Division

Our pin unit in Khanyan and woven sacks unit at Silvassa commenced production in 2006 and 2008 respectively and are currently operating at around 25% and 66% capacity utilization in FY 2011 respectively. Production has since been fully stabilized and we are concentrating our efforts towards building our order book position which would increase our capacity utilization. Pins are a low cost item but an important component for the Jute Industry. We are facing competition for the same from organized as well as unorganized sector. We believe that our Company will be able to overcome the current low capacity utilization in coming years.

Opportunities

Growth in Infrastructure Sector

Our steel wire products find application in infrastructure sectors like Railways, Power, Structural as well as Defence. With the growth in investments and the government's emphasis on developing infrastructure at a faster pace, we expect increase in demand for these products. In our proposed expansion project, in addition to our existing products, we would also be manufacturing LRPC wire which has wide application in the infrastructure sector. It is finding increasing application in the construction sector replacing the traditional construction material. In India, LRPC wire is believed to be one of the fastest growing segments in the entire steel wire segment because of its wide application in the infrastructure projects like roads, bridges, flyovers, bridge girders, railways, nuclear domes, wide span slabs, etc. We believe this will help us tap the growing demand for various industry segment.

Opportunity to be enlisted with other State Electricity Boards

Presently, our Company is the listed suppliers to Electricity majors like NTPC, NHPC, PGCIL, DVC etc as well as with the State Electricity Boards of West Bengal, Punjab, Rajasthan, Gujarat, Madhya Pradesh, Uttar Pradesh, Karnataka, Tamil Nadu, Maharashtra, Bihar, Jharkhand, Chhattisgarh and Tripura. With enhancement in our manufacturing capacity, we intend to pursue with other State Electricity Boards for empanelment as suppliers, thereby adding them to our client list and increasing our reach.

Demand from industries like automobiles, agriculture, furniture and appliances

We have so far been catering primarily to the Power, Railways, General Engineering, Defence Sector. Steel wires are also finding applications in some traditional industries like agriculture, furniture as well as appliances. We intend to explore these new opportunities and believe that our existing as well as proposed manufacturing facilities are capable of catering to the specific wire requirements of these sectors. Automobile industry has been growing and is expected to grow especially in developing economies. Beside the spring wire from our current manufacturing facilities as well as from our proposed manufacturing facility will help us cater to the demand emanating from the automobile industry.

Opportunities exist in the Export Sector

We believe that there is scope to export our products across the globe. The global economy have shown resilience and are continuing focus on developing / improving infrastructure particularly the telecom and high speed railways. LRPC wire is key raw material required for setting up these infrastructures. Our proposed project in Gujarat would help us to cater to newer geographies. As a strategy going forward, we intend to increase the share of exports in our overall sales portfolio.

Threats

Downturn in the economy is likely hamper the growth of the industry

Our products are primarily used in the Power, Railways, General Engineering and Defence sector and do not have substantial stand alone applications. Any downturn in the economy is likely to decelerate the overall growth of these industries and the steel wire industry is also likely to be affected.

Escalating cost of Steel and other metals may put pressure on the Company's margin

We are dependent on major steel producers for supply of raw materials. We operate in an extremely competitive environment. We may not be in a position to pass the entire cost escalation to our clients especially those who have strong bargaining power. As a result, increase in prices of steel beyond a threshold level is likely to affect the profitability of our Company.

Existing players and possible new entrants may augment capacity leading to tougher competition

Due to the demand for steel wires and allied products, the existing players in the industry may supplement their existing capacity. Further, we operate in an industry segment where the legal and statutory entry barriers are relatively low. Further producers of wire rods may forward integrate into the wire industry while new players might want to foray into the steel wire segment. Increased capacity augmentation by our competitors and the entry of newer players into the segment may further reduce the bargaining power of suppliers like us and therefore lead to squeezing of margins.

Growth Strategy

Our Company's growth has largely been driven by our existing order based business model, scale of operations, quality of our products and focus on building a strong supply chain. We intend to capitalize on these strengths and other business initiatives as detailed hereunder to drive our business growth and being a leading manufacturer in the steel wire Products market. The key elements of our strategy are described below:

Setting up manufacturing facilities at strategic locations

Expansion of our manufacturing capacities is a continuous process to support our growth. We are setting up manufacturing unit in Bharuch, Gujarat with an installed capacity of 1,80,000 MTPA including Galvanizing capacity of 1,00,000 MTPA. The proposed facility at Bharuch, Gujarat will ensure logistical efficiencies due to its proximity to key raw material supplies and to the port. Our plan for setting up a manufacturing unit in Gujarat would enable us to provide thrust to our pan India operations. Through the manufacturing facilities at Gujarat we intend to cater to the Western and Southern part of the country as well as international markets. Close proximity to the seaport opens an opportunity to explore the possibility of exporting our products. Further, we believe that the setting up this manufacturing facility will enable us to better plan and manufacture our portfolio of products and enable us tap the emerging business opportunities.

Expand our domestic geographical reach through marketing network

To expand our business, we intend to aggressively penetrate in the domestic markets and expand our domestic market presence by expanding our sales and distribution network. To augment our efforts in the distribution of our products, we intend to deploy additional field force consisting of sales and marketing representatives who shall meet our customers/prospective customers to inform and educate them about our products/new products. We further intend to market and distribute our products in the domestic markets by making them available to target customers through various distribution channels and our marketing efforts through deployment of field force to support our distribution efforts. In order to achieve this objective we intend expand our sales, marketing and logistics team in line with our growing business and the viable opportunities. Further, we intend to gradually increase our distribution network to cover untapped markets.

Tapping the export market

In line with the increasing industrialization and infrastructure development across the globe, the export potential of steel wires continues to appear encouraging. In spite of recent slowdown in economic activities, the global economy has shown resilient recovery, creating export opportunities in the industrialized world and more importantly in the healthy economies of BRIC countries and in the oil rich mid-east nations where improving the infrastructure is a priority. Additionally, our high quality products with their inherent cost advantage would enable us to access the US and European market.

Multi Product Portfolio

We continuously endeavor new initiatives to broad base our product portfolio. We intend to aggressively pursue new initiatives to expand our range of products which would help us foray into new areas and open newer business opportunities, besides ensuring control over the cost of production without compromising on the quality of our products. We intend to continue to grow our business from existing clientele by enhancing our existing relationships and increasing

the scope of engagements with our clients by expanding the range of products being offered to them. Our capability to provide an enhanced range of products would enable us deepen our relationships with the existing clients through cross selling opportunities, as they arise.

Continuing to attract, build and develop employee excellence

We believe our ability to grow on a sustained basis and maintain the differentiation in the market place is, to a large extent, dependent on our strength to attract, train, motivate and retain our people. We intend to develop ourselves as the employer of choice.

Business model based on multiple Revenue Stream

We have different lines of manufacturing activities which leads to different revenue stream. Apart from manufacturing of steel wire and pins, we have diversified our business activities by setting up facility for manufacturing of woven sacks. We have also set up Wind Power Generation Turbines in Maharashtra and Tamilnadu. We intend to aggressively pursue opportunities emanating from other lines of manufacturing activities and increasing their share in the overall revenue of our company, thus de-risking our revenue model.

Our Business

Product Portfolio and Business Activities:

The details of our product portfolio and business activities are as follows (Wires and Pins):

Sr. No.	Sector	Products	Governing Indian Standard	Application
1	Power Transmission & Distribution	<ul style="list-style-type: none"> Galvanised Iron Wire (Hot Dipped) Galvanised Steel Strand (Earth Wire / Stay Wire) Guy Wire Barbed Wire GI Earthing Coils Counterpoise Earthing Pipe Earthing 	IS 280 IS 2141 IS 12776 IS 278	Power transmission, Power Distribution
2	Conductors & Cable Industry	<ul style="list-style-type: none"> ACSR Core Wire Single ACSR Core Wire Stranded Cable Armouring Wire 	IS 398 (Part II) IS 398 (Part V) IS 3975	Conductor & Cable Manufacturing
3	Automobile Industry	<ul style="list-style-type: none"> Spring Wire Cycle Spoke Wire Mild Steel Welding Wire Rivet Wire Upholstery Wire 	IS4454	Automobile Spring, Seat Spring, Control Cables, Spokes, Washers, Circlips, Automatic Welding
4	Textile & Jute Industry	<ul style="list-style-type: none"> Card Pin Wire Gill Pin Wire Meta Pin Wire Bailing Wire Card Pin Gill Pin Meta Pin Wire 		Combination of Jute, Cotton etc.
5	Agricultural Product	<ul style="list-style-type: none"> Fencing Wire Vineyard Wire Netting Wire Barbed Wire 	IS280 IS278	Fencing Netting and other general use
6	Construction	<ul style="list-style-type: none"> Normal Relaxation Plain PC Wire Indented PC Wire PC Strand (3 ply & 7 ply) Strand 	IS 6003 IS 6006	Railway Sleeper, Bridge Fly Over and Other Heavy Duty Construction
7	General Engineering	<ul style="list-style-type: none"> GI Wire Hard Drawn Bright Wire 	IS280	General Engineering purpose Miscellaneous use

Sr. No.	Sector	Products	Governing Indian Standard	Application
		<ul style="list-style-type: none"> Annealed Wire Concertina Wire Umbrella Rib Wire Nail Wire Hair Pin Wire Safety Pin Wire Bucket Handle Wire Hanger Wire Fan Guard Wire 		
8	Animal Husbandry	<ul style="list-style-type: none"> Chicken Mesh Wire Bird Cage Wire 		

Woven Sacks

We manufacture woven sacks, which can be used for packaging in varied industries like sugar, cement, fertilizers, salt, agri-products etc.

Wind Power Generation Turbines

We have installed Wind Power Generation Turbines in Maharashtra and Tamil Nadu with 5MW capacity each. Our Company has entered into six agreements for Operation & Management Agreement and also Maintenance Agreement with Suzlon Energy Limited for the said Wind Power Generation Turbines during 2008 and 2009 for a period of nine years.

For the sale of the Wind Energy generated from our Wind Power Generation Turbines in Maharashtra, our Company has entered into an agreement with Maharashtra State Electricity Distribution Company Limited. The terms of the agreement will be governed by RPS order dated August 16, 2006 issued by Maharashtra Electricity Regulatory Commission (MERC).

For the sale of the Wind Energy generated from our Wind Power Generation Turbines in Tamil Nadu, our Company has entered into an agreement with Tamilnadu Electricity Board.

Proposed Products:

Our Company is proposing to set-up manufacturing facility at Gujarat with installed capacity of 1,80,000 MTPA including Galvanizing capacity of 1,00,000 MTPA wherein we will be manufacturing products with following specifications, in addition to our range of existing products within the given installed capacity:

Sr. No.	Products	Size	Application
1	L.R.P.C Wires	1/4", 5/16", 3/8", 7/16", 1/2", 6/10", 7/10	Infrastructures, Bridges, Roads, Dams

LRPC Wires:

LRPC wire uses the stress relaxation property of steel. By treating the steel through a thermo-mechanical process known as stabilizing, the propensity of the steel to "relax" under a stressed condition is controlled to a great extent and LRPC wires are thus made.

Properties of LRPC Wires

- High strength.
- Consistency of physical properties.
- Consistent coil characteristics with uniform winding.
- Close tolerances on unit mass to length ratio.
- Higher breaking loads.
- Higher proof stress loads.
- Higher fatigue and corrosion resistance.
- Better performance at elevated temperature.
- Lower relaxation losses.
- Joint-less long length strength.

Application

A steel member that is pre-stressed and embedded in concrete, loses the initially applied stress exponentially with the passage of time. Hence, they can be used in a lot of applications including prestressed concrete girders for road, river and railway bridges and flyovers, pre-stressed concrete domes, slabs, silos, hangars, aqua ducts, viaducts and railway sleepers.

Markets

LRPC has wide application in the infrastructure sector. It is widely used in the construction sector replacing the traditional construction material being used. In India, today, LRPC wire is one of the fastest growing segments in the entire steel wire segment because of its wide application in the infrastructure projects like roads, bridges, flyovers, bridge girders, railways, nuclear domes, wide span slabs, etc

MANUFACTURING PROCESS

I. WIRES:

Wires are solid regular metallic section produced by drawing, rolling or extrusion. Our Company manufactures round sectional wires through drawing. Drawing process gives dimensional consistency and ease of operation along with substantial productivity.

The detailed process of Wire Drawing is explained below.

Pickling

Steel wire rods which are received at the factory gate contain mill scale. Mill scales are rust, oxides of iron, mainly FeO , Fe_2O_3 and Fe_3O_4 , which develop on the surface of the rods when they are stored for prolonged periods. Before the rods are taken for processing on the wire drawing machine, these mill scales and rust have to be removed. The removal of such scale and rust is done through chemical cleaning. In this process, the rod coil is immersed in acid solution of Hydrochloric acid (HCl). Acid penetrates through the cracks in the rust and scale and reacts with the virgin steel. The rust and scales become loose and fall off the surface.

After the process of pickling, the virgin surface which is exposed to air and humidity becomes prone to oxidation. To provide protection, the pickled rods which are washed by dipping in water, followed by high pressure water spray to wash off the acid, are coated with Zinc Phosphate and Phosphoric Acid mixture in various additives. The phosphate mixture enhances the reactions and refines the coating grain size.

This chemical being acidic in nature, requires neutralization. Neutralization is done by passing the wires through lime and borax. After phosphate coating and neutralization, the coils are dried before loading on to the wire drawing machine. Phosphate coating helps in carrying soap powder into the die enhancing the lubricity and reducing friction. It also prevents rusting of wire for limited period of time. This phosphate layer along with the soap layer prevents metal to metal contact inside the die.

The Wire Drawing Process

Wire is drawn by pulling it through a die thereby reducing dimension/cross section. Since the total volume remains the same, the cross sectional area gets reduced while the length increases. Drawing changes the physical characteristics and properties of the material. In addition to the change in the cross sectional area, the tensile strength also increases. Strong relation exists between the reduction in area and increase in tensile strength. The reduction in area is achieved at the expense of ductility; therefore, there is loss of elongation property. Other properties like torsion, bend etc. also change and these changes are directly proportional to total reduction in area.

Wire drawing is done in stages through a wire drawing machine. The force of pulling necessary draw wires is directly proportional to the reduction in area per die, inlet diameter, drawn diameter and the initial hardness or tensile strength. The reduction process through multiple drawing is achieved by 'Die drafting'. Die drafting is the schedule of die sizes used to achieve desired diameter of finished wire from the inlet rod or wire. The amount of reduction given per die is important.

After about 85% cold working the material becomes hard and difficult to deform. For further reduction in diameter the material is brought back to deformable condition by a process known as Annealing. Annealing is done in lead bath where the temperature is normally maintained at 690°C to 710°C . The wire should attain this temperature for achieving desired softness or low tensile strength.

Wire Drawing Machine

Wire drawing machine is a round drum of hard wear-resistant material, commonly, cast iron or cast steel with a rigid die box. The drum is rotated with the help of a motor. The speed of the drum is adjusted by pulley, worm and gear. As the wire is pulled by this drum, acting as a pulling capstan, through a die, the process is called wire drawing. While single block machines are available, we use a number of wire drawing blocks connected together. Such machines are known as composite machines or multi-hole machines. Since our Company manufactures mostly small and medium diameter wire, we use vertical drum instead of horizontal drum machines.

Galvanizing

Galvanization is the process of coating steel wire with zinc or zinc-aluminium alloy. The basic purpose of such coating is to protect the drawn wire from atmospheric corrosion. Therefore, once the wires are drawn to the desired diameters, they are subjected to galvanization. This is done by passing a cleaned wire through molten zinc bath.

In galvanizing process the wire is first passed through molten lead bath. The lead bath temperature is maintained at desired level for achieving exact properties. When lead bath is used for stress relieving, the lead bath temperature is maintained around 430°C . After the lead bath the wire is passed through hydrochloric acid for cleaning. The acid strength and iron-content are important criteria for cleaning operation. In the in-line process the wire enters acid bath at very high temperature thereby enhancing the cleaning process. After acid cleaning the wire is washed properly to remove acid. Any acid carry-over contaminates the flux bath and disturbs the stability of the bath.

Fluxing the wire prior to galvanizing is done to prepare the surface of wire for galvanizing. Flux serves two purposes, (i) reduces the viscosity of zinc, and, (ii) accelerates the reaction between steel surface and zinc. Finally, the wire is passed through molten zinc to achieve the zinc coating. The coating has two components, (i) the iron-zinc alloy layer, and, (ii) free zinc on the top. In light coated and medium coated material there is no or negligible free zinc. For heavy coated material, the wire has to be removed from the zinc bath vertically and the free zinc component is high.

The weight of zinc coating is a function of dip time in the zinc bath and speed of removal from zinc bath. The running speed is important. Higher speed leads to less dip time and thin iron-zinc alloy layer. At the same time it picks up more free zinc mechanically on the surface. At slow speed the molten zinc gets enough time to drip down and hence the free zinc quantity is less. In case of high speed removal the wire picks-up more zinc on the surface and moves beyond the range and gets solidified resulting into higher free zinc.

Normally zinc bath is maintained at $450^{\circ} \pm 5^{\circ}\text{C}$. When zinc bath temperature is raised to higher temperature fluidity of zinc increases. At the same time rate of dross formation increases due to higher reactivity of zinc. Higher zinc bath temperature helps in reducing the weight of coating due to increased fluidity. Therefore, for achieving desired type and weight of coating the combination of zinc bath temperature, dip length and running speed need to be adjusted by trial and error.

Iron-zinc alloy layer gives better protection in dip test but detrimental for torsion property. Formation of alloy layer is a function of zinc temperature and dip time (which is controlled by the dip length and speed of running).

II. PINS / METAPINS:

The process of making pins / metapins consists of the following:

• Straightening:

In this process wire passes through the Spinners of the machine and gets straightened, the straightened wires are automatically cut into pieces by the cutting die provided in the machine.

• Grinding and Pin Cutting:

The straightened wires are then grounded in the centreless grinding machines. In this stage bundles of straightened wires are loaded on to the feeding hopper and the wire passes through the Saddle and rubberized pulleys and ground automatically to the desired length. Then the grounded wires are loaded on to the hopper of Pin cutting machine. In this machine, the ground wires are cut to the specified length.

- **Hardening:**

Pins are generally hardened in the automatic Hardening Furnace. We have Electrically Heated, Oil quench, Shaker Hearth Furnace. In this type of Furnace, pins are passed through the heating zone of the furnace by means of to and fro movements of the Hearth Plate. Pins, after they are red hot, are automatically dropped into the Quenching Oil Bath and hardened. One 250 cft capacity Endo Gas generator is coupled with the furnaces to supply Endo Gas inside the furnace. Hardening is done under controlled temperatures and pressure to resist decarburization of the pins. The temperature required for this operation is 850° centigrade.

- **Tempering**

After hardening, pins are tempered in oil tempering furnace. In this process pins are dipped into the hot (150° - 325° Centigrade) oil bath and checked at regular intervals. The bucket of pins is kept in the bath for a certain period of time and then taken out after obtaining the desired impact value.

- **Polishing:**

Hardened and tempered pins are then polished in Rotary Polishing machines with the help of certain polishing agents.

- **Final Inspection:**

After polishing each and every batch, the pins pass through inspection are checked and only good quality pins are allowed to go in for packaging.

- **Packaging:**

Generally pins are packed in Card Board Box/ Plastic Box as per the requirement.

III. WOVEN SACKS

The process of making woven sacks consists of the following processes:

- **Tape Manufacturing:**

Extrusion of the granules is made into film, which is then slit into strips, stretched to tapes and wound into bobbins or on attachment.

- **Weaving:**

It's done in wrap and weft with the help of circular weaving loom.

- **Lamination:**

The circular fabric is flattened and coated with a layer of lamination grade PP on both sides in the lamination plant.

- **Conversion to woven sacks:**

The tabular fabric is finally converted into sacks by cutting it and printing on it as per customer specification.

Manufacturing Facilities

The following table set forth a summary of our manufacturing facilities:

Facility	Capacity	Location
Iron & Steel wires	25,000 MTPA	Station Road, Khanyan, Hoogly, West Bengal
Card/gill/metapin	6000 lakhs pcs	
Iron & Steel wires	60,000 MTPA	Industrial Growth Centre, Phase III Kalyani, Nadia West Bengal
Woven Sacks	3000 MTPA	Survey No. 117/1 & 2, Agarwal Estate, Vagdhara Dunra Road, Dadra & Nagar Haveli, Silvassa – 396 230 (UT),
Wind Power	5MW	Village Akrale, Taluka – Nandurbar, Dist. Nandurbar, Maharashtra
	5 MW	Village Kundadam, Coimbatore, Tamil Nadu

Existing Installed Capacity and Capacity Utilization

Products	March 31, 2011	March 31, 2010	March 31, 2009
Wire Drawing			
Annual Installed Capacity (MTPA)	85,000.00^	60,000.00	60,000.00
Utilized Capacity (MTPA)	66,020.34	58,181.13	56,753.43
% of Installed capacity utilized	77.67%	96.97%	94.59%
Pins			
Annual Installed Capacity (MTPA)	600.00	600.00	600.00
Utilized Capacity (MTPA)	151.17	194.97	128.65
% of Installed capacity utilized	25.20%	32.50%	21.44%
Woven Sacks			
Annual Installed Capacity (MTPA)	3,000.00	3,000.00	-
Utilized Capacity (MTPA)	1,994.03	1,945.60	-
% of Installed capacity utilized	66.47%	64.85%	

^ addition of 25,000 MTPA in Installed Capacity was effective from December 2010.

Proposed installed Capacity and Products:

We propose to set-up manufacturing facility with installed capacity of 1,80,000 MTPA including Galvanizing capacity of 1,00,000 MTPA for manufacturing of steel wires including LRPC wires. Our Company expects to achieve capacity utilisation of around 80% within 2 years of commercial production.

Infrastructure Facilities**Plant & Machinery**

We believe that we have state of art machinery for manufacture of various products at our existing plants. The main machinery used for manufacturing are Pickling Plant, Wire Drawing Machine, Galvanizing Plant, Stress Relieving Furnace, Stranding Machine, Barbed Wire main Machine.

There is an array of Plant & Machinery to be acquired for the proposed project. The main lines of plant and machinery shall primarily be imported from Italy from one of the leading manufacturers of the state of art machinery. Other machineries and the miscellaneous fixed assets are available indigenously. For further details regarding plant and machineries to be acquired, please refer to the chapter titled “*Objects of the Issue*” beginning on page 57 of this Draft Red Herring Prospectus.

Location and Land details

Our existing facilities for manufacturing of steel wires are located at Kalyani and Khanyan, West Bengal. The Steel Pins manufacturing facility is located at Khanyan, West Bengal. The Wind Power Generation Turbines are installed in Maharashtra & Tamil Nadu and the woven sacks manufacturing facility is located at Silvassa.

The new project is proposed to be set up at Jhagadia Industrial Estate, District Bharuch, Gujarat. Our Company has acquired land admeasuring 95,178 sq. mts. on long term lease basis. Jhagadia is among one of the largest industrial estates developed by GIDC with an area of approximately 1700 hectares. The proposed site is well connected by rail and road and is in close proximity to sea ports.

Raw Materials

The key raw material requirements for manufacture of wire products in our existing and proposed plants are steel rods, zinc and lead. Our Company is presently sourcing these products from reputed supplier’s viz. RINL Vizag, Tata Steel Jamshedpur, Jindal Steel and Power Limited, Steel Authority of India Limited, Bhilai, Hindustan Zinc Limited. Our Company proposes to tap the existing sources for the raw material requirement for our proposed project. The major raw material required for woven sacks is HDPE which is sourced from petroleum marketing companies

Furnace Oil

Our Company sources furnace oil from BPCL and HPCL. Our Company can also use Natural gas or Liquidified Petroleum Gas as alternative source of fuel. These fuels are available on demand, hence, we have not entered into any supply agreement. Our Company proposes to procure Furnace Oil from the open market for the proposed project at the time our commercial production commences.

Power

Existing

Our Company sources power from state electricity boards and also have also installed DG sets for backup:

Location	Contract Demand (KVA)	DG Set Capacity (KVA)
Kalyani	1700	250 x 2
Khanyan	425	250
Silvassa	300	380

Proposed

The maximum demand for the plant has been estimated at 3,350 KVA. We propose to take power connection of 3,350 KVA from Gujarat State Electricity Board. Our Company also proposes to install two DG Set with a capacity of 500 KVA each at the proposed plant in Gujarat as stand by arrangement for power back-up

Diesel

Existing

Our Company sources the diesel required for running the DG sets from the local depots / markets.

Proposed

Our Company proposes to sources the diesel required for running the DG sets from the local depots / markets

Water

Existing

The requirement of water for our existing plant in Kalyani is met through supplies from WBIIDC and bore wells. Our plants at Khanyan and Silvassa sources water through local supplies and bore wells.

Proposed

Our proposed project at Bharuch will requires approx. 310 KL water per day which will be sourced through GIDC and bore wells. In order to conserve water and to meet the environmental pollution control, recycling of water is proposed, which permits re-use of water.

Human Resources

As on January 31, 2011, our Company has 726 employees.

Sr. No.	Particulars	No. of Employees*
1	Whole Time Directors	3
2	Engineers/Technician/Machine Operator	91
3	Supervisor	41
4	Accounts and Administration	35
5	Human Resource	4
6	Purchasing, Marketing and Tendering	13
7	Skilled Workers	68
8	Semiskilled Workers	165
9	Unskilled Workers	306
	Total	726

*Includes 239 employees on contract basis working at our Kalyani locations. We have entered into an agreement with M/s Gorakh Prasad for supply of labour for Loading, unloading, Material Handling, House Keeping etc.

Our Company has not experienced any strike, lock out or go slow at any of our factory premises during past 5 years. We have workmen union at Kalyani affiliated to CITU & INTTUC.

The manpower requirement for our project at Bharuch will comprise of senior executives, technical & supervisory staff and commercial staff. We intend to recruit them locally.

Technology

Our Company has not entered into any technical collaboration agreements with any party.

Collaborations

Our Company has not entered into any agreement with any supplier for supply of raw material required for our manufacturing facilities. Our Company has entered into an agreement with Suzlon for operation and maintenance of our Wind Power Generation Turbines in Maharashtra and Tamilnadu.

DISTRIBUTION AND MARKETING

Our Company has a well established Distribution and Marketing setup that looks after the entire chain starting from the Tendering process, if required, to collection of receivables. Over a period of time, we have established relationship with Indian Railways, State Electricity Boards as well as various EPC contractors who undertake turnkey jobs. Some of our valued customers apart from the Indian Railways and State Electricity Boards are Larsen & Tubro, Kalpataru Power Transmission, KEC International Limited, Areva T&D India Limited, Tata Projects, IVRCL Infrastructure & Projects Limited, Jyoti Structures, Nagarjuna Construction Company Limited, Lanco Infratech etc. Our Company also actively participates in the tenders floated by various Central and State Government Undertakings and Corporate customers for supply of wire and wire products.

Approach to Marketing and proposed marketing set up

Our Company proposes to strengthen the marketing set up and invest in distribution network. Our management is in the process of finalising marketing strategies to be pursued going forward as well as strengthening our marketing set up. Our marketing efforts are directed:

- To create market awareness for our Company's products in the domestic and international markets;
- To advertise and promote sales through sponsorships, direct marketing, exhibitions and communicate to the construction, infrastructure and automobile industry.
- To register with Government Institutions and be an approved vendor for large corporates.

To increase our portfolio of customers, we identify the prospective clients, understand their requirements, explain them our product range and value addition we can offer.

We strictly adhere to the quality expectations of the customers and at times take inputs from them which help us in improving our product's quality and thus enable us to match up to their expected standards.

Environmental factors

The Company is committed to minimising the environmental impact of its operations and its products through the adoption of sustainable practices and continuous improvement in environmental performance. Our Company's manufacturing process involves effluents like solid, liquid and gas. We have installed effluent treatment plants to keep the discharge of effluent within the norms prescribed by respective pollution boards. We are complying with the Pollution Control Guidelines for all the plants.

Export Obligations:

Our Company does not have any export obligation

Competition

The market for steel wire is very competitive. Competition depends on the products being offered by different companies, besides several other factors like quality, price, capacity to deliver etc. Competition emerges not only from the organized sector but also from the unorganized sector and from both big and small players. We face competition from listed players

viz. Usha Martin Limited, Rajratan Global Wire Limited, Bedmutha Industries Limited and unlisted players viz. Indian Steel & Wire Products Limited, MICI Wires etc.

Insurance

Our Company's operations are subject to hazards inherent to a manufacturing company such as risk of equipment failure, work accidents, fire, earthquake, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, destruction of property and equipment and environmental damage.

The aggregate coverage under the policies currently is ₹24,266.26 lakhs. We have taken following insurance policies as on January 31, 2012.

(₹ in Lakhs)		
Sr. No.	Nature of Policy	Amount Insured
1	Keyman Insurance Policy	100.00
2	Standard Fire and Special Perils Policy	7,230.32
3	Business Guard Commercial Policy	9,931.94
4	Marine Cargo Insurance Policy	7,004.00
	Total	24,266.26

Intellectual Property

We have intellectual property rights that we seek to protect to the fullest extent practicable. We believe that we are not dependent on any of our intellectual property rights individually, although, they may collectively be of material significance to our business.

We have applied for registration of the logo of our Company under class 6. For details of registration of our logo and other details, please refer to the chapter titled "Government and Other Approvals" beginning on page 190 of this Draft Red Herring Prospectus.

OUR PROPERTIES

Immovable Properties:

The following table sets forth our freehold and leasehold properties as on the date of this Draft Red Herring Prospectus:

A. Details of Property owned by the Company:

Sr. No.	Document Executed	Name of the Seller	Details of land /Building Purchased	Area	Consideration Amount (₹)
1.	Sale Deed dated 19-Oct-2007	<p>(Vendor No. 1') Ramratan Badri Prasad Agrawal; Roopkishore Badri Prasad Agrawal; Nandkishore Badriprasad Agrawal; Nirmala Ramratan Agrawal; Shashi Roopkishore Agrawal; Krishna Nandkishore Agrawal</p> <p>AND</p> <p>(Vendor No.2') M/s Suvidha Concretes, (Partnership concern through its Partners)- Ramratan Badri Prasad Agrawal; Roopkishore Badri Prasad Agrawal; Krishna Nandkishore Agrawal</p>	<p>9,400 sq. mtrs (including Factory Shed Building admeasuring 897.89 sq.mtrs on such land) In survey No. 117/1</p> <p>2,200 sq. mtrs In survey No. 117/2 of Village Dadra of the Union territory of Dadra & Nagar Haveli</p>	11,600 sq. mtrs	Consideration: 97,31,600
2	Sale Deed dated 08-Sep-2008	Executed by Shubh Realty (South) Private Limited through its Assistant Manager – Legal Mr. M. Subramanian	2 acres (1.63 acres in S.F. No. 619/1, 0.37 acres in S.F. No. 619/2) Registration No. 6226/08	2 acres	Consideration: ₹3,50,000
3	Sale Deed dated 08-Sep-2008	Executed by Shubh Realty (South) Private Limited through its Assistant Manager – Legal Mr. M. Subramanian	2 acres S.F. No. 540/2 in Kundadam village,	2 acres	Consideration: ₹3,00,000

Sr. No.	Document Executed	Name of the Seller	Details of land /Building Purchased	Area	Consideration Amount (₹)
			Dharapuram Taluk Erode District Registration No. 6228/08		
4	Sale Deed dated 10-Sep-2008	Executed by Shubh Realty (South) Private Limited through its Assistant Manager – Legal Mr. M. Subramanian	2 acres S.F. No. 746/1 in Kundadam Village, Dharapuram Taluk, Erode District Registration No. 6326/08	2 acres	Consideration: ₹3,50,000
5	Sale Deed dated 08-Sep-2008	Executed by Shubh Realty (South) Private Limited through its Assistant Manager – Legal Mr. M. Subramanian	2 acres S.F. No. 557/1 in Kundadam Village, Dharapuram Taluk, Erode District Registration No. 6227/08	2 acres	Consideration: ₹3,50,000
6	Sale Deed dated 22-Mar-2007	Executed by Ashok Popat Patil, Sanjay Popat Patil, Sakubai Popat Patil, & Arunabai through its POA holder, Sarjan Realities Limited through its Authorised Representative Sri Pramod Vijayshankar Dave (Vendor) AND Sarjan Realities Limited through its Authorised Representative Sri Pramod Vijayshankar Dave (Consenting Party)	2 acres Gut. No./Survey No.43/1 in Village-Akrale, Taluka-Nandurbar, District Nandurbar. Registration No. 1657/2007	2 acres	Consideration: ₹1,20,000
7	Sale Deed dated 22-Mar-2007	Executed by Nanabhau Harchand Patil through its POA holder Sarjan Realities Limited through its Authorised Representative Sh. Pramod Vijayshankar Dave (Vendor) AND Sarjan Realities Limited through its Authorised Representative Sh. Pramod Vijayshankar Dave (Consenting Party)	2 acres Gut. No./Survey No.79/1 in Village-Akrale, Taluka-Nandurbar, District- Nan durbar. Registration No. 1656/2007	2 acres	Consideration: ₹1,20,000
8	Sale Deed dated 14-Mar-2007	Executed by Madhukar H. Patil, Kailas H. Patil, Digambar H. Patil, Amrut H. Patil, Nirmalabai, Kasturabai (Consentor), & Ushabai (Consentor) through its POA holder Sarjan Realities Limited through its Authorised Representative Sri Pramod Vijayshankar Dave (Vendor) AND Sarjan Realities Limited through its Authorised Representative Sh. Pramod Vijayshankar Dave (Consenting Party)	2 acres Gut. No./Survey No.30 in Village-Akrale, Taluka-Nandurbar, District- Nandurbar. Registration No. 1536/2007	2 acres	Consideration: ₹1,20,000
9	Sale Deed dated 14-Mar-2007	Executed by Shewantabai w/o Rupchand Patil through its POA holder Sarjan Realities Limited through its Authorised Representative Sri Pramod Vijayshankar Dave (Vendor) AND Sarjan Realities Limited through its Authorised Representative Sri Pramod Vijayshankar Dave (Consenting Party)	2 acres Gut. No./Survey No.136/3 in Village-Akrale, Taluka-Nandurbar, District- Nandurbar. Registration No. 1535/2007	2 acres	Consideration: ₹1,20,000

B. Details of Property taken on Rent by the Company

Sr. No.	Purpose of Lease	Details of the Property	Document executed	Name of the Lessor	Valid up to
1.	Registered Office	Office Premises measuring 3,530 sq. ft. in total at Anandlok, 227, A.J.C. Bose Road, Kolkata –	Tenancy Agreement dated 30-Sep-2011 for a period of 3 years w.e.f. 01-Oct-2011	Prity Properties Private Limited	30-Sep-2014

		700020, West Bengal			
2.	Business Purpose	Land measuring 0.65 acres at Station Road, Khanyan, Dist. Hooghly, West Bengal	Tenancy Agreement dated 25-Jul-2011 for a period of 3 years w.e.f. 01-Jul-2011	UIC Industries Limited	30-June-2014

C. Details of Property taken by the Company on long term Lease

Sr. No.	Document Executed	Name of the Lessor	Details of land Purchased	Area	Consideration (₹)
1.	Lease Deed dated 15-Dec-1998 For 99 years w.e.f 04-Feb-1998	West Bengal Industrial Infrastructure Development Corporation	Plot nos. A, H, I-1, K-5, K-6, K-7 & J, WBIIDC, Kalyani, Phase-III, Industrial Growth Centre, Mouza Kalyani under P.S. Kalyani, Dist Nadia.	8.5063 acres	Consideration: ₹68,05,040 Annual Rent: ₹34,424
2.	Lease Deed dated 04-Jul-2011 For 99 years w.e.f 25-Sep-2006	West Bengal Industrial Infrastructure Development Corporation	Plot nos. K-1, K-2, & K-3 WBIIDC, Kalyani, Phase-III, Industrial Growth Centre, Mouza Kalyani under P.S.- Kalyani, Dist Nadia.	3.4260 acres	Consideration: ₹54,81,600 Annual Rent: ₹69,323
3.	Lease Deed dated 27-Dec-2005 for 20 years w.e.f 27-Dec-2005	UIC Industries Limited (Group Company)	Land situated at Station Road, Khanyan, Dist. Hooghly, West Bengal and the Building, Structures, Plant & Machinery, Electric Installations, etc. thereon.	0.77 acres	Annual Rent: ₹80,000
4.	Lease Deed dated 18-Aug-2011 For 99 years w.e.f 31-Mar-2011	Gujarat Industrial Development Corporation	All that piece of land known as Plot No. 905/2 in Jhagadia industrial estate/notified area consisting of Revenue Survey Nos. 207 paiki, 208 paiki 209+ 197 paiki, 210 paiki, 211 paiki, 212 paiki within the village limits Dadheda Taluka; Jhagadia District; Bharuch.	95178.86 sq. mtrs	Consideration: ₹5,85,59,316 Annual Rent: ₹114

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India. The regulations set below are not exhaustive, and is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice. Sets forth below are certain significant legislations and regulations which generally govern this industry in India.

INDUSTRIAL LAWS

1. The Factories Act, 1948

The Factories Act, 1948 seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. Section 2(m) of the Act, defines, a 'factory' to cover any premises wherein ten or more workers are working, or were working on any day of the preceding twelve months, and in which manufacturing process is carried on with the aid of power and any premises where twenty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on without the aid of power. Each State Government has set out rules in respect of the prior submission of plans and their approval for the establishment, registration and licensing of factories.

The Act provides that occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. There is a prohibition on employing children below the age of 14 years in a factory.

2. Contract Labour (Regulation and Abolitions) Act, 1970.

The Act applies to every establishment in which 20 or more workmen are employed or were employed on any day on the preceding 12 months as contract labour. The Act provides for the welfare of the contract labour, their wages, appointment of the inspecting staff and maintenance of registers, records, etc. As per the said Act, the establishments covered are required to be registered as the Principal Employer.

3. The Minimum Wages Act, 1948 ("Minimum Wages Act")

Minimum Wages Act was enacted to provide for minimum wages in certain employments. Under this Act, the Central and the State Governments are the authorities to stipulate the scheduled employment and to fix minimum wages. The Act contains list of Agricultural and Non Agricultural employment where the prescribed minimum rate of wages is to be paid to the workers. The minimum wages are calculated and fixed based on the basic requirement of food, clothing, housing required by an average Indian adult.

4. The Workmen Compensation Act, 1923

The Workmen Compensation Act, 1923 ("WCA") has been enacted with the objective of providing for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment.

In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

5. *Payment of Gratuity Act, 1972*

The provisions of the Act are applicable on all the establishments in which ten or more employees were employed on any day of the preceding twelve months and as notified by the government from time to time. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A thereafter whenever there is any change in the name, address or in the change in the nature of the business of the establishment a notice in Form B has to be filed with authority. Further, every employer has to obtain insurance for his liability towards gratuity payment to be made under payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

6. *Payment of Bonus Act, 1965*

The Payment of Bonus Act, 1965 is applicable on every establishment employing 20 or more employees. The said act provides for payment of the minimum bonus to the employees specified under the Act. It further requires for the maintenance of certain books and registers and submission of Annual Return within 30 days of payment of the bonus to the Inspector.

7. *Employees' Provident Funds and Miscellaneous Provisions Act, 1952*

This act was introduced with the object to institute provident fund for the benefit of employees in factories and other establishments. It empowers the Central Government to frame the "Employee's Provident Fund Scheme", "Employee's Deposit linked Insurance Scheme" and the "Employees' Family Pension Scheme" for the establishment of provident funds under the EPFA for the employees. It also prescribes that contributions to the provident fund are to be made by the employer and the employee.

8. *Industrial Disputes Act, 1947*

The Industrial Disputes Act, 1947 is applicable to establishments and undertakings wherein any systematic activity is carried out by co-operation between an employer and his workmen for the production, supply or distribution of goods or services. The Act requires for the maintenance peace and harmony for better working conditions.

9. *West Bengal Shops and Establishments Act, 1963*

The Act has provisions for compulsory registration of all Shops & Establishments, issuance of appointment letters to the employees, regular payment of wages to the employees along with statutory leave, holidays, and specific working hours, prescribed opening and closing hours of the Shops & Establishments, and recovery of unpaid or illegally deducted wages.

10. *Employees State Insurance Act, 1948*

The Employees State Insurance Act, 1948 ("ESIA") aims to provide benefits for employees or their beneficiaries in case of sickness, maternity, disablement and employment injury and to make provision for the same. It applies to, inter alia, seasonal power using factories employing ten or more persons and non-power using factories employing 20 or more persons. Every factory or establishment to which the ESIA applies is required to be registered in the manner prescribed in the ESIA. In respect of such employees, both the employer and the employee must make certain contributions to the Employee State Insurance Corporation.

11. *Payment of Wages Act 1936*

The Payment of Wages Act 1936 ("PWA") makes provisions regarding the date by which wages are to be paid, when it will be paid and what deductions can be made from the wages of the workers.

POLLUTION LAWS

1. *Environment (Protection) Act, 1986 & Environment Protection Rules*

The Central Government has been vested with powers to lay down standards for the quality of environment in its various aspects, standards for emission or discharge of environmental pollutants from various sources and to restrict areas in which operations or processes cannot be carried out or shall be carried out subject to certain safeguards. In case of

offences by companies, the person who was in charge at the time of the commission of the offence shall be deemed to be guilty.

2. *Water (Prevention and Control of Pollution) Act, 1981*

The Water (Prevention and Control of Pollution) Act, 1981 (Water Act) prohibits the use of any stream or well for disposal of polluting matter, in violation of standards set down by the State Pollution Control Board (SPCB). The Water Act also provides that the consent of the SPCB must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

In addition, the Water (Prevention and Control of Pollution) Cess Act, 1977 requires a person carrying on any industry to pay a cess in this regard. The person in charge is to affix meters of prescribed standards to measure and record the quantity of water consumed. Furthermore, a monthly return showing the amount of water consumed in the previous month must also be submitted.

3. *Air (Prevention and Control of Pollution) Act, 1981*

Air (Prevention and Control of Pollution) Act, 1981 (Air Act) under which any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any mining activity. The SPCB is required to grant consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

4. *The Hazardous Wastes (Management and Handling) Rules, 1989*

The Hazardous Wastes (Management and Handling) Rules, 1989 provides for control and regulation of hazardous wastes as defined under the Rules discharged by the operations of undertakings. Prior consent of the Pollution Control Board must be obtained for any new outlet or unit, likely to discharge sewage or effluent.

TAX RELATED LEGISLATIONS

1. *Value Added Tax, 2005*

Value Added Tax (VAT) is charged by laws enacted by each State on sale of goods affected in the relevant States. VAT is a multi-point levy on each of the entities in the supply chain with the facility of set-off of input tax that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. VAT is not chargeable on the value of services which do not involve a transfer of goods. Periodical returns are required to be filed with the VAT Department of the respective States by the Company.

2. *Income Tax Act, 1961*

Income Tax Act, 1961 is applicable to every Domestic /Foreign Company whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax Return for every Previous Year by 30th September of the Assessment Year .Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

3. *Central Sales Tax Act, 1956*

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

4. Service Tax

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules the assessee is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7 (1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

REGULATION OF IMPORTS & EXPORTS

Quantitative restrictions on imports into India were removed with effect from April 1, 2001, as per India's World Trade Organization ("WTO") obligations, and imports of capital goods and automotive components were placed under the open general license category.

1. Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an IEC (Importer Exporter Code).

2. Central Excise Act, 1944

In accordance with the Central Excise Act & Central Excise Rules, every person who produces or manufactures any excisable goods is required to get itself registered with the Jurisdictional Deputy or Assistant Commissioner of Central Excise. Further the provisions of the Central Excise Rules provide that the manufacturer of final products (other than SSI's) shall submit the duty on goods removed from the factory or warehouse during the month by the fifth day of following month. Also a Monthly Return in Form ER1 is required to be submitted to the Superintendent of Central Excise within 10 days after the close of the month.

3. Importer Exporter Code

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

WIND POWER

The wind power programme in India was initiated towards the end of the Sixth Plan in 1983-84. In 1980, CASE (Commission on Alternative Sources of Energy) was set up to look into feasibility of tapping into sources of renewable energy. In 1982, a separate Department of Non-Conventional Energy Sources ("DNES") was created under the aegis of Ministry of Energy for promoting activities relating to development, trial and induction of variety of renewable energy technologies for use in different sectors. In 1992 the Ministry of Non-Conventional Energy Sources (MNES) started functioning as a separate Ministry to develop all areas of renewable energy. Policy guidelines were issued by the MNES to all the states during the mid-Nineties with a view to promote commercial development and private investment in this sector. The guidelines are periodically updated and issued. The guidelines pertain to areas such as provision of facilities for wheeling, banking, third party sale and buy-back of electricity. MNES is the nodal agency of the Government of India for all matters relating to non-conventional/renewable energy. It undertakes policy making, planning, promotion and co-ordination functions relating to all aspects of renewable energy, including fiscal and financial incentives, creation of industrial capacity, promotion of demonstration and commercial programmes, R&D and technology development, intellectual property protection, human resource development and international relations. MNES also deals with emerging areas such as fuel cells, electrical vehicles, ocean energy and hydrogen energy. In order to provide concessional financial support to the renewable energy sector, the Ministry has set up under its fold a financial institution viz. Indian Renewable Energy Development Agency Limited (IREDA). Later the MNES was renamed as Ministry of New and Renewable Energy (MNRE),

REGULATIONS & POLICIES FOR SETTING UP OF WIND FARMS

A. Infrastructure development for wind power projects

1. Land

The land used for setting up wind power projects may be private land, revenue land (Government owned) or forest land. Private lands are purchased directly from the owners and in the event such land is agricultural land, such land is converted into non agricultural land, if so required by the Government. In case of land owned by the Government, it is made available by the respective state governments on long term lease or out right sale basis as per the prevailing policies of the concerned State Government. Certain State Governments like, Gujarat and Rajasthan has special policies for allotment of Revenue lands for wind power projects.

In case of forest land, the Ministry of Environment and Forest has announced a special policy in November 2003, which is updated from time to time, which elaborates the procedures and guidelines for diversion of the forest lands under the Forest (Conservation) Act, 1980 for the purpose of establishing wind power projects.

2. Evacuation

In order to evacuate the power generated by the wind power project, creation of proper evacuation facilities in form of internal lines, external high voltage lines and substations becomes essential. These infrastructures are created either by manufacturer or developer on case-to-case basis with a proper permission and payment of requisite fees by and to SEB/ state nodal agencies

3. Other clearances

Depending upon the location of the wind power project, additional permissions/authorizations might be required. For example additional permissions may be required in the event that a wind power project is being set up close to an air force base.

B. Wind power generation

Under the Electricity Act 2003, which repealed all the earlier enactment pertaining to this sector, the activity of generation of the power does not require any license or permission. Persons engaged in the generation of electricity from wind power are required to register the project being undertaken with State Nodal Agency and obtain permission for inter-grid connectivity from the utility.

However, transmission, distribution and trade of electricity are regulated activities requiring licenses from the appropriate Electricity Regulatory Commission, unless exempted by the appropriate government in accordance with the provisions of Act of 2003 or falling within the purview of being a deemed licensee under the Act of 2003.

INTELLECTUAL PROPERTY RIGHTS

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for the protection of patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the Reserve Bank of India 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 are required from the RBI, for Foreign Direct

Investment (“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.

The DIPP had issued Circular 1 of 2010 which with effect from April 1, 2010, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as of March 31, 2010. The GoI propose to update the consolidated circular on FDI policy once every six months and therefore, Circular 1 of 2010 expired on September 30, 2010 the next Circular 2 of 2010 (effective from 01/10/2010) released by DIPP also expired on March 31, 2011. Further, Circular 1 of 2011 (effective from April 1, 2011) has also expired on September 30, 2011. Now, Circular 2 of 2011 has been released by the DIPP, which is effective from October 01, 2011.

As per DIPP Circular 2 of 2011, clause 6.2.5.1., there is no restriction in FDI in manufacturing sector i.e. 100% FDI is permitted under automatic route, except in respect of Companies manufacturing items reserved for small and medium enterprises. The company is not manufacturing any of those 20 items reserved for MSEs as per Gazette Notification issued by Development Commissioner (MSME), Ministry of Micro, Small & Medium Enterprises on July 30, 2010. As per clause 6.2 of the said circular in sectors/activities not listed therein, FDI is permitted upto 100% on the Automatic Route. Accordingly 100% FDI is allowed under automatic route in the Power Sector with the exception of investment in Atomic Energy which is not open to private sector investment.

Investment by Qualified Foreign Investors (“QFIs”)

RBI has vide its circular number A.P.(DIR Series) circular No. 66 dated January 13, 2012 allowed QFIs to purchase on repatriation basis equity shares of Indian companies subject to the following conditions:

- **Eligible instruments and transactions:** QFIs shall be allowed to invest through SEBI registered Qualified Depository Participant (DP) in equity shares of listed companies as well such companies whose shares are offered to public.
- **Mode of payment:** The DP will maintain a separate single rupee pool account with an AD Category –I bank in India, in which the sale proceeds of equity shares will be received. Dividend payments to QFIs could either be received in this single rupee pool account or directly in the designated overseas bank account.
- **Demat accounts:** QFIs would be allowed to open a dedicated demat account with a DP in India. However, opening a bank account in India is not allowed.
- **Limits:** The individual and aggregate investment limit for QFIs are 5% and 10% respectively of the paid up capital of Indian company. These limits are over and above the FII and NRI investment ceilings prescribed under the PIS route for foreign investment in India.
- **Eligibility:** Only QFIs from jurisdiction which is compliant with Financial Action Task Force (FATF) standards and that is a signatory to International Organization of Securities Commission's (IOSCO's) Multilateral Memorandum of Understanding (MMOU).
- **KYC:** DP will ensure the KYC of QFI as per SEBI KYC norms.
- **Permissible currencies:** QFIs shall remit money through normal banking channel in any permitted currency (freely convertible) directly to the single rupee pool bank account of the DP maintained with a designated AD category - I bank. Upon receipt of instructions from QFI, DP shall carry out the transactions (purchase/sale of equity).
- **Pricing:** As per SEBI Regulation.
- **Reporting:** DP will ensure reporting to RBI, in the prescribed manner.

SEBI has issued the circular bearing reference number CIR / IMD/FII&C/3/2012 dated 13 January 2012 allowing QFIs to invest in equity shares of listed Indian companies and in equity shares offered to public. The circular sets out the eligible transactions for QFIs, the requirements for becoming a qualified depository participant, provisions relating to account opening and manner of operation by QFI, investment restrictions and monitoring of investment limits, process flow – purchase, sale, dividend etc.

HISTORY AND OTHER CORPORATE MATTERS

Our Company was originally incorporated as UIC Wires Limited on December 21, 1995 under the Companies Act, 1956 vide Certificate of Incorporation No. 21-76114 of 1995 issued by the Registrar of Companies, West Bengal. Our Company received Certificate for Commencement of Business dated February 01, 1996. The name of our Company was changed to UIC Udyog Limited vide Fresh Certificate of Incorporation dated April 16, 2007. Our Company has been allocated Corporate Identification Number U27109WB1995PLC076114.

The Promoters of our Company are Mr. Bhanwar Lal Jajodia, Mrs. Madhu Devi Jajodia, Mr. Mahendra Kumar Jajodia, Mrs. Pooja Jajodia, Mr. Bajrang Jajodia, Mrs. Sangita Jajodia & Ms. Ankita Jajodia.

Our Company was incorporated with focus to manufacture steel wire and wire products. Our Company set up its first manufacturing unit at Kalyani, West Bengal which commenced commercial production in the year 2000. In the year 2006, we set up facility to manufacture Pins at Khanyan, West Bengal. Thereafter in the year 2008, we set up facility to manufacture woven sacks in Silvassa to cater to the demand emanating from industries such as Sugar, Textile & Fertiliser Industry. In the year(s) 2007 and 2008, we set up Wind Power Generation Turbines of 5 MW each in the State of Maharashtra and Tamil Nadu. Our Company has set up additional facility to manufacture 25,000 MTPA of steel wire at Khanyan in the year 2010.

Our Company manufactures a wide range of steel wire and wire products e.g Pre-stressed Concrete Wires, Earth Wires, ACSR Wires, Cable Armour Wires, Barbed Wires. Our products are used in varied sectors like Power, Railways, and Engineering etc.

Our products are accredited with Bureau of Indian Standards under various specification and we are approved vendors/sub-vendors for Railways, NTPC, Power Grid Corporation, SEB's etc.

The registered office of our Company is situated at Anandlok, Block A, 1st floor, 227, AJC Bose Road, Kolkata 700 020, West Bengal, India. The changes in the registered office of our Company since incorporation are as under:

Date of Change	Changes from	Changed to	Reason for Change
April 01, 2009	Swaika Centre 4A Pollock Street 4 th Floor, Room No.6, Kolkata-700001 West Bengal, India	Anandalok, Block A, 1 st Floor 227, AJC Bose Road, Kolkata-700020 West Bengal, India	Administrative convenience

INJUNCTION OR RESTRAINING ORDER

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

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS

Except as disclosed below there have been no defaults or rescheduling of borrowings with the financial institutions / banks.

The Company had taken a Rupee Term Loan of ₹1,890 lakhs for Wind power Project in Maharashtra from IDBI Bank. As per the original terms of sanction, the first installment of ₹94.95 lakhs was due for repayment on April 01, 2008. Our Company installed the wind mill project at the end of March 2007. Due to delay in the installation of the wind mill unit, our Company requested IDBI Bank for reschedulement of the repayment schedule starting after 6 months i.e. from October 2008 and repayable in 18 installment, with last installment due on December 2012 which was approved. Our Company has since been paying the installments regularly.

MAJOR EVENTS

YEAR	KEY EVENTS
1995	Incorporated as a Public Limited Company
1998	Set up a Greenfield project for manufacturing steel wires at Kalyani, West Bengal.
1999	Commenced trial production
2000	Commenced commercial production with installed capacity of 40,000 MTPA Accredited with Bureau of Indian Standard
2002	De-bottlenecking of existing plant, thereby increasing the capacity from 40,000 MTPA to 60,000 MTPA Acquired first Deemed Order from Gujarat Electricity Board for supply of GSS Earth Wire of 2500 KM Set up galvanizing line capacity of 12000 MT p.a. at Kalyani, West Bengal
2003	ISO 9001:2000 Certification obtained from International Certifications Limited
2005	Approved as Vendor for supply of G.S.Earthwire with Power Grid Corporation of India Limited
2006	Setting up facility to manufacture Pins at Khanyan as a strategy towards forward integration. Setting up of 5 MW Wind Power Generation Turbine in Maharashtra. Restructuring of Share Capital and Amalgamation of two Companies in our Company.
2007	Enhanced galvanizing capacity to 30,000 MT p.a. Name of our Company changed to UIC Udyog Limited ISO 9001:2000 Certification obtained from Moody International Certification Limited Approved as Vendor with Maharashtra State Electricity Distribution Co. Limited Approved as Vendor with Bangalore Electricity Supply Company
2008	Set up facilities to manufacture woven sacks at Silvassa. Approved as Vendor of NTPC Electric Supply Set up 5 MW Wind Power Generation Turbine in Tamil nadu
2009	Ranked 64 out of the 500 best SME Companies in India by Magazine Industry 2.0 - October 2009 Edition
2010	Enhanced galvanizing capacity to 48,000 MTPA Set up facilities to manufacture steel wires at Khanyan with an installed capacity of 25,000 MTPA. Approved as Vendor for supply of G I Wire, G I Stay Wire, G I Earth Wire, Barbed Wire and HTS Wire with TATA Projects Limited Approved as Vendor for supply of G I Wire and G I Stay Wires with Southern Power Distribution Company of A.P. Limited.
2011	ISO 9001:2008 Certification from SGS United Kingdom Limited Business Standard Magazine – March 2011, ranked our Company at 302 amongst the unlisted companies; Approved as Vendor for supply of Stay Wire and Steel Wire with Eastern Power Distribution Company of A.P. Limited Approved as Vendor for supply of GTP, Drum Drg & MQP with Gujarat Energy Transmission Corporation Limited Approved as Vendor for supply of GI wire no 8 & 10 SWG and GI Stay wire with Madhya Gujarat VIJ Company Limited

Other than as disclosed in “*Capital Structure*” and “*Financial Indebtedness*” beginning on page 47 and 176 respectively of this Draft Red Herring Prospectus, our Company has not issued any capital in the form of equity or debt.

For details on the description of our Company’s activities, products, technology, capacity utilization and exports, please refer to the chapters titled “*Business Overview*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Basis for Issue Price*” beginning on pages 85, 165 and 66 of this Draft Red Herring Prospectus.

Our Company has sixteen members as on the date of this Draft Red Herring Prospectus.

Awards and Recognitions

Sr. No.	Description
1.	Our Company was awarded with Certificate of Excellence in recognition of exemplary growth and sustainable success at The Second Annual Inc. India 500 Awards in 2010.
2.	Our Company was presented with Certificate of Participation at Energy Expo 2007 undertaken by Confederation of India Industry (“CII”).
3.	Our Company was presented with Certificate of Participation at Wire & Cable India 2006 undertaken by Confederation of India Industry (“CII”).
4.	Our Company was awarded with Certificate of Recognition for highest purchase of material by any individual customer from a single branch by Rashtriya Ispat Nigam Limited during the year 2002-03.
5.	Our Company was awarded for achieving highest rating in the ranking of India’s Top 500 manufacturing Small and Mid Size company rating by Industry 2.0.

MAIN OBJECT OF OUR COMPANY

The main object of our Company, as contained in our Memorandum of Association, is as set forth below:

1. To carry on in India or elsewhere the business as manufacturers, producers, processors, refiners, buyers, sellers, exporters, importers, brokers, distributors and dealers in all types of ferrous and non-ferrous metal, and their products including ferrous and non-ferrous wire and wire products.
2. To carry on in India or elsewhere, the business to manufacture, product, process, prepare, extrude, roll, re-roll, blend, coat, insulate, manipulate, pack, repack, grade, export, import, buy, sale, resale and to act as agent, broker, contractor, job worker, supplier, provider, collaborator, consignor, consultant, , stockist, distributor, trader, C&F Agent, del credere agent or otherwise to deal in all characteristics, specifications, applications, descriptions and capacities of wires and cables such as PVC Wires, Electrical Wires, Telephonic Wires, Antenna Wires, Insulated Wires, Power Cables, Jelly filled cables, Optic fibre cables, Hi-tension Wire and Wire ropes, communication wire, transmission towers and other allied goods, articles and things, their raw materials, intermediates, substances and consumable and to do all incidental acts and things necessary for the attainment of above objects.
3. To carry on India or elsewhere the business of manufacturing, producing, processing, converting, mixing, treating, melting, handling, buying, selling, importing, exporting, and to act as agent, broker, stockist, distributor, engineer, metallurgist, contractor, supplier or otherwise to deal in ferrous and non-ferrous castings in all its branches including precision castings, continuous castings, grey iron castings, chilled and malleable castings, special alloy castings, steel castings, ductile iron castings, mile castings, aluminum castings, brass castings, copper castings, gun metal castings, cast sections and other allied items used in industries, transportation, water supply, machine tools, railways, navy, agriculture, aviation, defence and to do such incidental acts and things for the attainment of foregoing objects.
4. To engage and deal in all aspect of the business, consultancy generation, transmission, sale, purchase, captive consumption, supply and distribution of power/electricity in India and abroad by establishment of wind power plant or any other type of power generation plant using conventional and/or non conventional energy sources as may be in use or which may be developed or invented in future.
5. To carry on in India or elsewhere the business of iron and steel founders and manufacturers, steel makers, steel converters and to establish integrated steel plants, mini steel plants, steel foundry, rolling mills etc. for manufacture of all kinds of and sizes of iron and steel and its products and to carry on the business as manufacturers, processors, importers, exporters, dealers and traders in ferrous and non-ferrous wires, wire cloths, synthetic wire cloths, paper machine accessories, dundy rolls, water marks and all kinds of similar goods, raw materials and accessories.
6. To carry on in India or elsewhere the business of promoters, builders, developers, contractors, consultants, engineers and investors in real estate development and construction including roads, bridges, flyovers, canals, towers, warehouses, cold storage, factory building, residential flats, dwelling houses, hotels, restaurants, shops, offices, malls, cinema halls, multiplexes etc. and to acquire by lease, ownership, hire rent or otherwise any dwelling house, lands, buildings, shops or other immovable property of all kind or tenure and to establish, maintain and operate Special Economic Zone (SEZ), Industrial Parks, Residential Townships, other infrastructure projects, and to act as consultants, agents, constructors for the same or to on a BOT (Built Own Transfer) basis. The object of the Memorandum of Association of our Company enables us to undertake activities for which funds are being raised through this issue. The existing activities of our Company are in accordance with the Objects Clause of our Memorandum of Association.

CHANGES IN MEMORANDUM OF ASSOCIATION SINCE INCORPORATION

Date of Shareholder's approval	Changes in Memorandum of Association
March 6, 1998	Change in Capital Clause: Increase in Authorised Share Capital to ₹400 Lakhs
November 26, 1998	Change in Capital Clause: Increase in Authorised Share Capital to ₹750 Lakhs
October 23, 1999	Change in Capital Clause: Increase in Authorised Share Capital to ₹1,000 Lakhs
February 2, 2000	Change in Capital Clause: Increase in Authorised Share Capital to ₹1,100 Lakhs
July 01, 2005	Change in Capital Clause: Increase in Authorised Share Capital to ₹1,500 Lakhs
July 12, 2006	Change in Object Clause: Approval for addition of new clause 4 in the 'Main Objects'
February 28, 2007	Change in Object Clause: Clause: Approval for addition of new clause 5 in the 'Main Objects'
February 28, 2007	Change in Object Clause: Clause: Approval for addition of new clause 6 in the 'Main Objects'
February 28, 2007	Change in Name Clause: Name of the Company changed to UIC Udyog Limited

SCHEME OF AMALGAMATION

Amalgamation Order

The Scheme of Amalgamation pursuant to the provisions of Sections 391(2) & 394 of the Companies Act, 1956 was approved by the Board of Directors of our Company in its meeting held on November 28, 2005. The Hon'ble High Court of Calcutta, vide its order dated May 10, 2006 approved the amalgamation of the following companies with UIC Wires Limited (the erstwhile name of the company) with effect from the transfer date of April 1, 2005:

1. Neelgiri Commercial Private Limited ("NCPL")
2. Sigma Dealcom Private Limited ("SDPL")

Vide said order and pursuant to special resolution passed by our Company in its Extra Ordinary General Meeting held on January 12, 2006, the Hon'ble High Court also approved the reduction of share capital from its then existing issued, subscribed and paid-up of ₹11,00,00,000 divided into 1,10,00,000 equity shares of ₹10 each to ₹4,40,00,000 divided into 1,10,00,000 equity shares of ₹4 each and thereafter, each 5 (five) equity shares paid-up to the extent of ₹4 each be and are hereby consolidated into 2 (two) new equity shares of ₹10 each. Pursuant to the scheme, shareholding of Neelgiri Commercial Private Limited and Sigma Dealcom Private Limited was cancelled as these companies were merged with our Company vide order of even date.

Our Company filed the certified copy of the said Amalgamation Order with the Registrar of Companies vide Form 21 on August 17, 2006 which became the effective date of the scheme of amalgamation.

Rationale for the Scheme

The amalgamation of the Companies was carried out inter alia for better and economical management control and running of the undertakings, for better utilization of financial and manpower resources, administrative convenience and to increase the reserve base of the company.

Swap Ratio

In accordance with the scheme, the transferee company allotted to every equity shareholder of NCPL three (3) new equity shares of ₹10 each for every five (5) equity shares of ₹10 each held by such shareholder in NCPL. Similarly, the transferee company allotted to every shareholder of SDPL three (3) new equity shares of ₹10 each for every five (5) equity shares of ₹10 each held by such shareholder in SDPL. The entire cross holdings of shares were to be cancelled.

No fractional equity shares were to be allotted to any member of NCPL and/or SDPL. All fractional entitlement of 0.5 equity shares or more to any member has to be rounded off to one equity share and all fractional entitlement of less than 0.5 equity shares to be ignored.

Accordingly, 5,40,162 Equity Shares of our Company were allotted to the shareholders of NCPL and SDPL. The shareholding of Neelgiri Commercial Private Limited in Sigma Dealcom Private Limited was cancelled as these companies merged with our Company vide order of even date.

Dissolution Order

Consequent to the Order of Hon'ble High Court of Calcutta dated May 10, 2006 approving the Scheme of Amalgamation, vide which Neelgiri Commercial Private Limited and Sigma Dealcom Private Limited were merged in UIC Wires Limited (the erstwhile name of the company), the Hon'ble High Court of Calcutta vide its Order dated May 14, 2007 dissolved both the transferor companies, Neelgiri Commercial Private Limited and Sigma Dealcom Private Limited. The Company filed the certified copy of the said Dissolution Order with the Registrar of Companies vide Form 21 on July 13, 2007 which became the effective date of Dissolution.

HOLDING COMPANY

Our Company does not have any holding company within the meaning of Companies Act as on date of filing of this Draft Red Herring Prospectus.

SUBSIDIARIES

Our Company does not have any subsidiaries as on date of filing of this Draft Red Herring Prospectus.

STRATEGIC PARTNERS

Our Company does not have any strategic partners as on the date of filing this Draft Red Herring Prospectus.

FINANCIAL PARTNERS

Our Company does not have any financial partners as on the date of filing this Draft Red Herring Prospectus.

OTHER AGREEMENT

There are no other material agreements or contracts, which have been entered into within a period of two years prior to the date of this Draft Red Herring Prospectus except as given below:

Non-Compete Agreement:

Our Company has entered into Non Compete Agreement dated December 21, 2011 with Alishan Steels Private Limited and December 30, 2011 with UIC Industries Limited, being group companies whereby they have agreed not to engage in any of the manufacturing activities of our Company is engaged into at present or in future.

Presently, the business activities of both these companies are not similar to our activities but since the Memorandum of Association of both these companies entitle them to carry on business similar to ours. Hence, we have entered into the above non-competitive agreement to avoid a potential conflict of interest in future.

JOINT VENTURES

Our Company has not entered into any joint venture arrangement as on the date of filing this Draft Red Herring Prospectus.

LOCK-OUT OR STRIKES

There have been no lock-outs or strikes in our Company since inception.

OUR MANAGEMENT

Our Board consists of six directors of which three are executive directors and three are independent directors. Our Chairman is an executive and a non independent director. As per our Articles of Association, our Board shall consist of not less than three Directors and not more than twelve Directors. The following table sets forth the details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus.

We confirm that the composition of our Board of Directors complies with clause 49 of the Listing Agreement.

BOARD OF DIRECTORS

Sr. No.	Name, Father's Name, Designation, Address, Age, Occupation, DIN and Nationality	Date of Appointment and Term of Office	Other Directorships/Interests
1.	Mr. Bhanwar Lal Jajodia S/o. Late Madan Lal Jajodia Chairman & Managing Director (Executive and Non Independent) Address: CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal, India. Age: 62 Years Occupation: Business DIN: 00576094 Nationality: Indian	Appointed as Director since Incorporation Reappointed as Chairman & Managing Director w.e.f April 01, 2011 Term: 5 years	1. UIC Finance Private Limited 2. UIC Industries Limited 3. Steel Wire Manufacturers Association of India (Sec. 25 Company) 4. Bhanwar Lal Jajodia (HUF) 5. Madan Lal Jajodia (HUF)
2.	Mr. Ram Chandra Bajaj S/o Late Laxmi Narayan Bajaj Jt. Managing Director (Executive and Non Independent) Address: CG-242, Sector-II, Salt Lake City, Kolkata – 700091, West Bengal, India Age: 59 years Occupation: Service DIN: 00568295 Nationality: Indian	Appointed as Whole Time Director on April 01, 2002 Reappointed as Whole time Director w.e.f. April 01, 2007 Redesignated as Joint Managing Director w.e.f. June 01, 2009 Term: 5 years	1. Ram Chandra Bajaj (HUF)
3.	Mr. Amit Bajaj S/o Mr. Ram Chandra Bajaj Whole Time Director (Executive and Non Independent) Address: CG-242, Sector-II, Salt Lake City, Kolkata – 700091, West Bengal, India Age: 35 years Occupation: Service DIN: 00591071 Nationality: Indian	Appointed as Whole Time Director w.e.f. November 01, 2010 Term: 5 years and liable to retire by rotation	1. UIC Industries Limited 2. Amit Bajaj (HUF)

4.	Mr. Kishore Kanjee S/o Late Amilal Kanjee Independent Director Address: 9, Janak Road, Flat No. 4, 4 th Floor, Kolkata-700029, West Bengal, India. Age: 58 years Occupation: Business DIN: 00560274 Nationality: Indian	Appointed as Additional Director on February 29, 2000 Regularised as Director on September 30, 2000 Term: Liable to retire by rotation	1. Disney Vyapaar Private Limited 2. Kantek Enterprises Private Limited 3. M/s Teknokraft (Partner) 4. M/s Hitek Industries (Partner) 5. M/s Gateway Constructions (Partner) 6. Engineers Incorporated (Partner) 7. Commerce Link Services (Partner)
5.	Mr. Mandeep Mishra S/o Late Bam Deo Mishra Independent Director Address: Flat No. AGC, Sneha Garden, 28, Rai Bahadur Road, Kolkata-700053, West Bengal, India Age: 44 Years Occupation: Business DIN: 00559088 Nationality: Indian	Appointed as Additional Director on March 31, 2011 Regularised as Director on July 25, 2011 Term: Liable to retire by rotation	1. Pulkesh Enterprises Private Limited
6.	Mr. Rabindra Nath Chakrabarty S/o Mr. Kalipado Pado Chakrabarty Independent Director Address: Flat No W/2/4,78, Chetla Road, Kolkata, West Bengal – 700027, India Age: 68 years Occupation: Professional DIN: 05151799 Nationality: Indian	Appointed as Additional Director on December 20, 2011 Term: Holds office till next AGM	Nil

Note:

1. None of the above mentioned Directors are on the RBI List of willful defaulters as on the date of this Draft Red Herring Prospectus.
2. Further, neither our Company nor our Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company are debarred from accessing the capital market by SEBI.
3. None of the Promoters, Directors or persons in control of our Company, have been or is involved as a Promoter, Director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by the SEBI.

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Bhanwar Lal Jajodia, aged 62 years, is the Chairman & Managing Director of our Company. Though Mr. Jajodia does not possess any educational qualification, he has been actively involved in manufacturing, marketing and sales of steel wire for around 40 years and spearheads the business and management of our Company. Mr. Jajodia has also served as President of the Steel Wire Manufacturers Association of India (SWMAI) in the past. His extensive experience in the wire industry enables him to gauge and understand the changing trends and growth prospects in the industry. His expertise and knowledge has enabled our Company to develop processes and technology which makes our manufacturing process more efficient.

Mr. Ram Chandra Bajaj, aged 59 years, is the Joint Managing Director of our Company. Though an under-graduate, he has over four decades of experience in the marketing and administration. He joined our Company in August 1999 as Chief Executive Officer. He is responsible for formulating the corporate strategy, overall execution and management and planning of our Company. He has been instrumental in formulating the growth and diversification plans of our Company. Prior to joining our Company, he was associated in various capacities with Shalimar Industries (P) Limited, Sunil Synchem Limited and SWIL Limited

Mr. Amit Bajaj, aged 35 years, is the Whole Time Director of our Company. He holds a Bachelor of Commerce degree from the University of Calcutta. He has over twelve years experience in the marketing and distribution of Steel Wire business. He overlooks the marketing and distribution of the various products of our Company. Prior to joining our Company, he was associated as Management Trainee with India Foils Limited.

Mr. Kishore Kanjee, aged 58 years, is an Independent Director of our Company. He holds a Bachelor in Commerce degree from the University of Calcutta. He is an entrepreneur and is partner in Teknokraft, Hitek Industries and Gateway Constructions. He is also the Director in two other companies, viz. Disney Vyapar Private Limited and Kantek Enterprises Private Limited. These firms are involved in producing high precision components for the Tobacco, Jute and Cotton Industries and real estate development. He is associated as partner with M/s Engineers Incorporated and M/s Commerce Link Services. Prior to starting his own business, he spent almost seven years in different companies engaged in Logistics, Sales and Marketing.

Mr. Mandeep Mishra, aged 44 years, is an Independent Director of our Company. He holds a Bachelor of Arts degree in Political Science, History & Economics from the University of Calcutta. Presently he is associated as Director with Pulkesh Enterprises Private Limited. He has around 18 years experience in Management & International Trade Consultancy.

Mr. Rabindra Nath Chakrabarty, aged 68 years, is an Independent Director of our Company. He holds a Bachelor in Commerce degree from the University of Calcutta. He is a Fellow member of the Institute of Chartered Accountants of India and also holds a Certificate of Practice. He is practicing as a Chartered Accountant in the name of R.N. Chakrabarty & Co. He was working as Account Officer with West Bengal Plywood & Allied Products Limited for 25 years and Central Mine Planning & Design Institute Limited, a subsidiary of Coal India Limited for 4 years.

Relationship between the Directors & Key Managerial Personnel

None of our Directors or Key Managerial Personnel are “relatives” within the meaning of Section 6 of the Companies Act, 1956 except as stated below:

Name of the Director	Relationship
Mr. Ram Chandra Bajaj	Father of Mr. Amit Bajaj
Mr. Amit Bajaj	Son of Mr. Ram Chandra Bajaj

None of our Directors are appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Confirmation from Directors

None of our Directors are or were directors of listed companies whose shares have been or were suspended from being traded on the BSE and/or NSE at any time during the last five years or have been / were delisted on the BSE and/or NSE and/or any other stock exchanges.

Borrowing Powers of the Board of Directors

The borrowing powers of our Directors are regulated by Articles 89 of the Articles of Association of our Company. Pursuant to a special resolution passed at the Extra Ordinary General Meeting of our shareholders held on November 30, 2011 our Directors were authorized to borrow money(s) on behalf of our Company in excess of the paid up share capital and the free reserves of our Company from time to time, pursuant to the provisions of Section 293(1)(d) of the Companies Act, subject to an amount not exceeding ₹1,50,000 lakhs.

For further details of the provisions of our Articles of Association regarding borrowing powers, refer to the section titled “Main Provisions of the Article of Association of our Company” beginning on page 251 of this Draft Red Herring Prospectus.

Compensation to Executive Directors

Mr. Bhanwar Lal Jajodia, Chairman and Managing Director

Mr. Bhanwar Lal Jajodia, is one of the subscribers to the Memorandum of Association of our Company and has been appointed on the Board of Directors of the Company as per the Articles of Association. He was appointed as the Managing Director of our Company for a period of five years effective from September 01, 2000 at the Board meeting held on September 25, 2000. He was re-appointed as the Chairman and Managing Director vide resolution passed by the Board of Directors at their meeting held on July 23, 2005 for a period of five years w.e.f September 01, 2005. He was re-appointed again on March 30, 2006 for a period of five years effective from April 01, 2006. He was re-appointed again on June 06, 2011 for a period of five years effective from April 01, 2011. The terms of appointment of Mr. Bhanwar Lal Jajodia were revised on December 20, 2011 w.e.f January 01, 2012. The terms of appointment of Mr. Bhanwar Lal Jajodia are as follows:

CATEGORY	PARTICULARS
Basic Salary	₹70,000/- per month with annual increments to be decided by the Board of the Company, including a committee of the Board, from time to time.
Perquisites	<p>Part A</p> <ul style="list-style-type: none">(i) Housing: House Rent Allowance of an amount equal to 60 % of Basic Salary.(ii) Medical Benefits: Reimbursement of medical expenses incurred for self and family as per the rules of the Company from time to time.(iii) Leave Travel Concession: For self and family once in a period of two years incurred in accordance with the rules of the Company.(iv) Club Fees: Reimbursement of fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.(v) Personal Medical Insurance: Coverage for personal Medical Insurance as per rules of the company. <p>Part B</p> <ul style="list-style-type: none">(vi) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.(vii) Gratuity not exceeding half a month's salary for each completed year of service.(viii) Earned Leave as per the rules of the Company. Encashment of leave at the end of tenure. <p>Part C</p> <ul style="list-style-type: none">(ix) Provision of car with driver for Company's business and telephone facilities at residence. However, personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.(x) Reimbursement of entertainment expenses, travelling and other expenses actually and properly incurred for the purpose of Company's business.

Mr. Ram Chandra Bajaj, Joint Managing Director

Mr. Ram Chandra Bajaj, was appointed as Whole Time Director on April 01, 2002 for the period of five years. He was reappointed as Whole time Director on March 19, 2007 for the period of five years w.e.f April 01, 2007. He was designated as the Joint Managing Director by the Board of Directors at their meeting held on June 01, 2009. The terms and conditions of appointment of Mr. Ram Chandra Bajaj as Wholetime Director designated as the Joint Managing Director of the Company was revised w.e.f April 01, 2011, which are as follows:

CATEGORY	PARTICULARS
Basic Salary	₹55,000/- per month in the scale ₹35,000/- ₹2,000/- ₹135,000/- with annual increments to be decided by the Board, including any Committee of the Board, from time to time.
Perquisites	<p>Part A</p> <ul style="list-style-type: none"> (i) Housing: House Rent Allowance of an amount equal to 60 % of Basic Salary. (ii) Medical Benefits: Reimbursement of medical expenses incurred for self and family as per the rules of the Company from time to time. (iii) Leave Travel Concession: For self and family once in a period of two years incurred in accordance with the rules of the Company. (iv) Club Fees: Reimbursement of fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee. (v) Personal Medical Insurance: Coverage for personal Medical Insurance as per rules of the company. <p>Part B</p> <ul style="list-style-type: none"> (vi) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. (vii) Gratuity not exceeding half a month's salary for each completed year of service. (viii) Earned Leave as per the rules of the Company. Encashment of leave at the end of tenure. <p>Part C</p> <ul style="list-style-type: none"> (ix) Provision of car with driver for Company's business and telephone facilities at residence. However, personal long distance calls on telephone and use of car for private purposes shall be billed by the Company. (x) Reimbursement of entertainment expenses, travelling and other expenses actually and properly incurred for the purpose of Company's business.

Mr. Amit Bajaj, Whole Time Director

Mr. Amit Bajaj, joined the Board of our Company on November 01, 2010 as Whole Time Director for a term of 5 years with effect from November 1, 2010. The same has been subsequently ratified by the shareholder at the Annual General Meeting held on July 25, 2011. Mr. Amit Bajaj's appointment is liable to retire by rotation. The terms and condition of appointment of Mr. Amit Bajaj are as follows:

CATEGORY	PARTICULARS
Basic Salary	₹25,000/- per month in the scale ₹25,000 - 1,500 for the period from November 01, 2010 to March 31, 2011 and then revised to ₹47,000/- per month in the scale ₹35,000 - 2,000 - 135,000/- with effect from April 01, 2011 with annual increments to be decided by the Board of Directors of the Company, including a committee of the Board, from time to time.
Perquisites	<p>Part A</p> <ul style="list-style-type: none"> (i) Housing: House Rent Allowance of an amount equal to 60 % of Basic Salary. (ii) Medical Benefits: Reimbursement of medical expenses incurred for self and family as per the rules of the Company from time to time. (iii) Leave Travel Concession: For self and family once in a period of two years incurred in accordance with the rules of the Company. (iv) Club Fees: Reimbursement of fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee. (v) Personal Medical Insurance: Coverage for personal Medical Insurance as per rules of the company. <p>Part B</p> <ul style="list-style-type: none"> (vi) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. (vii) Gratuity not exceeding half a month's salary for each completed year of service. (viii) Earned Leave as per the rules of the Company. Encashment of leave at the end of tenure. <p>Part C</p> <ul style="list-style-type: none"> (ix) Provision of car with driver for Company's business and telephone facilities at residence. However, personal long distance calls on telephone and use of car for private purposes shall be billed by the Company. (x) Reimbursement of entertainment expenses, travelling and other expenses actually and properly incurred for the purpose of Company's business.

Remuneration paid to Executive Directors for the financial year ended March 31, 2011 is as follows,

Name of the Director	Designation	Amount (₹ in lakhs)
Mr. Bhanwar Lal Jajodia	Chairman and Managing Director	144.48
Mr. Ram Chandra Bajaj	Joint Managing Director	6.99
Mr. Amit Bajaj	Whole Time Director	5.63

Sitting fees payable to Non-Executive Directors

Sitting fees of ₹1,500 per meeting is payable to our Non Executive and Independent Directors for attending Board and Committee Meetings, as approved *vide* Board resolution dated December 20, 2011.

Shareholding of our Directors

As per our Articles of Association, our Directors are not required to hold any Equity Shares in our Company to qualify for the office of a Director of our Company. The following table details the shareholding of our Directors in their personal capacity, as on the date of this Draft Red Herring Prospectus.

Name of the Directors	Number of Equity Shares	% of Pre issue Equity Share Capital
Mr. Bhanwar Lal Jajodia	4,93,518	7.37%
Mr. Ram Chandra.Bajaj	NIL	NIL
Mr. Amit Bajaj	NIL	NIL
Mr. Kishore Kanjee	NIL	NIL
Mr. Mandeep Mishra	NIL	NIL
Mr. Rabindra Nath Chakrabarty	NIL	NIL

INTEREST OF DIRECTORS

All of our directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the board or a committee thereof, as well as, to the extent of other remuneration and /or re-imbursement of expenses, if any, payable to them and to the extent of remuneration, if any paid to them for services rendered as an officer or employees of our Company.

The non-Promoter directors of our Company can apply in the Issue and as such, may be regarded as interested in our Company to the extent of Equity Shares that may be subscribed by or allotted to them pursuant to the Issue. All the directors may also be regarded as interested to the extent of Equity Shares already held by them or by the Companies/Firms/Ventures promoted by them, if any, or equity shares that may be subscribed by or allotted to them pursuant to the Issue and dividend or other distributions payable to them in respect of the said Equity Shares. All the Directors may be deemed to be interested in the agreement/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firms in which they are partners.

Except as stated in the chapter titled “*Financial Statements*” and “*Related Party Transactions*” in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements, or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them including the properties purchased by our company other than in the normal course of business.

Further except as stated under the heading Related Party Transaction under the chapter titled “*Financial Statements*” beginning on page 141 of this Draft Red Herring Prospectus, the Directors do not have any other interest in the business of our Company.

Changes in our Board of Directors during the last three years

The following are the changes in our Board of Directors during the last three years:

Name of the Director	Date of Appointment	Date of Resignation	Remarks
Mr. Samir Kumar Ghosh	April 01, 2002	March 31, 2009	Personal Reason
Mr. Mahendra Kumar Jajodia	April 13, 1998	May 31, 2009	Personal Reason
Mr. Mayank Agarwal	July 01, 2004	November 1, 2010	Personal Reason
Mr. Amit Bajaj	November 1, 2010	-	Broad base the Board

Mr. Mandeep Mishra	March 31, 2011	-	Broad base the Board
Mr. Pratip Kumar Sanyal	May 30, 2011	December 20, 2011	Personal Reason
Mr. Rabindra Nath Chakrabarty	December 20, 2011	-	Broad base the Board

CORPORATE GOVERNANCE

The provisions of the listing agreements to be entered into with the Stock Exchanges with respect to corporate governance become applicable to the Company at the time of seeking in-principle approval of the Stock Exchanges.

The Board has six Directors, of which three Directors are independent and three Directors are Executive Directors.

Our Company has complied with the requirements of corporate governance contained in the listing agreements to be entered into with the Stock Exchanges, particularly with respect to the composition of the Board of Directors and the constitution of the following committees of the Board: the Audit Committee, the Remuneration Committee and the Shareholders/ Investors Grievance Committee. Our Company undertakes to take all necessary steps to comply with all the requirements of the guidelines on corporate governance and adopt the Corporate Governance Code as per Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges, as would be applicable to the Company upon the listing of its Equity Shares.

1. Audit Committee

The Audit Committee was first constituted by the Directors at a Board meeting held on May 11, 2001. The Audit Committee was reconstituted on June 19, 2002, June 30, 2003, July 01, 2004, March 31, 2011, July 25, 2011 and December 20, 2011. The terms of reference of Audit Committee comply with the requirements of Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges. All the members of the Audit Committee are independent directors. All the members are financially literate and at least one member has accounting or related financial management expertise.

The constitution of the Audit Committee is as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Rabindra Nath Chakrabarty	Chairman	Non Executive and Independent
Mr. Kishore Kanjee	Member	Non Executive and Independent
Mr. Mandeep Mishra	Member	Non Executive and Independent

Mr. Jayanta Saha, our Company Secretary will act as the secretary to the Committee.

The Audit Committee should meet at least four times in a year and not more than four month shall elapse between two meetings.

The Quorum for the Audit Committee is either 2 members or one third of the members of the audit committee, whichever is higher and minimum of two independent members.

The Chairman of the Audit Committee shall be present at Annual General Meeting to answer shareholder queries.

The Audit Committee provides directions to and reviews functions of the Company's audit department. The Committee evaluates internal audit policies, plans, procedures and performance and reviews the other functions through various internal audit reports. Quarterly and annual accounts will be placed before the Audit Committee, prior to being presented to the Board along with the recommendations of the Audit Committee.

The Audit Committee has the powers as prescribed under Clause 49 of the Listing Agreement including the following:

1. To invite such of the executives, as it considers appropriate (and particularly the head of finance function) to be present at the meetings of the Committee,
2. To investigate any activity within its terms of reference;
3. To seek information from any employee;
4. To obtain outside legal or other professional advice; and
5. To secure attendance of outsiders with reasonable expertise, if considered necessary.

The terms of reference of the Audit Committee of our Company includes:

1. Overseeing our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to 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. Appointment, removal and terms of remuneration of internal auditors
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - 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 1956;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report;
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. 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, if any 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;
8. Monitoring the use of the proceeds of the proposed initial public offering of our Company.
9. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
10. 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;
11. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
12. Discussion with internal and statutory auditors on any significant findings and follow up there on;
13. 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;
14. Discussion with the 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;
15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
16. To review the functioning of the Whistle Blower mechanism, when the same is adopted by our Company and is existing;
17. Carrying out any other function as may be statutorily required to be carried out by the Audit Committee;
18. The Audit Committee shall mandatory review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

2. Shareholders' / Investors' Grievance Committee

Our Company has constituted a Shareholders' / Investors' Grievance Committee *vide* resolution dated November 04, 2011, as per the requirements of the Clause 49 of the Listing Agreement for Corporate Governance, for redressing Shareholder / Investor complaints. It was reconstituted on December 20, 2011.

Currently the Shareholders / Investors Grievance Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Ram Chandra Bajaj	Chairman	Executive and Non Independent
Mr. Rabindra Nath Chakrabarty	Member	Non Executive and Independent Director
Mr. Kishore Kanjee	Member	Non Executive and Independent Director

Mr. Jayanta Saha, our Company Secretary will act as the Secretary to the Committee.

The Shareholders/Investors Grievance Committee is responsible for the redressal of shareholders' and investors' grievances and oversees performance of the Registrars and Transfer Agents of our Company and recommends measures for overall improvement in the quality of investor services. This Committee also monitors the implementation and compliance of our Code of Conduct for Prohibition of Insider Trading pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended in compliance of the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges and its terms of reference include the following:

1. Efficient transfer of Equity Shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Allotment and listing of shares in future;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. Ensure proper and timely attendance and redressal of investor queries and grievances;
8. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers;
9. To review from time to time the secretarial department;
10. Investor relations and redressal of shareholders grievances in general and relating to non receipt of declared dividends, interest, non- receipt of balance sheet etc.;
11. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

3. Remuneration Committee

For remuneration of Directors, our Company has constituted Remuneration Committee *vide* Board resolution dated May 30, 2011. It was reconstituted on December 20, 2011. The Committee has powers of recommending remuneration package for Executive Directors and other Board members as per the requirements of the Clause 49 of the Listing Agreement for corporate governance. Currently the remuneration committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Rabindra Nath Chakrabarty	Chairman	Non Executive and Independent
Mr. Kishore Kanjee	Member	Non Executive and Independent
Mr. Mandeep Mishra	Member	Non Executive and Independent

Mr. Jayanta Saha, our Company Secretary will act as the secretary to the committee.

The terms of reference of the Remuneration Committee of our Company includes:

1. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India, including:
 - The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.

2. To recommend to the Board, the remuneration packages of our Company's Managing/Joint Managing/ Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
3. To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole Time/ Executive Directors, including pension rights and any compensation payment;
4. Perform such functions as are required to be performed by the Remuneration Committee under the ESOP Guidelines, in particular, those stated in Clause 5 of the ESOP Guidelines; and
5. To implement, supervise and administer any share or stock option scheme of our Company
6. To attend to any other responsibility as may be entrusted by the Board within the terms of reference.
7. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

4. IPO Committee

The IPO committee was constituted *vide* Board Resolution dated November 04, 2011 and was reconstituted on December 20, 2011 to oversee and decide on the matters relating to the IPO and inform the Audit Committee when money is raised through the prospectus or rights or preferential issues and shall inform of funds received, utilized, pending for project implementation *etc.* for the information of the Stock Exchanges and Investors and shall keep the information up dated through our Company's website.

The composition of the IPO committee is as follows:

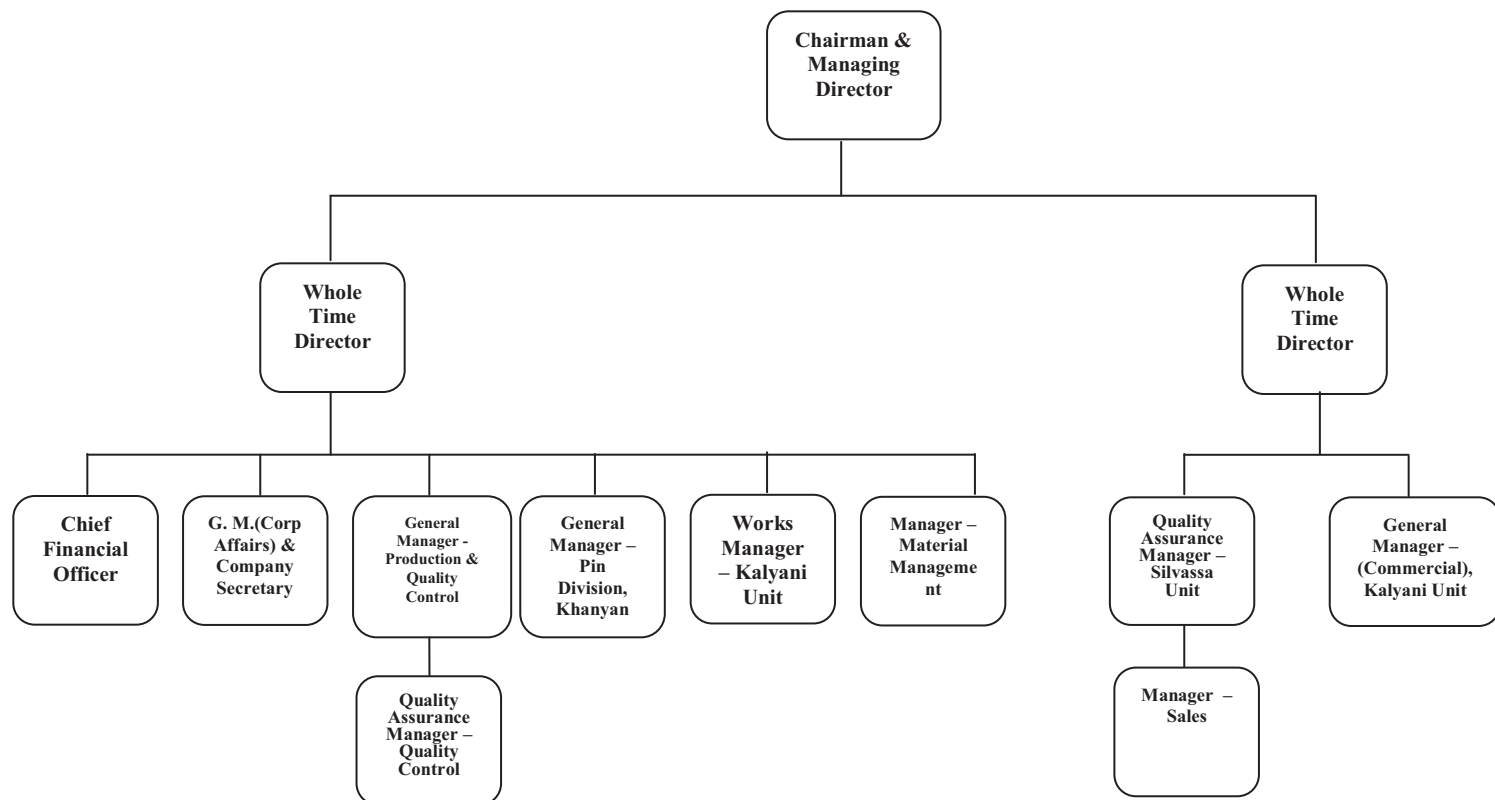
Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Ram Chandra Bajaj	Chairman	Executive and Non Independent
Mr. Rabindra Nath Chakrabarty	Member	Non Executive and Independent Director
Mr. Mandeep Mishra	Member	Non Executive and Independent Director

Policy on disclosures and internal procedure for prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's Equity Shares on the Stock Exchanges i.e. NSE and BSE.

Mr. Jayanta Saha, our Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

MANAGEMENT ORGANISATION STRUCTURE



KEY MANAGERIAL PERSONNEL (“KMP”)

The key managerial personnel of our Company other than our Executive Directors are as follows:

Sr. No	Name	Designation
1	Mr. Jayanta Saha	General Manager - Corporate Affairs and Company Secretary
2	Mr. Manish Kumar Tripathi	Chief Financial Officer
3	Mr. Dhurjati Basu	General Manager - Production & Quality Control
4	Mr. Ashok Kumar Ghosh	General Manager – Pin Division, Khanyan Unit
5	Mr. Mahesh Kumar Bajari	General Manager (Commercial), Kalyani Unit
6	Mr. Sunil Kumar Das	Works Manager, Kalyani Unit
7	Mr. Ashish Chatterjee	Manager - Material Management
8	Mr. Anjan Kumar Basu	Manager - Sales
9	Mr. Deb Pratim Bhattacharya	Quality Assurance Manager
10	Mr. Manas Mukherjee	Quality Assurance Manager, Silvassa Unit

Note:

- Except retirement benefits if any payable to them as Provident Fund and Gratuity as per the policies of our Company, there is no specific incentive sharing plan for the Key Managerial Personnel.
- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned personnel have been recruited.
- None of the key personnel mentioned above are related to each other or any Promoters or Directors of our Company.
- The key managerial personnel as disclosed above are not key managerial personnel as defined under Accounting Standard 18.

Brief biographies of our Key Managerial Personnel are set out below:

Mr. Jayanta Saha, aged 50 years, is the General Manager - Corporate Affairs and Company Secretary. He has been associated with our Company since August 2001 and oversees the Corporate Affairs & Banking activities of our Company and also secretarial compliances. He holds a Bachelor of Science degree from the University of Calcutta. He is an Associate Member of Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India. He has over 20 years experience in Finance, Corporate Affairs, Accounts, Banking and Secretarial matters. Prior to joining our Company, he was associated with Inter Corporate Financiers & Consultants Limited. The gross compensation paid to him during the fiscal 2011 was ₹5.34 lakhs inclusive of perquisites and other benefits.

Mr. Manish Kumar Tripathi, aged 32 years, is the Chief Financial Officer. He is in charge of Finance & Accounts of our Company. He has been associated with our Company since April 2009. He holds Bachelor of Commerce degree from the University of Calcutta and is an Associate Member of the Institute of Chartered Accountants of India. He has over 5 years of post qualification experience in Accounting, Auditing, Taxation and other related matters. Prior to joining our Company, he was Self Employed, holding the Certificate of Practice issued by the ICAI. The gross compensation paid to him during the fiscal 2011 was ₹4.20 lakhs inclusive of perquisites and other benefits.

Mr. Dhurjati Basu, aged 61 years, is the General Manager in charge of Production & Quality Control of our manufacturing unit at Kalyan. He is also responsible for improving the systems for compliance in quality assurance and quality control in our Company. He has been associated with our Company since October 2010. He holds a Bachelors Degree in Metallurgical Engineering from Bengal Engineering College, Shibpur. He has over 38 years experience in Production & Quality Control across various industry segments. Prior to joining our Company, he was working as consultant for the ISO 9001 Quality Management System and with corporates like Advani Oerlikon Limited, Usha Martin Limited, Surya Wires Limited, in various capacities. The gross compensation paid to him during the fiscal 2011 was ₹1.80 lakhs inclusive of perquisites and other benefits.

Mr. Ashok Kumar Ghosh, aged 55 years, is the General Manager in charge of the Khanyan unit. He is overall in charge of the Pin Division of our Company. He has been associated with our Company since February, 2005. He holds a Licentiate Mechanical Engineering examination from Ramakrishna Mission Shilpamandir, Howrah. He has an experience of 3 decades in the manufacture of Steel Wire and Pins and has been closely associated with various faceted of production and related activities. Prior to joining our Company, he was working with Shalimar Industries Limited. The gross compensation paid to him during the fiscal 2011 was ₹3.16 lakhs inclusive of perquisites and other benefits.

Mr. Mahesh Kumar Bajari, aged 44 years, is the General Manager (Commercial) stationed at the Kalyani unit of our Company. He has been associated with our Company since October 2002. He is responsible for all the commercial matters at the manufacturing unit. He has hands – on experience in the business of Steel Wires. The gross compensation paid to him during the fiscal 2011 was ₹3.34 lakhs inclusive of perquisites and other benefits.

Mr. Sunil Kumar Das, aged 53 years, is the Works Manager in charge of the Kalyani unit of our Company charged with the responsibility relating to production at the Unit. He has been associated with our Company since February 1999. He has around 35 years of hands – on experience in the production and manufacture of Steel Wires. Prior to joining our Company, he was associated with Vandana Udyog Limited. The gross compensation paid to him during the fiscal 2011 was ₹2.82 lakhs inclusive of perquisites and other benefits.

Mr. Ashish Chatterjee, aged 47 years, is Manager in charge of Materials Management at our manufacturing unit at Kalyani. He has been associated with our Company since April 2000. He holds a Bachelors Degree in Commerce from Kalyani University. He has over 20 years experience in managing stores and materials in various Companies. Prior to joining our Company, he was associated with Black Diamond Beverage Limited. The gross compensation paid to him during the fiscal 2011 was ₹2.80 lakhs inclusive of perquisites and other benefits.

Mr. Anjan Kumar Basu, aged 58 years, is the Manager - Marketing in our Company. He is oversees the sales of wires along with our Whole Time Director, Mr Amit Bajaj. He has been associated with our Company since May 2001. He holds a Bachelors Degree in Commerce from the University of Calcutta. He has over 35 years experience in marketing and sales of Steel Wires. Prior to joining our Company, he was associated with Hind Wires Limited. The gross compensation paid to him during the fiscal 2011 was ₹1.99 lakhs inclusive of perquisites and other benefits.

Mr. Debpratim Bhattacharya, aged 30 years, is Quality Assurance Manager in charge of Quality Control. He has been associated with our Company since July, 2010. He holds a Bachelor of Technology degree from St. Thomas College of

Engineering & Technology under the West Bengal University of Technology. He has around 4 years of experience in Quality Control. Prior to joining our Company, he was associated with Areva T&D India Limited. The gross compensation paid to him during the fiscal 2011 was ₹1.73 lakhs inclusive of perquisites and other benefits.

Mr. Manas Mukherjee, aged 51 years, is Quality Assurance Manager at the Silvassa Unit of our Company. He has been associated with our Company since December 2011. He holds a Bachelor of Science degree from University of Calcutta. He has around 20 years of experience in the field of Manufacturing working as Production Manager. Prior to joining our Company, he was associated with Raj Industries, Tripati Plasto Cham, Rishi Packers Private Limited, Denny Polyarn Private Limited. Since Mr. Mukherjee was appointed in Fiscal 2012, no remuneration was paid to him by our Company in Fiscal 2011. He has been appointed with gross remuneration of ₹3.74 lakhs inclusive of perquisites and other benefits.

Shareholding of our Key Managerial Personnel

None of our key managerial personnel hold any Equity Shares in our Company as on date of filing of this Draft Red Herring Prospectus.

Service Contracts

No service contracts have been entered into with any Key Management Personnel or Directors for provision of benefits or payments of any amount upon termination of employment.

Interest of KMPs / Payment or benefits to officers

Except as disclosed in this chapter none of our key managerial personnel have any interest in our Company other than to the extent of remuneration or benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. We have not paid /given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/give such benefit to any officer as on the date of filing of this Draft Red Herring Prospectus.

Changes in the Key Managerial Personnel

Save and except as mentioned below, there have been no changes in Key Managerial Personnel of our Company that are not in the normal course of employment, during the last three (3) years:

Name of Key Management Person	Date of Joining	Date of Leaving	Reason for change
Mr. Tarun Kumar Sil - Manager (Quality Control)	March 2000	March 2010	Personal Reason
Mr. Anup Sarkar - Assistant General Manager	December 2007	December 2010	Personal Reason
Mr. Manish Kumar Tripathi - (Sr Manager - Finance)	April 2009	-	Appointment
Mr. Madhusudan De Kabiraj - Manager (Quality Control)	May 2009	November 2009	Personal Reason
Mr. Debpratim Bhattacharya - Manager (Quality Control)	July 2010	-	Appointment
Mr. Dhurjati Basu	October 2010		Appointment
Mr. Manas Mukherjee - (Quality Assurance Manager, Silvassa)	December 2011	-	Appointment

Employees Stock Option Scheme/ Employee Stock Purchase Scheme to Employees

As of the date of filing of this Draft Red Herring Prospectus, our Company does not have any Employee Stock Option Scheme/Employee Stock Purchase Scheme or other similar scheme giving options in our Equity Shares to our employees.

Employees

As of January 31, 2012, our Company has provided employment to 726 people (including 239 contract labour). For more details about our employees please refer to the chapter titled “*Business Overview*” beginning on page 85 of this Draft Red Herring Prospectus.

Bonus or Profit Sharing Plan of the Key Management Personnel

Our Company does not have fixed or certain bonus or profit sharing plan for the Key Management Personnel.

Loans to Directors/Key Managerial Personnel

There are no loans outstanding to any of the Directors and key managerial personnel.

OUR PROMOTERS

The Promoters of our Company are:

1. Mr. Bhanwar Lal Jajodia;
2. Mrs. Madhu Devi Jajodia;
3. Mr. Mahendra Kumar Jajodia;
4. Mrs. Sangita Jajodia;
5. Mr. Bajrang Jajodia;
6. Mrs. Pooja Jajodia; and
7. Ms. Ankita Jajodia.

Brief profiles of our Promoters are as under:

	<p>Mr. Bhanwar Lal Jajodia, aged 62 years, Chairman and Managing Director</p> <p>Please refer to the chapter titled “<i>Our Management</i>” beginning on page 111 for a brief profile of Mr. Bhanwar Lal Jajodia.</p> <p>Voter Identification No. : WB/20/139/735244 Driving Licence No. : WB-011992707524 Passport No. : F018147 Address : CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal</p>
	<p>Mrs. Madhu Devi Jajodia, aged 52 years, is wife of Mr. Bhanwar Lal Jajodia. She is non matric and a housewife. She is not involved in the any business activities nor she has experience in the line of business of the Company.</p> <p>Voter Identification No. : WB/20/139/735242 Driving Licence No. : N.A. Passport No. : E2669336 Address : CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal</p> <p>Other Directorship & Ventures promoted:</p> <ul style="list-style-type: none"> • Rampurhat PSC Sleepers Limited
	<p>Mr. Mahendra Kumar Jajodia, aged 45 years, was the Whole Time Director of our Company since September 1, 2000 till May 31, 2009. As a Whole Time Director, he was responsible for the overall supervision of all our factories and entire production activities. He is an under graduate. Presently, he is the managing director of Rampurhat PSC Sleepers Limited.</p> <p>Voter Identification No. : WB/20/139/735235 Driving Licence No. : WB-012009736309 Passport No. : G4623064 Address : CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal.</p> <p>Other Directorship & Ventures promoted:</p> <ul style="list-style-type: none"> • Rampurhat PSC Sleepers Limited
	<p>Mrs. Sangita Jajodia, aged 43 years, is wife of Mr. Mahendra Kumar Jajodia. She is a non matric and a housewife. She is not involved in the any business activities. nor she has experience in the line of business of the Company.</p> <p>Voter Identification No. : WB/20/139/735241 Driving Licence No. : N.A. Passport No. : G4623060 Address : CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal</p> <p>Other Directorship & Ventures promoted:</p> <ul style="list-style-type: none"> • Rampurhat PSC Sleepers Limited

	<p>Mr. Bajrang Jajodia, aged 36 years, holds Bachlore of Commerce from University of Calcutta. He was associated with UIC Industries Limited as Managing Director. Presently, he is director of Swarnandhra Jute Mills Private Limited.</p> <p>Voter Identification No. :WB/20/139/735234 Driving Licence No. : WB-011992577805 Passport No. : G1612608 Address : CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal</p> <p>Other Directorship & Ventures promoted:</p> <ul style="list-style-type: none"> Swarnandhra Jute Mills Private Limited
	<p>Mrs. Pooja Jajodia, aged 33 years, is wife of Mr. Bajrang Jajodia. She is a non matric and a housewife. She is not involved in the any business activities nor she has experience in the line of business of the Company.</p> <p>Voter Identification No. : XOY1259258 Driving Licence No. : N.A. Passport No. : F2960791 Address : CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal</p> <p>Other Directorship & Ventures promoted: N.A.</p>
	<p>Ms. Ankita Jajodia, aged 21 years, holds Bachlore of Commerce from University of Calcutta. She is not involved in the any business activities nor she has experience in the line of business of the Company.</p> <p>Voter Identification No. : N.A. Driving Licence No. : N.A. Passport No. : J3817280 Address : CF-286, Sector-I, Salt Lake City, Kolkata-700064, West Bengal</p> <p>Other Directorship & Ventures promoted:</p> <ul style="list-style-type: none"> Bhavya Innovation Software Private Limited Prity Properties Private Limited

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of our Promoters will be submitted to BSE and NSE at the time of filing this Draft Red Herring Prospectus with the Stock Exchanges.

Further, our Promoters have not been identified as willful defaulters by the Reserve Bank of India or any other Government Authority and that there are no violations of Securities Laws committed by the promoters in the past, nor any such proceedings are pending against the Promoters. None of the promoters, persons forming part of the Promoter Group have been (i) prohibited from accessing the Capital market under any order or directions passed by SEBI or any other Authority or (ii) refused listing of any of the Securities issued by such entity by any Stock Exchanges.

Relationship of our Promoters with each other, our Directors and our Key Managerial Personnel

Name	Relationship
Mr. Bhanwar Lal Jajodia	Spouse of Mrs. Madhu Devi Jajodia, Father of Mr. Mahendra Kumar Jajodia & Ms. Ankita Jajodia, Brother of Mr. Bajrang Jajodia, Father-in-law of Mrs. Sangita Jajodia and Brother-in-law of Mrs. Pooja Jajodia
Mrs. Madhu Devi Jajodia	Spouse of Mr. Bhanwar Lal Jajodia, Mother of Mr. Mahendra Kumar Jajodia & Ms. Ankita Jajodia, Sister-in-law of Mr. Bajrang Jajodia, Mother-in-law of Mrs. Sangita Jajodia and wife of brother-in-law of Mrs. Pooja Jajodia.
Mr. Mahendra Kumar Jajodia	Spouse of Mrs. Sangita Jajodia, Son of Mr. Bhanwar Lal Jajodia & Mrs. Madhu Devi Jajodia, Nephew of Mr. Bajrang Jajodia & Mrs. Pooja Jajodia, Brother of Ms. Ankita Jajodia.
Mrs. Sangita Jajodia	Spouse of Mr. Mahendra Kumar Jajodia, Daughter-in-law of Mr. Bhanwar Lal

	Jajodia & Mrs. Madhu Devi Jajodia, Sister-in-law of Ms. Ankita Jajodia, Wife of Nephew of Mr. Bajrang Jajodia & Mrs. Pooja Jajodia
Mr. Bajrang Jajodia	Spouse of Mrs. Pooja Jajodia, Brother of Mr. Bhanwar Lal Jajodia, Brother-in-law of Mrs. Madhu Devi Jajodia, Uncle of Mr. Mahendra Kumar Jajodia, Mrs. Sangita Jajodia & Ms. Ankita Jajodia.
Mrs. Pooja Jajodia	Spouse of Mr. Bajrang Jajodia, Sister-in-law of Mr. Bhanwar Lal Jajodia, Aunty of Mr. Mahendra Kumar Jajodia, Mrs. Sangita Jajodia & Ms. Ankita Jajodia and Wife of brother-in-law of Mrs. Madhu Devi Jajodia.
Ms. Ankita Jajodia	Daughter of Mr. Bhanwar Lal Jajodia & Mrs. Madhu Devi Jajodia, Sister of Mr. Mahendra Kumar Jajodia, Sister – in- law of Mrs. Sangita Jajodia & Neice of Mr. Bajrang Jajodia & Mrs. Pooja Jajodia

For details pertaining to other ventures of our Promoters refer to the chapter titled “*Group Companies*” beginning on page 129 of this Draft Red Herring Prospectus.

Promoter Group Matrix

Relationship with the Promoters	Mr. Bhanwar Lal Jajodia	Mrs. Madhu Devi Jajodia	Mr. Mahendra Kumar Jajodia	Mrs. Sangita Jajodia	Mr. Bajrang Jajodia	Mrs. Pooja Jajodia	Ms. Ankita Jajodia
Father	Late Madan Lal Jajodia	Mr. Prahlad Rai Lekaria	Mr. Bhanwar Lal Jajodia	Late Murlidhar Saraf	Late Madan Lal Jajodia	Mr. Pramod Kumar Garodia	Mr. Bhanwar Lal Jajodia
Mother	Late Bhagwani Devi Jajodia	Mrs. Sohani Devi Lekaria	Mrs. Madhu Devi Jajodia	Late Sajana Devi Saraf	Late Bhagwani Devi Jajodia	Mrs. Sakuntala Devi Garodia	Mrs. Madhu Devi Jajodia
Spouse	Mrs. Madhu Devi Jajodia	Mr. Bhanwar Lal Jajodia	Mrs. Sangita Jajodia	Mr. Mahendra Kumar Jajodia	Mrs. Pooja Jajodia	Mr. Bajrang Jajodia	N.A
Brother	Mr. Bajrang Jajodia	Mr. Chandan Malji Lekaria, Mr. Mangal Chand Lekaria, Mr. Puran Malji Lekaria	N.A	Mr. Mahendra Kumar Saraf, Mr. Jitendra Kumar Saraf	Mr. Bhanwar Lal Jajodia	Mr. Punit Garodia	Mr. Mahendra Kumar Jajodia
Sister	Mrs. Anita Tantia	Mrs. Bimla Bajari, Mrs. Sita Devi Agarwal	Mrs. Prity Agarwal, Mrs. Swati Bhalotia, Mrs. Kavita Kedia, Ms. Ankita Jajodia	N.A	Mrs. Anita Tantia	N.A	Mrs. Prity Agarwal Mrs. Swati Bhalotia Mrs. Kavita Kedia
Son	Mr. Mahendra Kumar Jajodia	Mr. Mahendra Kumar Jajodia	Master. Kunal Jajodia, Master. Akshat Jajodia	Master. Kunal Jajodia, Master Akshat Jajodia	Master Lakshya Jajodia	Master Lakshya Jajodia	N.A
Daughter	Mrs. Prity Agarwal, Mrs. Swati Bhalotia, Mrs. Kavita Kedia, Ms. Ankita	Mrs. Prity Agarwal, Mrs. Swati Bhalotia, Mrs. Kavita Kedia, Ms. Ankita	N.A	N.A.	Ms. Falak Jajodia	Ms. Falak Jajodia	N.A

Relationship with the Promoters	Mr. Bhanwar Lal Jajodia	Mrs. Madhu Devi Jajodia	Mr. Mahendra Kumar Jajodia	Mrs. Sangita Jajodia	Mr. Bajrang Jajodia	Mrs. Pooja Jajodia	Ms. Ankita Jajodia
	Jajodia	Jajodia					
Spouse's Father	Mr. Prahlad Rai Lekaria	Late Madan Lal Jajodia	Late Murlidhar Saraf	Mr. Bhanwar Lal Jajodia	Mr. Pramod Kumar Garodia	Late Madan Lal Jajodia	N.A
Spouse's Mother	Mrs. Sohani Devi Lekaria	Late Bhagwani Devi Jajodia	Late Sajana Devi Saraf	Mrs. Madhu Devi Jajodia	Mrs. Sakuntala Devi Garodia	Late Bhagwani Devi Jajodia	N.A.
Spouse's Brother	Mr. Chandan Malji Lekaria, Mr. Mangal Chand Lekaria, Mr. Puran Malji Lekaria	Mr. Bajrang Jajodia	Mr. Mahendra Kumar Saraf, Mr. Jitendra Kumar Saraf	N.A	Mr. Punit Garodia	Mr. Bhanwar Lal Jajodia	N.A
Spouse's Sister	Mrs. Bimla Bajari, Mrs. Sita Devi Agarwal	Mrs. Anita Tantia	N.A.	Mrs. Prity Agarwal, Mrs. Swati Bhalotia, Mrs. Kavita Kedia, Ms. Ankita Jajodia	N.A	Mrs. Anita Tantia	N.A.

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member.	<ul style="list-style-type: none"> a) UIC Industries Limited b) UIC Infrastructure India Private Limited c) UIC Finance Private Limited d) Prity Properties Private Limited e) Bhavya Innovation Software Private Limited f) Swarnandhra Jute Mills Private Limited g) Jajodia Family Trust h) Alishan Steels Private Limited i) Anisha Estate & Finance Private Limited
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital.	<ul style="list-style-type: none"> a) UIC Industries Limited b) UIC Infrastructure Private Limited c) Rampurat PSC Sleepers Limited
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10% of the total.	<ul style="list-style-type: none"> a) Madan Lal Jajodia (HUF) b) Bhanwar Lal Jajodia (HUF) c) Bajrang Jajodia (HUF) d) Mahendra Kumar Jajodia (HUF)

Payment of Benefits to our Promoters during the last two years

We have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payment has been made to them in respect of these contracts, agreements arrangements which are proposed to be made to them. Except as stated in the chapter titled “Financial Statements” under the heading “Related Party Transactions” beginning on page 161 of this Draft Red Herring Prospectus, there has been no payment of benefits to our Promoters during the last two years from the date of filing of this Draft Red Herring Prospectus.

Interest in the Property of our Company

Except as stated in this chapter and in the chapter titled “*Risk Factors*”, “*Objects of the Issue*”, “*Business Overview*”, beginning on pages 12, 57 and 85 respectively and chapter titled “*Financial Statements*” under the heading “*Related Party Transactions*” beginning on page 161 of this Draft Red Herring Prospectus, our Promoters do not have any interest in any property acquired by our Company within two years from the date of filing of this Draft Red Herring Prospectus.

Common Pursuits

Our promoters do not have any interest in any venture that is involved in any activities similar to those carried out by us except as mentioned in the chapter titled “*Group Companies*” beginning on page no 129 of this Draft Red Herring Prospectus.

Details of Companies / Firms from which our Promoters have disassociated

Our promoters have not disassociated themselves from any of the companies / firms during the preceding five years.

Interest of Promoters

Our Promoters are interested in the promotion of our Company and are also interested to the extent of their shareholding for which they are entitled to receive the dividend declared, if any, by our Company. Further, our Promoter Mr. Bhanwar Lal Jajodia may be deemed to be interested to the extent of fees, if any, payable to him for attending meetings of our Board or Committees constituted thereof, as well as, to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered in accordance with the provisions of the Companies Act and in terms of the Articles.

Our Promoters may be deemed to be interested to the extent of equity shares held by them and their relatives. They may also be deemed to be interested in the transactions entered into by our Company and the ventures they are interested as Promoters, Directors or otherwise.

GROUP COMPANIES

The companies and entities forming part of our Group Companies are as follows:

Sr. No.	Name
Group Companies	
1.	UIC Industries Limited
2.	UIC Finance Private Limited
3.	UIC Infrastructure India Private Limited
4.	Rampurhat PSC Sleepers Limited
5.	Swarnandhra Jute Mills Private Limited
6.	Anisha Estate & Finance Private Limited
7.	Alishan Steels Private Limited
8.	Prity Properties Private Limited
9.	Bhavya Innovation Software Private Limited
Other Entities	
1.	Madan Lal Jajodia (HUF)
2.	Bhanwar Lal Jajodia (HUF)
3.	Mahendra Kumar Jajodia (HUF)
4.	Bajrang Jajodia (HUF)
5.	Jajodia Family Trust

1. UIC Industries Limited (“UIL”)

UIL is a public limited company incorporated on September 24, 1992. The registered office of UIL is situated at Anandalok, Block - A, 1st Floor 227, A.J.C. Bose Road, Kolkata - 700020, West Bengal, India. The main object of UIL is to deal in Metals, Non-ferrous metals, Real Estate Business; Jute & Jute Goods, Pharma, Chemicals etc.. UIL presently has an authorized equity share capital of ₹6,00,00,000 (Rupees Six Crore) divided into 60,00,000 (Sixty Lakhs) equity shares of ₹10 each.

Board of Directors

The composition of the Board of Directors of UIL is as under:

Name	Designation	DIN
Mr. Bhanwar Lal Jajodia	Director	00576094
Mr. Amit Bajaj	Director	00591071
Mr. Mahesh Kumar Bajari	Director	01304216

Shareholding Pattern

Name	No. of Shares	% of Shareholding
UIC Finance Private Limited	5,82,525	33.07
Mrs. Madhu Devi Jajodia	2,87,645	16.33
Mr. Mohit Agarwal	1,48,000	8.40
Mr. Mayank Agarwal	1,08,250	6.15
Basant Kumar Agarwal (HUF)	1,00,000	5.68
Mrs. Swati Bhalotia	96,263	5.47
Mrs. Kavita Kedia	94,388	5.36
Ms. Ankita Jajodia	69,538	3.95
Mr. Kunal Jajodia	60,140	3.41
Mr. Akshat Jajodia	60,000	3.41
Mrs. Prity Agarwal	54,263	3.08
Madan Lal Jajodia (HUF)	38,800	2.20
Mr. Bhanwar Lal Jajodia	24,288	1.38
Mayank Agarwal (HUF)	22,000	1.25
Bajrang Jajodia (HUF)	14,000	0.79
Mr. Mahendra Kumar Jajodia	1,150	0.07
Total	17,61,250	100.00

Financial Performance:

The audited financial results for the Financial Year Ended March 31, 2011, 2010 and 2009 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Total Income	30.39	76.80	1,053.58
Profit/(loss) After Tax	2.52	(5.51)	6.21
Equity Share Capital	176.13	176.13	176.13
Reserves & Surplus	206.66	204.14	209.66
Net Worth	382.79	380.27	385.58
Book Value per share of face value ₹10 each (in ₹)	21.73	21.59	21.89
Earnings per share of face value ₹10 each (in ₹)	0.14	(0.31)	0.35

The Equity shares of UIL are not listed on any stock exchanges. UIL is not sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against UIL.

2. UIC Finance Private Limited (“UFPL”)

UFPL is a private limited incorporated on October 24, 1995. The registered office of UFPL is situated at Anandalok, Block - A, 1st Floor 227, A.J.C. Bose Road, Kolkata - 700020, West Bengal, India. The Company is registered as a Non Banking Financial Company (NBFC) with RBI with the registration number B – 05.02059. The main object of UFPL is to undertake business of Financial Services. UFPL presently has an authorized equity share capital of ₹3,00,00,000 (Rupees Three Crore) divided into 30,00,000 (Thirty Lakhs) equity shares of ₹10 each.

Board of Directors

The composition of the Board of Directors of UIL is as under:

Name	Designation	DIN
Mr. Bhanwar Lal Jajodia	Director	00576094
Mr. Mahesh Kumar Bajari	Director	01304216

Shareholding Pattern

Name	No. of Shares	% of Shareholding
Jajodia Family Trust	9,20,400	46.13
Mrs. Nirmala Agarwal	1,56,000	7.82
Ms. Ankita Jajodia	1,47,101	7.37
Mr. Basant Kumar Agarwal	1,40,000	7.02
Mr. Mohit Agarwal	1,40,000	7.02
Bhanwar Lal Jajodia (HUF)	1,04,015	5.21
Mayank Agarwal (HUF)	1,00,375	5.03
Bajrang Jajodia (HUF)	1,00,023	5.01
Mr. Mayank Agarwal	60,145	3.01
Mrs. Kavita Kedia	41,278	2.07
Mr. Bhanwar Lal Jajodia	40,195	2.01
Mrs. Swati Bhalotia	30,028	1.51
Mrs. Madhu Devi Jajodia	14,050	0.70
Mr. Mahendra Kumar Jajodia	1,200	0.06
Mrs. Anita Tania	100	Negligible
Madan Lal Jajodia (HUF)	100	Negligible
Mr. Kunal Jajodia	65	Negligible
Mrs. Prity Agarwal	58	Negligible
Mrs. Pooja Jajodia	15	Negligible
Total	19,95,148	100.00

Financial Performance:

The audited financial results for the Financial Year Ended March 31, 2011, 2010 & 2009 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Total Income	62.64	149.74	96.92
Profit/(loss) After Tax	(5.08)	77.90	47.99
Equity Share Capital	199.51	199.51	199.51
Reserves & Surplus	2,465.19	2,520.28	2,442.38
Net Worth	2,664.71	2,719.79	2,641.49
Book Value per share of face value ₹10 each (in ₹)	133.56	136.32	132.40
Earnings per share of face value ₹10 each (in ₹)	(0.25)	3.90	2.41

The Equity shares of UFPL are not listed on any stock exchanges. The business centre division of UFPL has been transferred to Prity Properties Private Limited w.e.f February 01, 2011, as per Scheme of Arrangement sanctioned by the Hon'ble High Court of Calcutta, vide its order no. 44 dated June 13, 2011 under section 394(1) of the Companies Act, 1956. UFPL is not sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against UFPL.

3. UIC Infrastructure India Private Limited ("UIIPL")

UIIPL is a private limited company incorporated on August 2, 2007. The registered office of UIIPL is situated at Anandalok, Block - A, 1st Floor 227, A.J.C. Bose Road, Kolkata-700020, West Bengal, India. It was formally known as Tania Infrastructure India Private Limited. The main object of UIIPL is to undertake business of Construction Work. UIIPL presently has an authorized equity share capital of ₹1,00,00,000 (Rupees One Crore) divided into 10,00,000 (Ten Lakhs) equity shares of ₹10 each.

Board of Directors

The composition of the Board of Directors of UIIPL is as under:

Name	Designation	DIN
Mr. Pradeep Kumar Tania	Director	01153960
Mr. Sourabh Tania	Director	03246930
Mr. Sadhan Kumar Niyogi	Director	02273246

Shareholding Pattern

Name	No. of Shares	% of Shareholding
UIC Finance Private Limited	3,75,000	42.74
Mayank Agarwal (HUF)	75,000	8.55
Mrs. Anita Tania	74,800	8.52
Mr. Pradeep Kumar Tania	73,300	8.35
Mrs. Kavita Kedia	70,000	7.98
Mrs. Madhu Devi Jajodia	70,000	7.98
Mrs. Sangita Jajodia	56,600	6.45
Mr. Saurabh Tania	52,800	6.02
Mrs. Pushpa Devi Tania	25,000	2.85
Mr. Mayank Agarwal	5,000	0.57
Total	8,77,500	100.00

Financial Performance

The audited financial results for the Financial Year Ended March 31, 2011, 2010 and 2009 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Total Income	639.96	497.64	826.40
Profit/(loss) After Tax	8.38	0.89	0.37
Equity Share Capital	87.75	50.25	50.25
Reserves & Surplus	722.36	1.48	0.59
Net Worth	809.79	51.10	49.82
Book Value per share of face value ₹10 each (in ₹)	92.28	10.17	9.92
Earnings per share of face value ₹10 each (in ₹)	0.95	0.18	0.07

The Equity shares of UIIPL are not listed on any stock exchanges. UIIPL is not sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against UIIPL.

4. Rampurhat PSC Sleepers Limited (“RPSL”)

RPSL was incorporated as a private limited company on August 17, 1998. RPSL was converted in to a public limited company and received fresh Certificate of Incorporation on December 26, 2011 from Registrar of Companies, West Bengal. The registered office of RPSL is situated at Swaika Centre, Room No. 406, 4th Floor, 4A, Pollock Street, Kolkata 700 001. The main object of RPSL is to carry on the business of manufacturing, selling and supplying of pre-stressed concrete railway sleepers and allied products made of cement and sand. RPSL presently has an authorized equity share capital of ₹2,30,00,000 (Rupees Two Crore Thirty Lakhs) divided into 2,30,000 (Two Lakhs Thirty Thousand) equity shares of ₹100 each.

Board of Directors

The composition of the Board of Directors of RPSL is as under:

Name	Designation	DIN
Mr. Mahendra Kumar Jajodia	Managing Director	00594470
Mrs. Madhu Devi Jajodia	Director	00591485
Mrs. Sangita Jajodia	Director	00591598

Shareholding Pattern

Name	No. of Shares	% of Shareholding
Anisha Estate & Finance Private Limited	96,148	42.63
Alishan Steels Private Limited	86,587	38.39
UIC Industries Limited	28,000	12.41
Mrs. Sangita Jajodia	2,963	1.31
Mr. Mahendra Kumar Jajodia	2,963	1.31
Mahendra Kumar Jajodia (HUF)	2,963	1.31
Madan Lal Jajodia (HUF)	2,963	1.31
Mr. Kunal Jajodia	2,963	1.31
Total	2,25,550	100.00

Financial Performance:

The audited financial results for the Financial Year Ended March 31, 2011, 2010 and 2009 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Total Income	1,711.05	3,656.53	3,791.72
Profit/(loss) After Tax	3.86	225.29	62.80
Equity Share Capital	197.55	197.55	197.55
Reserves & Surplus	127.13	123.27	112.95
Net Worth	310.17	306.54	83.14
Book Value per share of face value ₹100 each (in ₹)	157.01	155.17	42.09
Earnings per share of face value ₹100 each (in ₹)	1.95	114.04	31.79

The Equity shares of RPSL are not listed on any stock exchanges. RPSL is not sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against RPSL.

5. Swarnandhra Jute Mills Private Limited (“SJ MPL”)

SJMPL is a private limited company incorporated on June 19, 2002. The registered office of SJMPL is situated at Survey No. 40, Varissam Village, Ranasthalam Mandal, Pydhibheemavaram, Srikakulam, Andhra Pradesh – 532409. The main object of SJMPL is to undertake business of Manufacturing of Jute & Related Products. SJMPL presently has an authorized equity share capital of ₹4,00,00,000 (Rupees Four Crore) divided into 40,00,000 (Fourty Lakhs) equity shares of ₹10 each.

Board of Directors

The composition of the Board of Directors of SJMPL is as under:

Name	Designation	DIN
Mr. Vikram Kanjee	Director	00560262
Mr. Bajrang Jajodia	Director	00590800

Shareholding Pattern

Name	No of Shares	% of Shareholding
Mr. Mukesh Agarwal	8,39,250	33.44
Anisha Estate and Finance Private Limited	5,50,000	21.91
Mr. Rakesh Agarwal	3,68,500	14.68
Mascon Fin Private Limited	2,30,000	9.16
Bluechip Financial Consultants Private Limited	2,30,000	9.16
Mrs. Sita Devi Agarwal	2,00,000	7.97
Mr. Bajrang Jajodia	30,750	1.23
Mrs. Madhu Devi Jajodia	30,750	1.23
Mrs. Pooja Jajodia	30,750	1.23
Total	25,10,000	100.00

Financial Performance:

The audited financial results for the Financial Year Ended March 31, 2011, 2010 and 2009 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Total Income	403.95	128.67	329.32
Profit/(Loss) After Tax	(41.70)	(57.90)	(95.76)
Equity Share Capital	205.00	105.50	105.50
Reserves & Surplus	0.00	0.00	0.00
Net Worth	(53.62)	(111.97)	(44.77)
Book Value per share of face value ₹10 each (in ₹)	(2.62)	(10.61)	(4.24)
Earnings per share of face value ₹10 each (in ₹)	(2.03)	(5.49)	(9.08)

The Equity shares of SJMPL are not listed on any stock exchanges. SJMPL is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against SJMPL.

6. Anisha Estate & Finance Private Limited (“AEFPL”)

AEFPL is a private limited company incorporated on September 29, 1992. The registered office of AEFPL is situated at Swaika Centre, Room No. 403, 4th Floor, 4A, Pollock Street, Kolkata 700 001. The company is registered as a Non Banking Financial Company (NBFC) with RBI with the registration number B-05.04057. AEFPL presently has an authorized equity share capital of ₹85,00,000 (Rupees Eighty Five Lakhs) divided into 8,50,000 (Eight Lakhs Fifty Thousand) equity shares of ₹10 each.

Board of Directors

The composition of the Board of Directors of AEFPL is as under:

Name	Designation	DIN
Mr. Mohan Lal Agarwal	Director	00894586
Mr. Vikash Agarwal	Director	00894650

Shareholding Pattern

Name	No. of Shares	% of Shareholding
Alishan Steels Private Limited	2,79,798	33.07
Mr. Rakesh Agarwal	1,65,350	19.54
Mr. Mohan Lal Agarwal	1,15,000	13.59
Mr. Vikash Agarwal	1,15,000	13.59
Mr. Mukesh Agarwal	85,520	10.11
Mrs. Sita Devi Agarwal	65,500	7.74
Mr. Krishna Agarwal	20,000	2.36
Total	8,46,168	100.00

Financial Performance:

The audited financial results for the Financial Year Ended March 31, 2011, 2010 and 2009 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Total Income	3,138.53	3,669.82	6,346.02
Profit/ (Loss) After Tax	(157.77)	48.13	(80.00)
Equity Share Capital	84.62	84.62	84.62
Reserves & Surplus	1026.42	1026.42	1016.79
Net Worth	863.34	1,054.53	985.90
Book Value per share of face value ₹10 each (in ₹)	102.03	124.62	116.51
Earnings per share of face value ₹10 each (in ₹)	(18.65)	5.69	(9.45)

The Equity shares of AEFPL are not listed on any stock exchanges. AEFPL is not sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against AEFPL.

7. Alishan Steels Private Limited (“ASPL”)

ASPL is a private limited company incorporated on October 19, 1995. The registered office of ASPL is situated at Swaika Centre, Room no - 403, 4A, Pollock Street, Kolkata - 700 001, West Bengal, India. It was formerly known as Glass House Developers Private Limited. The main object of ASPL is to undertake business of Manufacturing of alloys, ferrous and non-ferrous, metallic and non-metallic. ASPL presently has an authorized equity share capital of ₹2,00,00,000 (Rupees Two Crore) divided into 20,00,000 (Twenty Lakhs) equity shares of ₹10 each.

Board of Directors

The composition of the Board of Directors of ASPL is as under:

Name	Designation	DIN
Mr. Mohan Lal Agarwal	Director	00894586
Mr. Vikash Agarwal	Director	00894650
Mr. Bal Kishan Didwania	Director	00432207

Shareholding Pattern

Name	No. of Shares	% of Shareholding
Anisha Estate & Finance Private Limited	9,16,285	48.04
Mr. Krishna Agarwal	3,70,000	19.40
Mr. Vikas Agarwal	1,95,500	10.25
Mrs. Sita Devi Agarwal	1,69,265	8.88
Mr. Bal Kishan Didwania	1,36,100	7.14
Mr. Mohan Lal Agarwal	1,20,000	6.29
Total	19,07,150	100.00

Financial Performance:

The audited financial results for the Financial Year Ended March 31, 2011, 2010 and 2009 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011	March 31, 2010	March 31, 2009
Total Income	2,886.41	8,315.65	6,402.65
Profit/(Loss) After Tax	(184.99)	(266.46)	(434.84)
Equity Share Capital	190.72	190.72	190.72
Reserves & Surplus	348.26	348.26	348.26
Net Worth	(376.31)	(220.23)	46.23
Book Value per share of face value ₹10 each (in ₹)	(19.73)	(11.55)	2.42
Earnings per share of face value ₹10 each (in ₹)	(9.70)	(13.97)	(22.80)

The Equity shares of ASPL are not listed on any stock exchanges. ASPL is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against ASPL.

8. Prity Properties Private Limited (“PPPL”)

PPPL is a private limited company incorporated on September 30, 2010. The registered office of PPPL is situated at Swaika Centre, Room No - 406, 4A, Pollock Street, Kolkata - 700001, West Bengal, India. The main object of PPPL is to undertake business of Real Estate. PPPL has acquired the business centre division of UIC Finance Private Limited w.e.f February 01, 2011, as per Scheme of Arrangement sanctioned by the Hon’ble High Court of Calcutta, vide its order no. 44 dated June 13, 2011 under section 394(1) of the Companies Act, 1956. PPPL presently has an authorized equity share

capital of ₹15,00,000 (Rupees Fifteen Lakhs) divided into 1,50,000 (One Lakhs Fifty Thousand) equity shares of ₹10 each.

Board of Directors

The composition of the Board of Directors of PPPL is as under:

Name	Designation	DIN
Mrs. Prity Agarwal	Director	03229230
Ms. Ankita Jajodia	Director	03223501

Shareholding Pattern

Name	No of Shares	% of Shareholding
Jajodia Family Trust	43,829	38.11
Ms. Ankita Jajodia	17,005	14.79
Mrs. Prity Agarwal	10,003	8.70
Mrs. Nirmala Agarwal	7,429	6.46
Mr. Mohit Agarwal	6,667	5.80
Mr. Basant Kumar Agarwal	6,667	5.80
Bhanwar Lal Jajodia (HUF)	4,953	4.31
Mayank Agarwal (HUF)	4,780	4.16
Mr. Bajrang Jajodia (HUF)	4,763	4.14
Mr. Mayank Agarwal	2,864	2.49
Mrs. Madhu Devi Jajodia	2583	2.25
Mrs. Kavita Kedia	1,966	1.71
Mrs. Swati Bhalotia	1,430	1.24
Mr. Mahendra Kumar Jajodia	57	0.05
Mrs. Anita Tantia	5	Negligible
Madan Lal Jajodia (HUF)	5	Negligible
Mr. Kunal Jajodia	3	Negligible
Mrs. Pooja Jajodia	1	Negligible
Total	1,15,010	100.00

Financial Performance

The audited financial results for the Financial Year Ended March 31, 2011 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011
Total Income	0.00
Profit/(Loss) After Tax	(0.14)
Equity Share Capital	2.00
Reserves & Surplus	9.00
Net Worth	10.43
Book Value per share of face value ₹10 each (in ₹)	52.15
Earnings per share of face value ₹10 each (in ₹)	(0.71)

The Equity shares of PPPL are not listed on any stock exchanges. PPPL is not sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against PPPL.

9. Bhavya Innovation Software Private Limited (“BISPL”)

BISPL is a private limited company incorporated on September 30, 2010. The registered office of BISPL is situated at Swaika Centre, Room No - 406, 4A, Pollock Street, Kolkata - 700001, West Bengal, India. The main object of BISPL is to undertake business of Software. BISPL presently has an authorized equity share capital of ₹10,00,000 (Rupees Ten Lakhs) divided into 1,00,000 (One Lakhs) equity shares of ₹10 each.

Board of Directors

The composition of the Board of Directors of BISPL is as under:

Name	Designation	DIN
Mrs. Prity Agarwal	Director	03229230
Ms. Ankita Jajodia	Director	03223501

Shareholding Pattern

Name	No. of Shares	% of Shareholding
Mrs. Prity Agarwal	5,000	50.00
Ms. Ankita Jajodia	5,000	50.00
Total	10,000	100.00

Financial Performance

The audited financial results for the Financial Year Ended March 31, 2011 are set forth below:

(₹ in Lakhs)

Particulars	March 31, 2011
Total Income	0.00
Profit/ (Loss) After Tax	(0.14)
Equity Share Capital	1.00
Reserves & Surplus	0.00
Net Worth	0.43
Book Value per share of face value ₹10 each (in ₹)	4.33
Earnings per share of face value ₹10 each (in ₹)	(1.40)

The Equity shares of BISPL are not listed on any stock exchanges. BISPL is not sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against BISPL.

Hindu Undivided Family (“HUF”)

1. Madan Lal Jajodia HUF	
Permanent Account Number	AACHM9146H
Mr. Bhanwar Lal Jajodia	Karta
Mr. Raj Kumar Jajodia	Member
Mr. Mahendra Kumar Jajodia	Member
Mr. Bajrang Jajodia	Member

2. Bhanwar Lal Jajodia HUF	
Permanent Account Number	AAFHB5970D
Mr. Bhanwar Lal Jajodia	Karta
Mrs. Madhu Devi Jajodia	Member
Mr. Mahendra Kumar Jajodia	Member
Ms. Ankita Jajodia	Member

3. Mahendra Kumar Jajodia HUF	
Permanent Account Number	AAGHM9095M
Mr. Mahendra Kumar Jajodia	Karta
Mrs. Sangita Jajodia	Member
Mr. Kunal Jajodia	Member
Mr. Akshat Jajodia	Member

4. Bajrang Jajodia HUF	
Permanent Account Number	AAFHB5969N
Mr. Bajrang Jajodia	Karta
Mrs. Pooja Jajodia	Member
Mr. Lakshya Jajodia	Member
Ms. Falak Jajodia	Member

Jajodia Family Trust

Jajodia Family Trust is a Trust constituted vide a Deed of Trust dated January 14, 2003. The trust was created by “The Settlor” i.e Mr. Bhanwar Lal Jajodia in consideration of love and affection which he bears towards the beneficiaries namely Mrs. Madhu Devi Jajodia, Mrs. Sangita Jajodia, Mrs. Prity Agarwal (Jajodia), Mrs. Swati Bhalotia (Jajodia), Mrs. Kavita Kedia (Jajodia) and Ms. Ankita Jajodia.

The Trust is managed by Mr. Bhanwar Lal Jajodia (Managing Trustee) and Mr. Mahendra Kumar Jajodia.

Nature and extent of Interest of Group Companies

Except as disclosed under “*Financial Statements*” under the heading “*Related Party Transactions*” beginning on page 161 of this Draft Red Herring Prospectus, there are no business interest of any of the group companies in our Company.

Common Pursuits

Other than as disclosed below, there are no common pursuits among the Group Companies/Associates Companies and our Company,

- UIC Industries Limited
- Alishan Steels Private Limited

Presently, the Object Clause of the Memorandum of Association of the above-mentioned companies enables them to engage themselves in activities similar to the activities of our Company. Though these companies are currently not carrying out business activities similar to our business but there could be a potential conflict of interest in future.

Our Company has entered into Non Compete Agreement dated December 30, 2011 with UIC Industries Limited and dated December 21, 2011 with Alishan Steels Private Limited.

Related Business Transactions with the Group / Associate Companies

For details, please refer to the chapter titled “*Financial Statements*” under the heading “*Related Party Transactions*” beginning on page 161 of this Draft Red Herring Prospectus.

Defunct Group Companies

None of our Group Companies which had remained defunct and for which application was made to the Registrar of Companies for striking off the name of the company, during the five years preceding the date of filing of this Draft Red Herring Prospectus.

Sale or Purchase Exceeding 10% between Companies in the Promoter Group

There are no sale or purchase transactions between our Company and Companies in the Group exceeding in value of 10% of the total sale or purchase of our Company except those transaction mentioned in the chapter titled “*Financial Statements*” under the heading “*Related Party Transactions*” beginning on page 161 of this Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

For details of related party transactions, please refer to the chapter titled “*Financial Statements*” under the heading, “*Related Party Transactions*” beginning on page 161 of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The Board of Directors of our Company may, at its discretion, recommend dividend to be paid to the members of our Company. The factors that may be considered by our Board before making any recommendations for the dividend includes but not limited to profits/earnings during the financial year, liquidity of our Company, need for conserving resources for future growth, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time etc.

Dividend will be declared and approved at the Annual General Meeting of the shareholders based on the recommendation of our Board. The Board may also from time to time pay interim dividend to the members if it considers justified by the profits generated by our Company.

SECTION V: FINANCIAL INFORMATION FINANCIAL STATEMENTS

To,
The Board of Directors
UIC Udyog Limited,
227, AJC Bose Road,
Block –A, Anandlok, 1st Floor,
Kolkata - 700020

Dear Sirs,

We have examined the financial information of **UIC Udyog Limited**, annexed hereto with this report for the purpose of inclusion in the Draft Red Herring Prospectus (“DRHP”). The financial information has been prepared in accordance with Paragraph B(1) of Part II of Schedule-II of the Companies Act, 1956 (“the Act”), the Securities and Exchange Board of India (“SEBI”) – Issue of Capital and Disclosure Requirements Regulations 2009 (SEBI (ICDR) regulations), the Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“ICAI”) and term of engagement agreed upon by us with the Company. The information has been prepared by the Company and approved by the Board of Directors.

A. Financial Information as per Audited Financial Statements

We report that:

- i. The attached “Summary Statement of Profit & Loss, as restated” for the six months ended 30th September, 2011 and financial year ended 31st March, 2011; 31st March, 2010; 31st March, 2009; 31st March, 2008 and 31st March, 2007. (**Annexure I**).
- ii. The attached “Summary Statement of Assets and Liabilities, as restated” as at 30th September, 2011; 31st March, 2011; 31st March, 2010; 31st March, 2009; 31st March, 2008 and 31st March, 2007. (**Annexure II**).

together referred to as the “Summary Statements”, have been extracted from the financial statements of the respective years audited by us and approved by the Board of Directors/Members.

Based on our examination of these Summary Statements, we further state that

- The restated profits, assets and liabilities have been arrived at after making such adjustments and the regrouping which in our opinion are appropriate in the year to which they relate, as shown in **Annexure-III** to this report.
- The summary statements of the company have been restated wherever required with retrospective effect to reflect the significant accounting policies and notes on accounts adopted by the company as at 30th September, 2011 as given in **Annexure-IV** to this report.

B. Other Financial Information:

We have also examined the following financial information relating to the Company, which is proposed to be enclosed in the offer document as approved by the Board of Directors of the company.

1. Summary Statement of Cash Flows as Restated - Annexure-V
2. Statement of Accounting Ratios - Annexure-VI
3. Statement of Secured Loans – Principal Term and Security - Annexure-VII
4. Statement of Sundry Debtors - Annexure -VIII
5. Statement of Loans and Advances Annexure - IX
6. Statement of Capitalisation -Annexure - X
7. Statement of Tax Shelter- Annexure - XI
8. Statement of Related Party Transactions - Annexure -XII

9. Statement showing Rate and amount of Dividend Paid – Annexure - XIII
10. Statement of Other Income- Annexure - XIV
11. Statement of Reserves & Surplus- Annexure - XV
12. Statement of Investments- Annexure - XVI
13. Statement of Unsecured Loans - Annexure – XVII
14. There were no changes in significant accounting policies in the last five years.

In our opinion, the financial information of the Company attached to this report, as mentioned in paragraph A and B above, read with notes (Annexure-III) and significant accounting policies and notes on accounts (Annexure IV) to this report and after making adjustments and regrouping as considered appropriate has been prepared in accordance with Part II of Schedule II of the Companies Act and the Regulations issued by SEBI.

We confirm that all notes to accounts as well as significant accounting policies have been incorporated and further there are no material notes to our report which may have material effect on the financial status of the company.

This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report nor this be construed as a new opinion on any of the financial statements referred to herein.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed public offering of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Chhaparia & Associates
Chartered Accountants
FRN: 322169E

Sd/-
(Subhash Kumar Baid)
Partner
Membership No. 064917

Place: Kolkata
Date : 19th November, 2011

ANNEXURE I

SUMMARY STATEMENT OF PROFITS & LOSSES, AS RESTATED

₹ in Lacs

Particulars	For the Period ended 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
A Income						
Net Turnover (Net of Excise Duty & Cess)						
Manufacturing : *	13,350.11	29,824.44	26,268.71	25,792.64	19,405.22	14,070.30
Trading	6,608.17	8,866.35	9,145.29	4,802.39	589.63	-
Other Income	16.31	104.21	108.80	50.40	21.98	59.92
Increase/ (Decrease) in stock	1,848.72	(324.19)	(465.58)	1,827.99	1,189.30	85.62
Total Income	21,823.31	38,470.81	35,057.22	32,473.42	21,206.13	14,215.84
B Expenditure						
Raw Materials Consumed/Purchases	17,313.50	30,206.23	27,321.24	26,088.81	16,440.00	11,312.29
Consumption of Stores, Spares & Consumables	207.46	578.36	554.80	505.53	360.03	297.41
Payment to & Provision for Employees	443.03	803.50	619.82	569.08	294.35	204.60
Power & Fuel	529.05	1,055.83	1,004.13	702.99	633.49	490.94
Finance Charges	992.76	1,645.67	1,603.93	1,450.93	858.33	445.54
Manufacturing, Administrative & Other Expenses	525.00	850.01	927.45	704.15	563.05	313.33
Depreciation/Amortization	501.64	757.67	766.92	595.73	447.00	302.94
Preliminary Expenses Written off	-	-	0.06	0.04	0.04	0.04
Total Expenditure	20,512.44	35,897.27	32,798.35	30,617.26	19,596.29	13,367.09
Profit Before Tax (A - B)	1,310.87	2,573.54	2,258.87	1,856.16	1,609.84	848.75
Less : Provision for Tax						
Current (including Wealth Tax)	(490.76)	(795.00)	(569.20)	(210.56)	(191.59)	(95.23)
Deferred Tax Asset / (Liability)	15.14	(56.08)	(47.50)	(6.93)	(98.44)	(67.64)
Fringe Benefit Tax	-	-	-	(4.25)	(2.85)	(2.38)
Sub Total	835.25	1,722.46	1,642.17	1,634.42	1,316.96	683.50
Add : MAT Credit Entitlement	-	-	-	210.30	26.34	-
Profit After Tax as Restated	835.25	1,722.46	1,642.17	1,844.72	1,343.30	683.50
Balance Brought Forward From Previous Year	6,438.57	5,180.78	3,963.93	2,500.18	1,453.65	945.84
Balance available for Appropriations, as restated	7,273.82	6,903.24	5,606.10	4,344.90	2,796.95	1,629.34
Appropriations						
Transfer to General Reserve	-	270.00	230.00	185.00	140.00	52.00
Proposed Dividend on Equity Shares	-	167.50	167.50	167.50	134.00	108.48
Provision for Dividend Distribution Tax	-	27.17	27.82	28.47	22.77	15.21
Balance carried forward to Balance Sheet as Restated	7,273.82	6,438.57	5,180.78	3,963.93	2,500.18	1,453.65

*Manufacturing Turnover includes sales from Power Division.

ANNEXURE II

SUMMARY STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

₹ in Laacs

Particulars		As at 30th Sept., 2011	As at 31st March				
			2011	2010	2009	2008	2007
(A)	Fixed assets						
(i)	Gross Block	13,594.30	13,525.82	11,907.36	10,823.83	7,188.67	6,502.37
	Less : Depreciation	4,180.60	3,678.96	2,925.68	2,169.14	1,675.74	1,229.41
		9,413.70	9,846.86	8,981.68	8,654.69	5,512.93	5,272.96
(ii)	Capital Work In Progress (Including Advances on Capital Account)	5,051.52	35.31	391.82	179.04	47.21	15.54
	Net Block	14,465.22	9,882.17	9,373.50	8,833.73	5,560.14	5,288.50
(B)	Investments	-	-	-	43.00	43.00	-
(C)	Current Assets, Loans and Advances						
(i)	Inventories	6,171.88	4,621.73	4,971.96	4,625.55	3,830.17	1,800.13
(ii)	Sundry Debtors	19,651.90	16,085.29	11,845.62	10,416.09	6,417.78	3,439.04
(iii)	Cash and Bank Balances	462.59	899.68	341.67	203.44	59.78	69.73
(v)	Loans and Advances	1,882.64	1,847.59	2,322.70	2,112.72	2,355.31	1,328.19
(iv)	Other Current Assets	181.52	145.32	197.04	150.00	158.85	117.74
	Total Current Assets	28,350.53	23,599.61	19,678.99	17,507.80	12,821.89	6,754.83
(D)	Less : Liabilities and Provisions						
(i)	Secured Loans	21,581.69	14,641.31	13,706.51	12,185.49	7,135.25	5,234.12
(ii)	Unsecured Loans	3,500.00	504.10	28.68	599.10	813.44	520.54
(iii)	Deferred Tax Liabilities (net)	395.71	410.85	354.77	307.28	300.35	201.91
(iv)	Current Liabilities	3,237.35	4,516.58	2,982.16	2,942.03	1,450.88	1,755.07
(v)	Provisions (net)	167.15	292.68	391.89	209.05	230.82	126.36
	Total Liabilities and Provisions	28,881.90	20,365.52	17,464.01	16,242.95	9,930.74	7,837.99
Net Worth (A + B + C - D)		13,933.85	13,116.26	11,588.48	10,141.58	8,494.29	4,205.34
Net Worth Represented By							
(E)	Share Capital	670.00	670.00	670.00	670.00	670.00	542.42
(F)	Reserve and Surplus	13,281.51	12,446.26	10,918.48	9,471.64	7,824.39	3,663.06
(G)	Total (E + F)	13,951.51	13,116.26	11,588.48	10,141.64	8,494.39	4,205.48
(H)	Less : Miscellaneous Expenditure (to the extent not written off or adjusted)	17.66	-	-	0.06	0.10	0.14
Net Worth (G - H)		13,933.85	13,116.26	11,588.48	10,141.58	8,494.29	4,205.34

ANNEXURE III

STATEMENT OF ADJUSTMENTS TO AUDITED PROFIT & LOSS ACCOUNTS :

₹ in Lacs

Particulars	As at 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
Profit after tax as per audited Financial Account	834.88	1,715.83	1,642.73	1,841.50	1,350.30	680.43
<u>Adjustments to Profit & Loss Account</u>						
Income Tax related to earlier years						
F.Y. - 2006-07	-	-	-	-	-	2.28
F.Y. - 2008-09	0.38	-	-	3.18	(0.38)	-
F.Y. - 2009-10	-	-	(0.53)	-	-	0.77
F.Y. - 2010-11	-	6.59	-	-	(6.59)	-
Fringe Benefit Tax related to earlier years						
F.Y. - 2008-09	-	-	-	0.04	-	-
F.Y. - 2009-10	-	-	(0.03)	-	-	0.03
F.Y. - 2010-11	-	0.05	-	-	(0.05)	-
Gross Effect on Profit & Loss Account	0.38	6.64	(0.56)	3.22	(7.02)	3.08
Net Profit as per Restated Profit & Loss Account	835.26	1,722.47	1,642.17	1,844.72	1,343.28	683.51

STATEMENT OF ADJUSTMENTS TO AUDITED RESERVES & SURPLUS ACCOUNTS :

₹ in Lacs

Particulars	As at 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
Balance in Reserve and Surplus as per audited Financial Account	13,757.15	12,446.66	10,925.52	9,478.10	7,834.07	3,665.72
Balance b/f.	(0.38)	(7.02)	(6.46)	(9.68)	(2.66)	-
Tax Adjustment Pertaining prior to year 2006-2007	-	-	-	-	-	(5.74)
<u>Others</u>						
Gross effect on Profit & Loss Account	0.38	6.64	(0.56)	3.22	(7.02)	3.08
Net Effect on Reserves and Surplus	0.00	(0.38)	(7.02)	(6.46)	(9.68)	(2.66)
Balance in Reserves & Surplus Account as Restated	13,757.15	12,446.28	10,918.50	9,471.64	7,824.39	3,663.06

STATEMENT OF ADJUSTMENTS TO PROVISIONS ACCOUNTS :

₹ in Lacs

Particulars	As at 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
Balance in Provision Account as per audited Financial Account	167.15	292.30	384.87	202.59	221.14	123.70
Balance b/f.	0.38	7.02	6.46	9.68	2.66	-
Tax Effect Adjustment Pertaining respective year	(0.38)	(6.64)	0.56	(3.22)	7.02	2.66
Net Effect on Provision Account	(0.00)	0.38	7.02	6.46	9.68	2.66
Balance in Provision Account as Restated	167.15	292.68	391.89	209.05	230.82	126.36

NOTES ON RESTATED ACCOUNTS:

- Current Tax and Fringe Benefit Taxes:
The amount of income tax paid in a year against the short provisions made in the earlier years was taken to the respective years in the restated financial statements.
- In these restated accounts, the figures from the audited accounts for the respective years, have been regrouped / reclassified wherever required for proper comparison.

ANNEXURE IV

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting:

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles, in compliance with the provisions of the Companies Act, 1956 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

The preparation of financial statements in conformity with generally accepted accounting principles requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities for the reporting period.

b) Use of Estimates

The preparation of the Financial Statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amount of income and expenses during the period. Examples of such estimates includes future obligation with respect to employees benefits, income taxes, useful lives of fixed assets etc. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c) Revenue Recognition

Income and Expenditure are recognized and accounted for on accrual basis. Revenue from sale of goods is recognized on transfer of significant risks and rewards of ownership to the customer and when no significant uncertainty exists regarding realization of the consideration. Sales comprise sale value of goods, excise duty and are net of sales tax/VAT, returns and trade discounts. Sales also comprise minimum guarantee commitments from vendor in case of generation of power.

In consistence with the practice followed by the Company, insurance claim, bad debts recovery and others are accounted for on the basis of actual realization.

Financial Derivative transactions are accounted on the date of their settlement and realized gain/loss in respect of settled contracts are recognized in the profit & loss account.

d) Fixed Assets & Depreciation

(i) Tangible Assets

Own Assets

Tangible assets are stated at their cost of acquisition net of receivable CENVAT and VAT Credits. All costs, direct or indirect, relating to the acquisition and installation of fixed assets and bringing it to its working condition for its intended use are capitalised and include borrowing costs directly attributable to construction or acquisition of fixed assets, up to the date the asset is put to use. Leasehold land including development costs on the same are amortized over the respective lease period. Depreciation on fixed assets is provided on Straight Line Method on a pro-rata-basis at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

Capital Work-in-Progress are stated at cost. Cost includes expenses directly attributable to the project under progress.

Leased Assets

(a) Operating Leases : Rentals are charged/amortised with reference to lease terms.

(b) Finance Leases: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to profit & loss account.

(ii) Intangible Assets

Intangible Assets (Computer Software) are stated at their cost of acquisition. An intangible asset is recognised where it is probable that future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured. The depreciable amount of intangible assets is allocated based on the estimates of the useful life of the assets not exceeding five years.

e) **Foreign Exchange Transactions**

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of transaction. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

f) **Derivative Contracts**

In respect of derivative contracts (other than foreign exchange contracts covered under Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates'), gains / losses on settlement and mark to market loss (net) relating to outstanding contracts as at the balance sheet date is recognised in the Profit & Loss Account.

g) **Valuation of Inventories**

- i. Raw Materials, Stores & Spares : At lower of cost less Cenvat Credit / VAT availed or net realizable value.
- ii. Work -in -progress : At lower of estimated cost or net realisable value.
- iii. Finished Goods : At lower of estimated cost or net realizable value.
- iv. Scraps : At lower of estimated cost or net realizable value.
- v. Cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition.
- vi. Liability for excise duty in respect of goods manufactured by the Company is accounted upon removal of goods from the factory.

h) **Government Grants/ Subsidies**

Government grants/ Subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants are recognized in the Profit & Loss account either as income or deducted from related expenses. Capital grants/ subsidies are credited to respective fixed assets where it relates to specific fixed assets. Other grants / subsidies are credited to capital reserve.

i) **Employee Benefits**

- i. Contributions to the provident fund, employees state insurance and other contributions are made at a pre-determined rate to the Government Authorities, Employees State Insurance Corporation and other authorities and debited to the profit & loss account on an accrual basis.
- ii. Gratuity liability has been accounted for as per actuarial valuation carried out at the year-end and incremental liability, if any, is provided for in the books. Such liability is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation. The liability so provided is represented substantially by creation of separate funds and is considered sufficient to meet the liability as and when it accrues for payment in future.

j) **Cash Flow Statements**

The Cash Flow Statement is prepared by the indirect method set out in AS -3 on Cash Flow Statements and present the cash flows from operating, investing and financing activities of the Company.

Cash and cash equivalents presented in the Cash Flow Statement consists of cash in hand, cheques in hand and demand deposits with bank.

k) **Earning Per Share**

The Company reports Basic and Diluted earnings per equity share in accordance with the AS - 20 on Earning Per Share. In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary/exceptional items. The number of shares used in computing basic earning per share is the weighted average number of equity shares outstanding during the period. The numbers of shares used in computing diluted earning per share comprises the weighted average number of equity shares that would have been issued on the conversion of all potential equity shares. Dilutive potential equity shares have been deemed converted as of the beginning of the period, unless issued at a later date.

l) **Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

m) **Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are charged to revenue.

n) **Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

o) **Impairment of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the assets. A previously recognized impairment loss is increased or reversed depending on changes in circumstances.

p) **Miscellaneous Expenditure**

Miscellaneous Expenditure represents expenditure incurred on share issue, the same shall be adjusted against share premium account post IPO "Initial Public Offer".

B. NOTES ON ACCOUNTS

1. Contingent Liabilities not provided for in respect of :

₹ In Lacs

Sl. No.	Particulars	As at 30th Sept., 2011	As at 31st March				
			2011	2010	2009	2008	2007
1	Bank Guarantees given by the Company's Bankers	809.38	1,126.27	1,213.59	862.25	349.40	361.02
2	Letters of Credit issued by the Company's Bankers	1,499.41	2,912.16	1,214.17	811.30	-	-
3	Estimated amount of contracts remaining to be executed on Capital account and not provided for in the books	3,122.66	-	1,205.00	-	326.07	-
4	<u>Claims not acknowledged as debts</u>						
	Sales tax liability against which the Company has preferred appeals	29.15	29.15	181.75	347.97	46.71	45.63
	Service tax liability against which the Company has preferred appeals	-	-	-	-	12.10	-
	Income tax liability against which the Company has preferred appeals	-	-	-	-	4.92	-
	Excise Duty demand including Interest & Penalty against which the Company has preferred appeals	54.93	54.55	-	-	-	9.36
	Excise Duty demand including Interest & Penalty against which the Company is in the process of filing appeal	-	0.38	-	-	-	-

2. Term Loan repayable within a year as on 30.09.2011 is ₹ 911.50 Lacs . Instalments payable in case of assets taken on finance within a year as on 31.03.2011 is ₹ 64.19 Lacs

3. As per AS - 22 on Accounting for Taxes on Income , the Deferred Tax Asset/ (Liability) is computed as under:

₹ In Lacs

Sl. No.	Particulars	As at 30th Sept., 2011	As at 31st March				
			2011	2010	2009	2008	2007
1	<u>Deferred Tax Asset</u>						
	Arising on account of tax impact of expenses disallowable in current year but allowable in the year of payment	4.87	11.85	8.51	8.73	7.54	23.51
	Arising on account of carry forward of unabsorbed depreciation	-	-	-	-	-	101.16
2	<u>Deferred Tax Liability</u> Arising on account of difference in W.D.V. of fixed assets as per I.Tax Act. & as per Co.'s Act	400.58	422.70	363.28	316.01	307.89	326.58
Net Deferred Tax Asset / (Liability)		(395.71)	(410.85)	(354.77)	(307.28)	(300.35)	(201.91)

4. Managerial Remuneration

₹ In Lacs

Sl. No.	Particulars	For the Period ended 30th Sept., 2011	For the year ended 31st March				
			2011	2010	2009	2008	2007
(a)	Salaries	76.99	145.08	139.64	140.19	49.13	18.17
(b)	Contributions to Provident Fund	5.77	11.03	10.66	11.53	4.27	1.76
(c)	Perquisites	-	0.99	0.79	1.53	2.99	1.16
		82.76	157.10	151.09	153.25	56.39	21.09

5. Earnings per share :

The calculation of Earning Per Share (EPS) has been made in accordance with AS - 20. A statement on calculation of Basic and Diluted EPS is as under:

Sl. No.	Particulars	For the Period ended 30th Sept., 2011	For the year ended 31st March				
			2011	2010	2009	2008	2007
(a)	Net Profit after taxation (₹ in Lacs)	835.25	1,722.46	1,642.17	1,844.72	1,343.30	683.50
(b)	Weighted Avg. No. of Equity Shares	6,700,000	6,700,000	6,700,000	6,700,000	5,431,780	5,008,356
	Add: Dilutive Potential Equity Shares	-	-	-	-	-	-
	No. of Equity Shares for Dilutive EPS	6,700,000	6,700,000	6,700,000	6,700,000	5,431,780	5,008,356
(c)	Nominal value of shares (₹)	10.00	10.00	10.00	10.00	10.00	10.00
	Basic Earnings Per Share (₹)	24.93	25.71	24.51	27.53	24.73	13.65
	Diluted Earning Per Share (₹)	24.93	25.71	24.51	27.53	24.73	13.65

Note:

The return on Basic and Diluted Earnings Per Share for the period ending 30th September, 2011 has been annualised on pro-rata basis.

6. Additional Information pursuant to requirements of provisions of Paragraph 3,4C, 4D, Part II of Schedule VI to the Companies Act, 1956 for the period under review :

(a) Information in respect of items manufactured

(i)	<u>Licensed Capacity</u>		
	Steel Wire		N.A.
	Card/gill/metapin		N.A.
	Woven Sacks		N.A.
	Wind Power		N.A.
(ii)	<u>Installed Capacity *</u>	<u>As at 30th Sep., 2011</u>	<u>2010-2011</u>
	Steel Wire	85,000 M.T.	85,000 M.T.
	Card/gill/metapin	600 Million Pcs	600 Million Pcs

	Woven Sacks	3,000 M.T	3,000 M.T	3,000 M.T
	Wind Power	10. M.W.	10. M.W.	10. M.W.

* (As certified by the Management and on which Auditors have placed reliance, this being a technical matter)

b. Information in respect of finished goods

	Particulars	Units	For the period ended 30th Sep, 2011		2010-2011		2009-2010	
			Quantity	(₹ In Lacs)	Quantity	(₹ In Lacs)	Quantity	(₹ In Lacs)
I	Opening Stock							
	Steel Wires	M.T.	1,044.72	394.99	603.00	213.52	256.41	84.01
	Card/gill/metapin	Million Pcs	134.09	247.75	148.55	219.80	138.52	158.94
	Woven Sacks	M.T.	149.37	108.69	53.00	40.33	39.28	28.79
	Scrap	M.T.	43.34	7.20	24.44	4.72	7.44	1.43
ii	Production							
	Steel Wires	M.T.	26,491.47	-	66,020.34	-	58,181.13	-
	Card/gill/metapin	Million Pcs	80.41	-	151.16	-	194.97	-
	Woven Sacks	M.T.	739.25	-	1,994.03	-	1,945.60	-
	Wind Power	K.W.H.	14,933,041.00	-	17,664,219.00	-	21,453,868.00	-
	Scrap	M.T.	644.52	-	1,188.44	-	1,550.87	-
iii	Purchases of Finished Goods : for Resale							
	Iron & Steel Products	M.T.	18,989.89	5,452.92	24,062.75	8,580.53	27,190.52	8,925.43
	Plastic Granules	M.T.	655.50	500.13	-	-	-	-
iv	Sales							
	Steel Wires	M.T.	25,589.03	11,891.02	65,578.62	27,248.83	57,834.54	23,548.91
	Card/gill/metapin	Million Pcs	86.62	121.48	165.62	248.90	184.94	276.24
	Iron & Steel Products	M.T.	18,989.89	6,088.95	24,062.75	8,866.35	27,190.52	9,145.29
	Plastic Granules	M.T.	655.50	519.22	-	-	-	-
	Woven Sacks	M.T.	795.20	719.42	1,897.66	1,545.55	1,931.88	1,504.64
	Wind Power*	K.W.H.	13,885,118	522.56	17,052,142	623.98	20,820,034	756.88
	Scrap	M.T.	653.25	95.62	1,169.54	157.18	1,533.87	182.04
* { 1,047,923 K.W.H. (612,077 K.W.H.) of Power has been consumed in process of power generation and distribution }								
v	Closing Stock							
	Steel Wires	M.T.	1,947.16	869.68	1,044.72	394.99	603.00	213.52
	Card/gill/metapin	Million Pcs	127.88	259.69	134.09	247.75	148.55	219.80
	Woven Sacks	M.T.	93.42	76.20	149.37	108.69	53.00	40.33
	Scrap	M.T.	34.61	0.00	43.34	7.20	24.44	4.72

c. Raw Materials Consumed / Purchases

Wire/Rod	M.T.	47,232.54	15,612.17	89,234.78	27,821.16	84,350.00	24,833.76
Zinc / Lead	M.T.	553.00	655.28	1,010.35	1,143.54	1,221.00	1,239.95
Plastic Granules	M.T.	1,537.53	1,046.05	2,123.67	1,241.53	2,196.18	1,247.53

d. Break up of Raw Materials/Finished Goods Purchased

	For the period ended 30th Sep, 2011		2010-2011		2009-2010	
	(₹ In Lacs)	%	(₹ In Lacs)	%	(₹ In Lacs)	%
Imported	-	0.00%	-	0.00%	646.02	2.31%
Indigenous	17,021.95	100.00%	29,945.82	100.00%	27,272.56	97.69%

e. Break up of Sales

	For the period ended 30th Sep, 2011		2010-2011		2009-2010	
	(₹ In Lacs)	%	(₹ In Lacs)	%	(₹ In Lacs)	%
Export	61.82	0.31%	249.60	0.65%	22.82	0.06%
Indigenous	19,896.46	99.69%	38,441.20	99.35%	35,391.17	99.94%

7. Obligations on long term, non-cancelable operating leases:

There are no obligations relating to long-term, non-cancelable operating leases.

8. In the opinion of the Board, Current Assets, Loans & Advances (including Capital Advances) have a value on realisation in the ordinary course of business, equal to the amount at which they are stated.

9. The total amount outstanding to suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006 as on 30.09.2011 is Rs. 6.29 Lacs . No interest is paid/payable against such dues and the Company has not received any claim for interest from the aforesaid parties.

10.

₹ In Lacs

Particulars	For the Period ended 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
<u>Value of Imports calculated on C.I.F. basis</u>						
Raw Materials	-	-	726.53	450.50	346.79	-
<u>Expenditure in Foreign Exchange</u>						
Travelling Expenses	0.67	0.07	-	0.71	4.66	0.24
<u>Earnings in Foreign Exchange</u>						
FOB Value of Exports	61.82	249.60	22.82	162.41	40.36	361.57

11. For the financial year 2007-08 and 2008-09 the Company had a subsidiary company UIC Infrastructure India Private Limited having a shareholding of 85.57%. On 20th February, 2010 the company sold its entire shareholding of 4,30,000 shares of Rs. 10/- each. Out of above 2,15,000 shares were sold to Anisha Estate & Finance Private Limited and 2,15,000 shares to UIC Finance Private Limited.

12. Employee Benefits - Disclosures pursuant to Accounting Standard (AS) 15 (Revised) :

A. Defined Contribution Plan :

Contributions to the Regional Provident Fund Commissioner to secure retiral benefits in respect of Employees' Provident Fund and Employees' Family Pension Fund, based on the Statutory Provisions as per the Employees' Provident Fund Scheme, are charged to revenue.

B. Defined Benefits Plans :

₹ in Lacs

		2010-11	2009-10
	Gratuity (Funded)		
a)	Asset/(Liability) recognised in the Balance Sheet		
i)	Present value of obligation		
	As at 1st April 2010	45.56	40.19
	Service Cost	5.27	4.78
	Interest Cost	3.65	3.22
	Actuarial (gain)/loss on obligation	19.13	1.21
	Benefits Paid	(4.12)	(3.84)
	As at 31st March 2011	69.49	45.56
ii)	Fair Value of Plan Assets		
	As at 1st April 2010	46.98	45.57
	Expected Return on Plan assets less loss on investments	4.46	3.97
	Employers' Contribution	3.85	1.28
	Actuarial gain/(loss) on Plan Assets	0.00	0.00
	Benefits Paid	(4.12)	(3.84)
	Expected Return on Plan assets less loss on investments	51.17	46.98
	Fair value of Plan assets less present value of obligation recognised in the Balance Sheet	(18.32)	1.42
b)	Expenses during the year		
	Service Cost	5.27	4.78
	Interest Cost	3.65	3.22

₹ in Lacs

		2010-11	2009-10
	Expected Return on Plan Assets	(4.46)	(3.97)
	Actuarial (Gain)/ Loss	19.13	1.21
	Expenses recognised in the Profit & Loss Account	23.59	5.24
c)	Actual Return on Plan Assets	(19.13)	(1.21)
d)	Breakup of Plan Assets as a percentage of total plan assets		
	(Percentage or Value)		
	Insurer Managed Funds	100%	100%
e)	Principal actuarial assumptions		
	Rate of Discounting	8%	8%
	Expected Return on Plan Assets	8%	8%
	Rate of Increase in Salaries	6%	6%

Note: Provision for Gratuity of ₹ 15 Lacs has been made as per estimate made by the management for the half year ended 30th September, 2011.

13. Segment Reporting

Primary Segment Reporting (by Business Segments)

i. Composition of Business Segments

Segments have been identified in accordance with the Accounting Standard on Segment Reporting (AS-17).

Wire & Wire Products	Steel Wire, PIN
Power	Wind Power
Woven Sacks	Woven Sacks

ii. Segment Revenue, Results & Other Informations

₹ in Lacs												
Particulars	As at 30th September, 2011				2010-2011				2009-2010			
	Wire & Wire Products	Woven Sacks	Power	Total	Wire & Wire Products	Woven Sacks	Power	Total	Wire & Wire Products	Woven Sacks	Power	Total
Revenue												
Sales	18,190	1,245	523	19,958	36,505	1,561	624	38,690	33,137	1,520	757	35,414
Other Income	16	0	-	16	81	23	-	104	109	-	-	109
Total Revenue	18,206	1,245	523	19,974	36,586	1,584	624	38,794	33,246	1,520	757	35,523
Segment Operating Results												
(Profit after considering other income and before interest, depreciation and tax)	2,220	120	466	2,806	4,290	140	548	4,978	3,834	120	676	4,630
Interest	849	36	108	993	1,311	41	294	1,646	1,093	76	435	1,604
Depreciation	342	28	132	502	445	49	264	758	447	56	264	767
Profit before taxation	1,029	56	226	1,311	2,534	50	(10)	2,574	2,294	(12)	(23)	2,259
Segment Assets	36,694	1,478	4,644	42,816	27,609	1,227	4,646	33,482	23,183	1,149	4,721	29,053
Segment Liabilities	25,845	645	1,828	28,318	16,703	797	2,162	19,662	13,033	822	2,862	16,717
Segment Capital Exp.	5,069	16	-	5,085	1,905	8	-	1,913	536	695	2,662	3,893
Segment non cash exp. other than depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-

Note: The Company mainly caters to the needs of the domestic market. The export turnover is not significant in the context of total turnover. As such there is no reportable geographical segment.

ii. Segment Revenue, Results & Other Informations

₹ in Lacs

Particulars	2008-09					2007-08				2006-07			
	Wire & Wire Products	Woven Sacks	Power	Others	Total	Wire & Wire Products	Power	Others	Total	Wire & Wire Products	Power	Others	Total
Revenue													
Sales	29,341	860	394	-	30,595	19,751	244	-	19,995	14,069	1.07	-	14,070
Other Income	50	-	-	-	50	22	-	-	22	60	-	-	60
Total Revenue	29,392	860	394	-	30,645	19,773	244	-	20,017	14,129	1.07	-	14,130
Segment Operating Results													
(Profit after considering other income and before interest, depreciation and tax)	3,497	68	338	-	3,903	2,684	230	0.89	2,915	1,596	0.80	-	1,597
Interest	1,078	48	325	-	1,451	640	219	-	858	445	0.84	-	446
Depreciation	370	37	189	-	596	323	123	0.89	447	302	0.68	-	303
Profit before taxation	2,049	(16)	(177)	-	1,856	1,721	(111)	-	1,610	849	(0.72)	-	849
Segment Assets	19,424	1,259	5,309	392	26,385	15,617	2,393	415	18,425	9,642	2,393	8	12,043
Segment Liabilities	11,692	657	3,377	-	15,727	7,510	1,890	-	9,400	5,596	1,913	-	7,510
Segment Capital Exp.	536	695	2,662	-	3,893	3,067	2,210	283	5,560	2,895	2,394	-	5,288
Segment non cash exp. other than depreciation and amortisation	0.04	-	-	-	0.04	-	10	-	10	0.04	-	-	0.04

Note: The Company mainly caters to the needs of the domestic market. The export turnover is not significant in the context of total turnover. As such there is no reportable geographical segment.

ANNEXURE V

SUMMARY STATEMENT OF CASH FLOWS, AS RESTATED

₹ in Lacs

Particulars		As at 30th Sept., 2011	For the year ended 31st March				
			2011	2010	2009	2008	2007
(A)	Cash Flow from Operating Activities						
	Net Profit Before Tax & Extraordinary Items, as restated	1,310.87	2,573.54	2,258.87	1,856.16	1,609.84	848.75
	<u>Adjustments for:</u>						
	Depreciation/Amortization	501.64	757.67	766.92	595.73	447.00	302.94
	Preliminary Expenses/Non Cash Charges	-	-	0.06	0.04	0.04	0.04
	Loss/(Profit) on Sale of Fixed Assets	-	(22.19)	2.86	13.03	1.33	-
	Impairment of Assets	-	-	13.78	-	-	-
	Capital Subsidy Received	-	51.93	-	-	-	-
	Finance Charges	992.76	1,645.67	1,603.93	1,450.93	858.33	445.54
	Operating Profit Before Working Capital Changes	2,805.27	5,006.62	4,646.42	3,915.89	2,916.54	1,597.27
	<u>Adjustments for:</u>						
	(Increase) / Decrease in Inventories	(1,550.16)	350.23	(346.41)	(795.38)	(2,030.04)	147.42
	Increase / (Decrease) in Payable for Goods & Expenses	(1,279.23)	1,534.42	40.14	1,491.15	(304.19)	1,248.72
	(Increase) / Decrease in Advances & Receivables	(3,638.24)	(4,057.47)	(1,690.52)	(3,519.38)	(4,028.75)	(1,775.43)
	Cash Generated From Operations	(3,662.36)	2,833.80	2,649.63	1,092.28	(3,446.44)	1,217.98
	Payment of Direct Taxes	(421.24)	(548.94)	(381.77)	(294.46)	(114.02)	(177.35)
	Net Cash from / (used in) Operating Activities	(4,083.60)	2,284.86	2,267.86	797.82	(3,560.46)	1,040.63

Particulars		As at 30th Sept., 2011	For the year ended 31st March				
			2011	2010	2009	2008	2007
(B)	<u>Cash Flow from Investing Activities</u>						
	Additions to Fixed Assets/Capital Work In Progress	(5,084.69)	(1,447.55)	(1,360.40)	(3,893.27)	(722.32)	(2,886.79)
	Sale of Fixed Assets	-	151.47	37.06	10.94	1.45	-
	(Purchase) / Sale of Investments	-	-	43.00	-	(43.00)	135.15
	Net Cash from / (used in) Investing Activities	(5,084.69)	(1,296.08)	(1,280.34)	(3,882.33)	(763.87)	(2,751.64)
(C)	<u>Cash Flow from Financing Activities</u>						
	Proceeds from issue of Equity Share Capital	-	-	-	-	3,102.38	-
	Receipt of Term Loan (net)	4,066.00	(978.50)	(922.51)	1,128.05	401.02	1,344.26
	Increase in Working Capital Loan	2,906.44	1,971.85	2,366.97	3,880.27	1,494.84	277.59
	Increase / (Decrease) in Vehicle Loan	(32.06)	(58.54)	76.56	41.91	5.25	(8.14)
	Increase / (Decrease) in Unsecured Loans/Deposits	2,995.90	475.42	(570.42)	(214.35)	292.91	520.54
	IPO Issue Expenses	(17.66)	-	-	-	-	-
	Dividend Paid	(167.50)	(167.50)	(167.50)	(134.00)	(108.48)	-
	Tax on Dividend	(27.17)	(27.82)	(28.47)	(22.77)	(15.21)	-
	Finance Charges	(992.76)	(1,645.67)	(1,603.93)	(1,450.93)	(858.33)	(445.54)
	Net Cash from / (used in) Financing Activities	8,731.19	(430.76)	(849.30)	3,228.18	4,314.38	1,688.71
	Net Increase / (Decrease) in Cash & Cash Equivalents (A + B + C)	(437.10)	558.02	138.22	143.67	(9.95)	(22.30)
	Opening Balance of Cash and Cash Equivalents	899.69	341.67	203.45	59.78	69.73	92.03
	Closing Balance of Cash and Cash Equivalents	462.59	899.69	341.67	203.45	59.78	69.73

ANNEXURE VI

STATEMENT OF ACCOUNTING RATIOS

₹ In Lacs

Particulars	As at 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
Net Profit after tax as restated (₹ In Lacs)	835.25	1,722.46	1,642.17	1,844.72	1,343.30	683.50
Net Worth (₹ In Lacs)	13,933.85	13,116.26	11,588.48	10,141.58	8,494.29	4,205.34
Return on Net Worth (%) (Annualised)	11.99%	13.13%	14.17%	18.19%	15.81%	16.25%
Number of Equity Shares at the end of year (Face Value ₹ 10/-)	6,700,000	6,700,000	6,700,000	6,700,000	6,700,000	5,424,162
Weighted Average Number of Equity Shares	6,700,000	6,700,000	6,700,000	6,700,000	5,431,780	5,008,356
Basic Earnings Per Share (Annualised)	24.93	25.71	24.51	27.53	24.73	13.65
Diluted Earnings Per Share (Annualised)	24.93	25.71	24.51	27.53	24.73	13.65
Net Asset Value / Book Value per share (₹)	207.97	195.77	172.96	151.37	126.78	77.53

Notes :

- Earnings Per Share (₹) =
$$\frac{\text{Profit available to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares}}$$
- Diluted Earnings Per Share (₹) =
$$\frac{\text{Profit available to Equity Shareholders}}{\text{Weighted Avg. No. of Equity Shares adjusted for the effect of dilutive options}}$$
- Return on Net Worth (%) =
$$\frac{\text{Restated Profit after Taxation}}{\text{Net Worth}} \times 100$$
- Net Asset Value/Book Value Per Share (₹) =
$$\frac{\text{Net Worth}}{\text{Number of Equity Shares at the end of year}}$$
- The Company does not have any revaluation reserve or extra-ordinary items.
- The return on Net Worth and Basic / Diluted Earnings Per Share for the period ending 30th September, 2011 has been annualized on pro-rata basis.

ANNEXURE VII

STATEMENT OF SECURED LOANS - PRINCIPAL TERMS AND SECURITY

₹ In Lacs

Particulars	As at 30th Sept., 2011	As at 31st March				
		2011	2010	2009	2008	2007
Term Loans						
From Banks						
IDBI Bank	558.50	835.50	1,389.50	1,943.50	2,392.50	1,666.50
State Bank of India	-	-	-	116.10	257.95	372.92
ICICI Bank Limited	1,313.50	1,542.50	2,000.50	2,190.00	-	-
DBS Bank Limited	4,505.00	-	-	-	-	-
Less : Repayable within a year	911.50	978.50	1,012.00	949.09	478.00	268.00
Total (A)	5,465.50	1,399.50	2,378.00	3,300.51	2,172.45	1,771.42
Working Capital Loans						
From Banks						
IDBI Bank Limited	4,189.43	3,954.89	3,432.42	2,149.54	1,168.96	1,006.90
State Bank of India	11,253.91	7,499.30	6,465.43	5,510.04	3,205.55	2,448.65
HDFC Bank Limited	300.00	1,300.00	1,000.00	750.00	500.00	-
ICICI Bank Limited	332.59	415.30	299.80	177.36	-	-
HSBC Bank Limited	-	-	-	-	75.89	-
Axis Bank Limited	-	-	-	243.74	-	-
Total (B)	16,075.93	13,169.49	11,197.65	8,830.68	4,950.40	3,455.55
Vehicle Loans (C)	40.26	72.32	130.86	54.30	12.40	7.15
Total (A + B + C)	21,581.69	14,641.31	13,706.51	12,185.49	7,135.25	5,234.12

PRINCIPAL TERMS AND SECURITY

Sl. No.	Name of Bank	Purpose	Nature of Facility	Sanctioned Amount	Repayment Schedule	Security
				₹ In Lacs		
1	IDBI Bank Limited	Wind Mill Project in Maharashtra	Term Loan	1,890.00	18 Equal quarterly installments of ₹ 105 Lacs each from 01.10.2008 to 31.12.2012	1. Exclusive charge on the Wind Mill Project at Dhule, Maharashtra; 2. First pari-passu charge on the immovable assets of the Company at Kalyani, Nadia, West Bengal; 3. Second pari-passu charge on the current assets of the Company at Kalyani, Nadia, West Bengal; 4. Escrow of the Power Tariff receivables from MSEB 5. Unconditional and irrevocable personal guarantee by the Chairman and Managing Director and Corporate Guarantee by UIC Industries Limited.
2	IDBI Bank Limited	Wire Drawing Project in Kalyani	Term Loan	670.00	20 Equal quarterly installments of ₹ 33.50 Lacs each from 01.04.2007 to 01.01.2012	1. First pari-passu charge on the immovable assets of the Company at Kalyani, Nadia, West Bengal; 2. Second pari-passu charge on the current assets of the Company at Kalyani, Nadia, West Bengal; 3. Unconditional and irrevocable personal guarantee by the Chairman and Managing Director and Corporate Guarantee by UIC Industries Limited.
3	IDBI Bank Limited	Working Capital Requirement	Cash Credit (In consortium with SBI and HDFC)	4,000.00 (Including ₹ 500 lacs SLC)	N.A.	1. Pari-passu first charge by way of hypothecation of entire current assets of the Company including raw materials, work-in-progress, finished goods and receivables/book debts etc. pertaining to Wire Division & Pin Division; 2. Pari passu first charge on the landed property of UIC Industries Limited and on the fixed assets of the

Sl. No.	Name of Bank	Purpose	Nature of Facility	Sanctioned Amount	Repayment Schedule	Security
						<p>Company at Khanyan, Hooghly.</p> <p>3. Pari-Passu second charge on the fixed assets of the Company at Kalyani, Nadia, West Bengal;</p> <p>4. Pari Passu first charge on the STDR in the name of the Company.</p> <p>5. Pari-Passu Charge on a office space at Pollock Street Kolkata jointly in the name of Mr. B.L. Jajodia & Mr. M.K. Jajodia.</p> <p>6. Corporate guarantees by UIC Industries Limited and UIC Finance Private Limited;</p> <p>7. Personal guarantee by the Chairman & Managing Director and one of his relatives.</p>
4	State Bank of India	Working Capital Requirement	Cash Credit(In consortium with IDBI and HDFC)	6,500.00 (Including ₹ 500 lacs SLC)	N.A.	<p>1. Pari-passu first charge by way of hypothecation of entire current assets of the Company including raw materials, work-in-progress, finished goods and receivables/book debts etc. pertaining to Wire Division & Pin Division;</p> <p>2. Pari passu first charge on the landed property of UIC Industries Limited and on the fixed assets of the Company at Khanyan, Hooghly.</p> <p>3. Pari-Passu second charge on the fixed assets of the Company at Kalyani, Nadia, West Bengal;</p> <p>4. Pari Passu first charge on the STDR in the name of the Company.</p> <p>5. Pari-Passu Charge on a office space at Pollock Street Kolkata jointly in the name of Mr. B.L. Jajodia & Mr. M.K. Jajodia.</p> <p>6. Corporate guarantees by UIC Industries Limited and UIC Finance Private Limited;</p> <p>7. Personal guarantee by the Chairman & Managing Director and one of his relatives.</p>
5	HDFC Bank Limited	Working Capital Requirement	Cash Credit(In consortium with IDBI and SBI)	1,300.00	N.A.	<p>1. Pari-passu first charge by way of hypothecation of entire current assets of the Company including raw materials, work-in-progress, finished goods and receivables/book debts etc. pertaining to Wire Division & Pin Division;</p> <p>2. Pari passu first charge on the landed property of UIC Industries Limited and on the fixed assets of the Company at Khanyan, Hooghly.</p> <p>3. Pari-Passu second charge on the fixed assets of the Company at Kalyani, Nadia, West Bengal;</p> <p>4. Pari Passu first charge on the STDR in the name of the Company.</p> <p>5. Corporate guarantees by UIC Industries Limited and UIC Finance Private Limited;</p> <p>6. Personal guarantee by the Chairman & Managing Director of the Company.</p>
6	ICICI Bank Limited	Wind Mill Project - Tamil Nadu	Term Loan	1,790.00	20 Equal quarterly installments of ₹ 89.50 Lacs each from 01.01.2010 to 01.10.2014	<p>1. Exclusive charge by way of equitable mortgage of the land and building at Kundadam, Coimbatore, in Tamil Nadu;</p> <p>2. Exclusive Charge on the fixed assets of the Wind Mill Division at Kundadam, Coimbatore, in Tamil Nadu;</p> <p>3. Unconditional and irrevocable Corporate Guarantee of UIC Finance Private Limited;</p> <p>4. Unconditional and irrevocable personal guarantee of the Chairman and Managing Director of the Company.</p>
7	ICICI Bank Limited	Woven Sacks Division - Silvassa	Term Loan	500.00	20 Equal quarterly installments of ₹ 25 Lacs	<p>1. Exclusive charge by way of hypothecation of the current assets of the Company at its Woven Sacks Division at Silvassa;</p> <p>2. Exclusive charge on the fixed assets of the Woven</p>

Sl. No.	Name of Bank	Purpose	Nature of Facility	Sanctioned Amount	Repayment Schedule	Security
					each from 30.06.2008 to 31.03.2013	Sack Division of the Company except land and building, hypothecated vehicles and equipments under finance; 3. First charge by way of equitable mortgage of factory land and building at survey No 117/1 & 117/2 at Silvassa; 4. Unconditional and irrevocable Corporate Guarantee of UIC Finance Private Limited; 5. Unconditional and irrevocable personal guarantee of the Chairman and Managing Director of the Company.
8	ICICI Bank Limited	Working Capital Requirement	Cash Credit	390.00	N.A.	1. Exclusive charge by way of hypothecation of the current assets of the Company at its Woven Sacks Division at Silvassa; 2. Exclusive charge on the fixed assets of the Woven Sack Division of the Company except land and building, hypothecated vehicles and equipments under finance; 3. First charge by way of equitable mortgage of factory land and building at survey No 117/1 & 117/2 at Silvassa; 4. Unconditional and irrevocable Corporate Guarantee of UIC Finance Private Limited; 5. Unconditional and irrevocable personal guarantee of the Chairman and Managing Director of the Company.
9	DBS Bank Limited	Part Financing Capital Expenditure - Gujrat	Term Loan	4,505.00	8 Equal half yearly installments of ₹ 563.125 Lacs each from 02.12.13 to 02.06.17	1. Documents execution with MCA is pending in respect of security creation in favour of DBS Bank Limited for the aforesaid loan.

ANNEXURE VIII

STATEMENT OF SUNDRY DEBTORS

₹ In Lacs

Particulars	As at 30th Sept., 2011	As at 31st March				
		2011	2010	2009	2008	2007
<u>Unsecured and Considered Good</u>						
Outstanding for a period exceeding six months	4,176.92	836.16	1,516.37	802.17	520.46	157.98
Other Debts	15,474.98	15,249.13	10,329.25	9,613.92	5,897.32	3,281.06
	19,651.90	16,085.29	11,845.62	10,416.09	6,417.78	3,439.04

Note: None of Sundry Debtors are related to the Directors or Promoters or the Issuer Company.

ANNEXURE IX

STATEMENT OF LOANS AND ADVANCES

₹ In Lacs

Particulars	As at 30th Sept., 2011	As at 31st March				
		2011	2010	2009	2008	2007
<u>Unsecured and Considered Good</u>						
Advances Recoverable in Cash or in Kind	1,099.71	974.48	923.32	1,171.74	1,408.28	507.67
<u>Advance to Director</u>						
Bhanwar Lal Jajodia	-	-	-	-	0.69	-
Balances with Income Tax Department (net)	0.17	0.55	345.17	17.24	-	8.15
Balances with Central Excise Department	-	69.00	261.63	168.23	173.03	40.51
Balances with Commercial Tax Department	782.76	803.57	792.58	755.52	773.30	771.86
Total	1,882.64	1,847.60	2,322.70	2,112.73	2,355.30	1,328.19

Note : Except as disclosed above, none of Loans & Advances are related to the Directors or promoters or the Issuer Company.

ANNEXURE X

STATEMENT OF CAPITALISATION

₹ In Lacs

Particulars	Pre Issue as at 30th Sep, 2011	Post Issue *
<u>Borrowings</u>		
<u>Secured</u>		
Short Term Debts	16,075.93	
Long Term Debts	5,505.76	
<u>Unsecured</u>		
Short term Debts	3,500.00	
Long term Debts	Nil	
Total Debts (A)	9,005.76	
<u>Equity (Shareholder's Funds) :</u>		
Share Capital	670.00	
Reserves & Surplus	13,281.51	
Total Shareholder's Funds (B)	13,951.51	
Long Term Debt / Equity Ratio (A / B)	0.39	

* Share Capital and Reserves, post issue can be ascertained only after the conclusion of book building process

* The details will be incorporated on ascertaining the issue price through 100% book building process

ANNEXURE XI

STATEMENT OF TAX SHELTER

₹ In Lacs

Particulars		For the Period ended 30th Sept., 2011	For the year ended 31st March				
			2011	2010	2009	2008	2007
Profit Before Tax, as restated		1,310.87	2,573.55	2,258.87	1,856.16	1,609.84	848.75
Normal Tax Rate		32.45%	33.22%	33.99%	33.99%	33.99%	33.66%
Minimum Alternative Tax Rate		20.00%	19.93%	17.00%	11.33%	11.33%	11.22%
Normal Tax at Normal Rates	A	425.31	854.87	767.79	630.91	547.19	285.69
Adjustments :							
Permanent Differences							
Donation		-	-	-	-	2.00	-
(Profit) / Loss on Sale/Disposal of Land		-	(23)	-	-	-	-
Total	B	0.00	(23.22)	0.00	0.00	2.00	0.00
Timing Differences							
Difference between Tax Depreciation and Book Depreciation		186.71	(124.82)	(551.91)	(1,925.89)	(809.70)	(1,212.39)
Expenses allowable on payment basis (net)		15.00	11.05	1.82	3.75	(47.22)	66.01
Brought Forward Business Loss / Unabsorbed Depreciation		-	-	(52.96)	-	(297.62)	-
(Profit) / Loss on Sale/Disposal of Other Fixed Assets - being effected in WDV of Fixed Assets as per Income Tax		-	1.03	18.02	13.03	1.33	-
Total	C	201.71	(112.74)	(585.03)	(1,909.11)	(1,153.21)	(1,146.38)
Net Adjustments	D = B + C	201.71	(135.96)	(585.03)	(1,909.11)	(1,151.21)	(1,146.38)
Tax savings thereon	E	65.44	(45.16)	(198.85)	(648.91)	(391.30)	(385.87)
Gross Tax for the year (excluding Surcharge & Edu Cess)		453.77	731.28	502.15	Nil	137.59	Nil
Less : MAT Credit Taken		0.00	168.55	163.32	-	-	-
Net Tax for the year (including Surcharge & Edu Cess)		490.76	791.63	547.22	Nil	155.89	Nil
Tax Payable as per MAT		262.17	512.91	383.90	210.30	182.40	95.23
Tax Expense recognised		490.76	791.63	547.22	210.30	182.40	95.23
Tax as per return of income		490.76	791.63	547.21	210.30	182.40	95.23

Note: The Statement of tax shelter has been prepared based on the Return of Income filed by Company with the Income Tax Authorities / Assessment Orders.

ANNEXURE XII

STATEMENT OF RELATED PARTY TRANSACTIONS**Name of the Related Parties**

Relations hip	As at 30th Sept., 2011	As at 31st March				
		2011	2010	2009	2008	2007
Key Managemen t Personnel	Bhanwar Lal Jajodia	Bhanwar Lal Jajodia	Bhanwar Lal Jajodia	Bhanwar Lal Jajodia	Bhanwar Lal Jajodia	Bhanwar Lal Jajodia
	Ram Chandra Bajaj	Ram Chandra Bajaj	Ram Chandra Bajaj	Ram Chandra Bajaj	Ram Chandra Bajaj	Ram Chandra Bajaj
	Amit Bajaj	Amit Bajaj	Mahendra Kr. Jajodia	Mahendra Kr. Jajodia	Mahendra Kr. Jajodia	Mahendra Kr. Jajodia
	-	-	Mayank Agarwal	Mayank Agarwal	Mayank Agarwal	Mayank Agarwal
	-	-	-	Samir Kr. Ghosh	Samir Kr. Ghosh	Samir Kr. Ghosh
Relatives of Key Managemen t Personnel	-	Kusum Bajaj	Kusum Bajaj	Kusum Bajaj	Kusum Bajaj	Kusum Bajaj
		-	Amit Bajaj	Amit Bajaj	Amit Bajaj	Amit Bajaj
		-	Kavita Jajodia	Kavita Jajodia	Kavita Jajodia	Kavita Jajodia
		-	Basant Agarwal	Shefali Ghosh	Shefali Ghosh	-
		-	Mohit Agarwal	-	-	-
Subsidiary Company	-	-	-	UIC Infrastructure India Private Limited	UIC Infrastructure India Private Limited	-
Other Related Parties	UIC Finance Private Limited	UIC Finance Private Limited	UIC Finance Private Limited	UIC Finance Private Limited	UIC Finance Private Limited	UIC Finance Private Limited
	UIC Industries Limited	UIC Industries Limited	-	-	-	-

Transaction with the Related Party

₹ In Lacs

Particulars	As at 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
<u>Managerial Remuneration</u>						
Key Management Personnel	82.77	157.10	151.09	153.26	56.39	21.09
<u>Finance Charges</u>						
Other Related Parties	-	0.40	-	0.02	2.03	7.33
<u>Rent Paid</u>						
Key Management Personnel	-	-	-	0.24	0.24	0.24
Relatives of Key Management Personnel	-	1.80	1.20	2.40	-	-
Other Related Parties	3.40	6.80	-	-	-	-
<u>Salary</u>						
Relatives of Key Management Personnel	-	-	3.78	2.60	2.02	1.09
<u>Retainership Charges</u>						
Relatives of Key Management Personnel	-	-	5.61	2.40	2.40	1.80
<u>Group Common Expenses</u>						
Other Related Parties	3.64	7.28	23.60	-	3.44	2.43
<u>Loan Received</u>						
Other Related Parties	15.00	135.00	-	3.00	-	421.00
<u>Refund of Loan</u>						
Other Related Parties	15.00	135.00	-	1.61	149.71	276.00
<u>Sale of Investments</u>						
Other Related Parties	-	-	21.50	-	-	109.00
<u>Conversion Charges</u>						
Other Related Parties	-	12.73	-	-	-	-
<u>Allotment of Equity Shares</u>						
Other Related Parties	-	-	-	-	-	100.00
Key Management Personnel	-	-	-	-	102.38	-
<u>Investments</u>						
Subsidiary Companies	-	-	-	-	43.00	-
<u>Advance Received (net)</u>						
Other Related Parties	-	-	-	-	-	2.00
<u>Closing Balance</u>						
Other Related Parties	24.62 (Cr.)	25.11 (Cr.)	23.60 (Cr.)	3.02 (Cr.)	12.35 (Cr.)	157.01 (Cr.)
Key Management Personnel	-	-	-	-	0.69 (Dr.)	-

ANNEXURE XIII

STATEMENT SHOWING RATE AND AMOUNT OF DIVIDEND PAID

Particulars	As at 30th Sept., 2011	For the year ended 31st March				
		2011	2010	2009	2008	2007
Equity Shares						
Number of Shares	6,700,000	6,700,000	6,700,000	6,700,000	6,700,000	5,424,162
Face Value (₹)	10	10	10	10	10	10
Paid-up Value (₹)	10	10	10	10	10	10
Rate of Dividend	-	25%	25%	25%	20%	20%
Total Dividend (₹ In Lacs)	-	167.50	167.50	167.50	134.00	108.48
Corporate Dividend Tax on above (₹ In Lacs)	-	27.17	27.82	28.47	22.77	15.21

ANNEXURE XIV

STATEMENT OF OTHER INCOME

₹ In Lacs

Particulars	Nature of Income	As at 30th Sept., 2011	For the year ended 31st March				
			2011	2010	2009	2008	2007
Bad Debts Recovery/ Sundry Liabilities Written Back	Non Recurring	7.17	28.80	2.34	3.50	1.43	41.61
Export Incentives	Non Recurring	1.52	3.83	1.53	4.95	-	7.67
Profit/(Loss) on Sale of Fixed Assets (net)	Non Recurring	-	22.19	(2.86)	(13.03)	(1.33)	-
Foreign Exchange Fluctuation Gain	Non Recurring	1.71	-	(6.52)	(2.81)	5.15	(1.16)
Interest Received	Recurring	5.92	40.43	59.42	38.26	8.28	6.88
Miscellaneous Income	Non Recurring	-	8.96	54.89	19.53	8.45	4.92
		16.32	104.21	108.80	50.40	21.98	59.92

ANNEXURE XV

STATEMENT OF RESERVES & SURPLUS

₹ In Lacs

Particulars	As at 30th Sept., 2011	As at 31st March				
		2011	2010	2009	2008	2007
<u>Capital Reserve</u>						
Investment Subsidy Reserve	20.00	20.00	20.00	20.00	20.00	20.00
<u>General Reserve</u>						
Balance b/f.	1,762.89	1,492.90	1,262.91	1,079.41	939.41	893.14
Tax Adjustment pertaining prior to year 2006-07	-	-	-	-	-	(5.74)
Additions during the year	-	269.99	229.99	183.50	140.00	52.01
Sub Total	1,762.89	1,762.89	1,492.90	1,262.91	1,079.41	939.41
<u>Securities Premium Account</u>						
Balance b/f.	4,224.80	4,224.80	4,224.80	4,224.80	1,250.00	-
Additions during the year	-	-	-	-	2,974.80	1,250.00
	4,224.80	4,224.80	4,224.80	4,224.80	4,224.80	1,250.00
Surplus in Profit & Loss Account	7,273.82	6,438.57	5,180.78	3,963.93	2,500.18	1,453.65
Total	13,281.51	12,446.26	10,918.48	9,471.64	7,824.39	3,663.06

ANNEXURE XVI

STATEMENT OF INVESTMENTS

₹ In Lacs

Particulars	As at 30th Sept., 2011	As at 31st March				
		2011	2010	2009	2008	2007
<u>Investment in Subsidiary Company</u>						
Fully Paid Equity Shares - Unquoted						
430,000 Equity Shares of UIC Infrastructure India Private Limited of face value of ₹ 10/- each	-	-	-	43.00	43.00	-
	-	-	-	43.00	43.00	-

ANNEXURE XVII

STATEMENT OF UNSECURED LOANS

₹ In Lacs

Particulars	As at 30th Sept., 2011	As at 31st March				
		2011	2010	2009	2008	2007
Including Interest Accrued Thereon Wherever Applicable						
From Directors/Shareholders and their relatives	-	-	-	-	-	-
From Group Companies	-	-	-	3.02	1.61	149.71
From Banks	3,500.00	9.56	28.68	571.06	-	-
From Others	-	494.54	-	25.01	811.83	370.83
	3,500.00	504.10	28.68	599.09	813.44	520.54

Note : Unsecured Loans are repayable on demand basis and there is no fixed repayment schedule.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our Company's financial condition and results of operations together with our restated financial statements beginning on page 141 included in this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 12 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition, results of operations and cash flows. The following discussion relates to our Company and is based on our Company's restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulation.

Our fiscal year ends on March 31, so all references to a particular fiscal year of our Company are to the 12 months period ended on March 31. The Company's historical performance may not be considered as indicative of future performance. Certain terms used in this discussion shall have the meanings ascribed to them in the chapter titled "Definitions and Abbreviations" of this Draft Red Herring Prospectus.

Business Overview

Our Company is one of the leading manufacturers of Steel Wires and Wire products in India. Our existing facilities for manufacturing of steel wires with an installed capacity of 60,000 MTPA is located at Kalyani and an installed capacity of 25,000 MTPA is located at Khanyan, West Bengal. We also manufacture steel pins at Khanyan, West Bengal. Besides, manufacturing of steel wires and steel pins, we have installed Wind Power Generation Turbines in Maharashtra and Tamil Nadu. We have manufacturing facility for woven sacks in Silvassa. We are proposing to further enhance our capacity to manufacture wire and wires products by setting up the manufacturing facilities with an installed capacity of 1,80,000 MTPA including Galvanizing capacity of 1,00,000 MTPA at Bharuch, Gujarat.

Our Company was incorporated in the year 1995 by Mr. Bhanwar Lal Jajodia along with his family members. Mr. Bhanwar Lal Jajodia is a first generation entrepreneur with over three decades of experience in dealing with steel & steel related components. Our first manufacturing facility for non-alloy steel wires in Kalyani, West Bengal started its commercial production in the year 2000 with an installed capacity of 40,000 MTPA. To meet the growing demand for steel wires, we added 20,000 MTPA of additional capacity at Kalyani in the year 2002 and 25,000 MTPA in the year 2010 at Khanyan. With a view to tap the growing market and to cater to the increased demand emanating from our existing clients, we set up a galvanizing line with 12,000 MTPA capacity at our existing unit at Kalyani in 2002. Subsequently, we enhanced the galvanizing capacity to 30,000 MTPA in the year 2007 and to 48,000 MTPA in the year 2010. In the year 2006, as a strategy towards forward integration, we set up a facility to manufacture different types of Pins at Khanyan. Further in the year 2008, we set up facility to manufacture woven sacks in Silvassa to cater to the demand emanating from sugar, textile and fertilizer industry. Our manufacturing facilities are strategically located in close proximity to the source of raw material. We have set up two Wind Power Generation Turbines of 5MW each in Maharashtra and Tamil Nadu. These wind power generation turbines besides, being environment friendly, have enabled us to take advantage of the tax benefit available under the Income Tax Act, 1961. Our Clean Development Mechanism project of wind power energy at Tamil Nadu has been registered with UNFCCC thereby entitling us to get carbon credit, which would contribute to the overall profitability of the Company in the coming years.

Our manufacturing facility at Kalyani is ISO 9001:2008 certified from SGS United Kingdom Limited for conforming to the Quality Management System Standards. Business Standard magazine, March 2011 edition has ranked our Company at 302 amongst the unlisted companies, while another magazine Industry 2.0 ranked our Company as 64 out of the 500 best SME Companies in India (Source: Industry 2.0 Magazine – October 2009 Issue)

Key Factors Affecting Our Results of Operations

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

- Our ability to maintain and expand our existing product portfolio;
- Fluctuations in operating costs;
- Short fall or non - availability or any escalation in the prices of critical raw materials used by our Company;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans including those for which funds are being raised through the Issue;
- Our ability to respond to Competition and Pricing Pressure
- Changes in laws and regulations relating to the industry in which we operate;

- Contingent liabilities, environmental problems and uninsured losses;
- Our ability to attract and retain qualified personnel;
- Non receipt / late receipt of Government approvals;
- Any adverse outcome in the legal proceedings in which we may be involved;
- General economic and demographic conditions;

For more information on these and other factors/development which have or may affect us, please refer to chapters titled “Risk Factors”, “Industry Overview” and “Business Overview” beginning on page 12, 75 and 85 respectively of this Draft Red Herring Prospectus.

Significant Accounting Policies

For significant accounting policies please refer to the chapter titled “Financial Statement” beginning on page 141 of this Draft Red Herring Prospectus.

Principle Component of Income & Expenditure

Turnover

Our Company is in business of manufacturing of steel wires, wire products, woven sacks and trading of iron & steel products. We also have 5 MW wind power generation turbines each in Maharashtra and Tamil Nadu. The break-up of total turnover for the earlier years are as under:

(₹ in lakhs)

Segment	Six Month ended September 30, 2011		2010-11		2009-10		2008-09		2007-08	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Manufacturing										
Steel Wires	11,973.79	59.99	27,390.52	70.79	23,715.63	66.97	24,190.01	79.07	18,922.48	94.64
Wire Products	127.86	0.64	248.90	0.64	276.24	0.78	349.09	1.14	238.89	1.19
Woven Sacks	725.90	3.64	1,561.04	4.03	1,519.96	4.29	859.53	2.81	-	-
Power	522.56	2.62	623.98	1.62	756.88	2.14	394.01	1.28	243.85	1.22
Trading	6,608.17	33.11	8,866.35	22.92	9,145.29	25.82	4,802.39	15.70	589.63	2.95
Net Turnover	19,958.28	100.00	38,690.79	100.00	35,414.00	100.00	30,595.03	100.00	19,994.85	100.00

Other Income

Our other income primarily includes Interest received, Bad debt recovery/sundry liabilities written back, Profit/ (Loss) on sale of Fixed Assets, Export Incentives and others.

Expenditure

Our total expenditure consists of raw material consumed/purchases, Consumption of Stores, Spares & Consumables, Payment to & Provision for Employees, Power & Fuel, Finance Charges, Manufacturing, Administrative & Other Expenses and Depreciation.

Raw Material Consumed/Purchase

The break-up of Raw Material Consumed/Purchases expenses are as under:

(₹ in lakhs)

Segment	Six Month ended September 30, 2011		2010-11		2009-10		2008-09		2007-08	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Wire	10,788.08	62.32	20,313.24	67.25	17,064.66	62.45	21,367.17	81.91	15,783.44	96.01
Wire Products	26.45	0.15	70.93	0.23	83.59	0.31	134.13	0.51	86.59	0.53
Woven Sacks	545.92	3.15	1,241.53	4.11	1,247.56	4.57	700.31	2.68	-	-
Trading	5,953.05	34.38	8,580.53	28.41	8,925.43	32.67	3,887.20	14.90	569.97	3.46
Raw Material Consumed/ Purchased	17,313.50	100.00	30,206.23	100.00	27,321.24	100.00	26,088.81	100.00	16,440.00	100.00

Other Expenses

Payment to & Provision for Employees

This expense includes salaries, wages, bonus and other related expenses, contribution to provident fund and staff welfare expenses.

Manufacturing, Administrative & Other Expenses

This expense includes Carriage, freight and handling expenses on purchases, conversion charges, repairs to plant & machinery, repairs to building, insurance, commission & brokerage, rent, rates & taxes and general office administration expenses.

Finance Charges

Finance Charges includes interest on secured and unsecured loan and processing charges related to such loans.

Depreciation

Depreciation on fixed assets is provided on Straight Line Method on a pro-rata-basis at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

Profit After Tax

(₹ in lakhs)

	Six Month ended September 30, 2011	2010-11	2009-10	2008-09	2007-08
PAT	835.25	1,722.46	1,642.17	1,844.72	1,343.30
Total Sales	19,958.28	38,690.79	35,414.00	30,595.03	19,994.85
PAT/ Sales (%)	4.18	4.45	4.64	6.03	6.72

The efforts and experience of management in streamlining the operations of our Company and capacity expansions have resulted in increase in turnover from ₹19,994.85 lakhs in fiscal 2008 to ₹38,690.79 lakhs in fiscal 2011.

Discussion on Results of Operations

(₹in lakhs)

Particulars	Six Months ended		Year ended March 31							
	30-Sep-11	% of Total Income	2011	% of Total Income	2010	% of Total Income	2009	% of Total Income	2008	% of Total Income
INCOME										
Net Turnover (Net of Excise Duty & Cess)										
Manufacturing :*	13,350.11	61.17	29,824.44	77.52	26,268.71	74.93	25,792.64	79.43	19,405.22	91.51
Trading	6,608.17	30.28	8,866.35	23.05	9,145.29	26.09	4,802.39	14.79	589.63	2.78
Net Sales	19,958.28	91.45	38,690.79	100.57	35,414.00	101.02	30,595.03	94.22	19,994.85	94.29
Other income	16.31	0.07	104.21	0.27	108.80	0.31	50.40	0.16	21.98	0.10
Increase / (Decrease) in Stocks	1,848.72	8.48	(324.19)	(0.84)	(465.58)	(1.33)	1,827.99	5.62	1,189.30	5.61
Total Income	21,823.31	100.00	38,470.81	100.00	35,057.22	100.00	32,473.42	100.00	21,206.13	100.00
EXPENDITURE										
Raw Materials Consumed/Purchases	17,313.50	79.33	30,206.23	78.52	27,321.24	77.93	26,088.81	80.34	16,440.00	77.52
Consumption of Stores, Spares & Consumables	207.46	0.95	578.36	1.50	554.80	1.58	505.53	1.56	360.03	1.70
Payment to & Provision for Employees	443.03	2.03	803.50	2.09	619.82	1.77	569.08	1.75	294.35	1.39
Power & Fuel	529.05	2.42	1,055.83	2.74	1,004.13	2.86	702.99	2.16	633.49	2.99
Finance Charges	992.76	4.55	1,645.67	4.28	1,603.93	4.58	1,450.93	4.47	858.33	4.05
Manufacturing, Administrative & Other Expenses	525.00	2.41	850.01	2.21	927.45	2.65	704.15	2.17	563.05	2.66
Depreciation/Amortisation	501.64	2.30	757.67	1.97	766.92	2.19	595.73	1.83	447.00	2.11
Preliminary Expenses Written off	-	-	-	-	0.06	0.00	0.04	0.00	0.04	0.00
Total Expenditure	20,512.44	93.99	35,897.27	93.31	32,798.35	93.56	30,617.26	94.28	19,596.29	92.41
Profit before tax Taxation	1,310.87	6.01	2,573.54	6.69	2,258.87	6.44	1,856.16	5.72	1,609.84	7.59
Current (including wealth tax)	(490.76)	(2.25)	(795.00)	(2.07)	(569.20)	(1.62)	(210.56)	(0.65)	(191.59)	(0.90)
Deferred Tax Asset / (Liability)	15.14	0.07	(56.08)	(0.15)	(47.50)	(0.14)	(6.93)	(0.02)	(98.44)	(0.46)
Fringe Benefit Tax	-	-	-	-	-	-	(4.25)	(0.01)	(2.85)	(0.01)
Add : MAT Credit Entitlement	-	-	-	-	-	-	210.30	0.65	26.34	0.12
Net Profit after tax as restated	835.25	3.83	1,722.46	4.48	1,642.17	4.68	1,844.72	5.68	1,343.30	6.33

*Manufacturing Turnover includes sales from Power Division

Result of operation from April 01 2011 to September 30, 2011

Total Income

Total income for the six months period ended September 30, 2011 was ₹21,823.31 lakhs.

Net Sales

Our net sales for the six months period ended September 30, 2011 stood at ₹19,958.28 lakhs.

Other Income

Our other income for the six months period ended September 30, 2011 was ₹16.31 lakhs. Other income primarily includes bad debt recovery and interest income.

Total Expenditure

Our total expenditure for the six months period ended September 30, 2011 was ₹20,512.44 lakhs. As a percentage of our total income, our total expenditure for the period was 93.99%.

Material Consumption

Material Consumption includes Raw Materials Consumed/Purchases and Consumption of Stores, Spares & Consumables. As a percentage of our total income, our material consumption stood at 80.29%.

Payment to & Provision for Employees

Personnel expenses for the six months period ended September 30, 2011 was ₹443.03 lakhs. As a percentage of our total income, our personnel expenses for the period was 2.03%

Other Manufacturing Expenses

Other manufacturing expenses include power & fuel and other manufacturing expenses like conversion charges, carriage, freight & handling relating to purchases, repairs to plant & machinery etc.. Other manufacturing expenses for the six months period ended September 30, 2011 was ₹688.99 lakhs. As a percentage of our total income, our other manufacturing expenses for the period are 3.16%.

Administrative and Other Expenses

Administrative and other expenses primarily include insurance, commission & brokerage, rates & taxes, rent, general repairs & maintenance, general office administration expenses etc.. Administrative and other expense for the six months period ended September 30, 2011 was ₹365.07 lakhs. The administrative and other expenses as a percentage of total income for the period stood at 1.67%.

Depreciation

Depreciation for the six months period ended September 30, 2011 was ₹501.64 lakhs. Depreciation as a percentage of total income stood at 2.30% for the six months period ended September 30, 2011

Financial Charges

Our financial charges for the six months period ended September 30, 2011 stood at ₹992.76 lakhs. As a percentage of our total income, our interest and finance costs stood at 4.55 %.

Net Profit after Tax

As a result of increase in sales, the net profit after tax of our Company stood at ₹835.25 lakhs for the six months period ended September 30, 2011. Net Profit after tax as a percentage of total income stood at 3.83%.

Comparison of Financial Year 2011 with 2010

Total Income

Our total income increased by 9.74% to ₹38,470.81 lakhs for the FY 2011 from ₹35,057.22 lakhs for the FY 2010. The rise is mainly due to increase in sales from ₹35,414.00 lakhs for the FY 2010 to ₹38,690.79 lakhs for the FY 2011 attributing to increase of 9.25%.

Net Sales

Our net sales increased by 9.25% to ₹38,690.79 lakhs for the FY 2011 from ₹35,414.00 lakhs for the FY 2010. The increase is attributable mainly to the increase in demand for our different types of steel wire and wires products. Our Company was able to increase our client base as a result of our new marketing strategies.

Other Income

Our other income decreased to ₹104.21 lakhs for the FY 2011 from ₹108.80 lakhs for the FY 2010, primarily due to decrease in interest income.

Total Expenditure

Our total expenditure increased to ₹35,897.27 lakhs for the FY 2011 from ₹32,798.35 lakhs for the FY 2010. As a percentage of our total income, our total expenditure was 93.31% for the FY 2011 and 93.56 % for the FY 2010.

The increase in overall expenditure can be attributable to the fact that the demand for the products had increased leading to an increase in production/trading which had a direct influence on the cost of material consumption which increased by ₹2,908.55 lakhs. Also, an increase in the staff cost, other manufacturing expenses, administrative, selling and distribution expenses and financial charges had a significant hand to play in the overall increase in the expenditure. The increase in financial charges is due to the increase in the cash credit limits availed by our Company.

Material Consumption

Material Consumption includes Raw Materials Consumed/Purchases and Consumption of Stores, Spares & Consumables. Material consumption expenses increased by 10.43% to ₹30,784.59 lakhs for the FY 2011 from ₹27,876.04 for the FY 2010, primarily due to increase in the consumption of raw material. As a percentage of total expenditure our material consumption was fairly constant and showed a marginal increase to 85.76% for the FY 2011 from 84.99% for the FY 2010. As a percentage of our total income, our material consumption increased to 80.02% for the FY 2011 from 79.52% for the FY 2010.

Payment to & Provision for Employees

Personnel expenses increased by 29.63% to ₹803.50 lakhs for the FY 2011 from ₹619.82 lakhs for the FY 2010, primarily due to increase in salaries, besides rationalize the recruitment of qualified and experienced personnel particularly in the marketing department, and technical departments. As a percentage of our total income, our personnel expenses increased marginally to 2.09% for the FY 2011 from 1.77% for the FY 2010.

Other Manufacturing Expenses

Other manufacturing expenses include power & fuel and other manufacturing expenses like conversion charges, carriage, freight & handling on purchases, repairs to plant & machinery etc.. Other manufacturing expenses increased by 3.80% to ₹1,394.34 lakhs for the FY 2011 from ₹1,343.26 lakhs for the FY 2010, primarily due to an increase in the electricity charges, freight, transport coolie and cartage expenses, labor charges, repair and maintenance charges, factory expenses, etc. As a percentage of our total income, our other manufacturing expenses decreased marginally to 3.62% for the FY 2011 from 3.83% for the FY 2010.

Administrative and Other Expenses

Administrative and other expenses primarily include insurance, commission & brokerage, rates & taxes, rent, general repairs & maintenance, general office administration expenses etc.. There was decrease in administrative and other expense by 13.06 % to ₹511.50 lakhs for the FY 2011 from ₹588.32 lakhs for the FY 2010, mainly because of less/nil provisioning for bad debts. During the same period, the administrative and other expenses as a percentage of total income decreased from 1.68 % to 1.33%.

Depreciation

Depreciation showed a marginal decline of 1.22 % to ₹757.67 lakhs for the FY 2011 from ₹766.92 lakhs for the FY 2010. Although there was an increase in gross block to ₹13,525.82 lakhs in FY 2011 from ₹11,907.36 lakhs in FY 2010, which was mainly the result of the capital expenditure incurred by our Company to set up the manufacturing capacity of wires at our Khanyan unit during the FY 2011. However, as the new capacity was added only in the month of December 2010 and the unit was not completely operational for triple shifts, the charge of depreciation was lower compared to last year. Further, Depreciation as a percentage of total income stood at 1.97% in FY 2011 compared to 2.19% in FY 2010.

Financial Charges

Our financial charges increased by 2.60 % to ₹1,645.67 lakhs for the FY 2011 from ₹1,603.93 lakhs for the FY 2010, primarily due to an increase in interest and finance cost on the secured and unsecured credit facility availed by our Company. As a percentage of our total income, our interest and finance costs decreased to 4.28 % for the FY 2011 from 4.58 % for the FY 2010. The decrease is attributable to better financial management.

Net Profit after Tax

As a result of increase in sales, the net profit after tax of our Company increased from ₹1,642.17 lakhs for the FY 2010 to ₹1,722.46 lakhs for the FY 2011, showing an increase of 4.89%. Further, Net Profit after tax as a percentage of total income stood at 4.48% in FY 2011 as compared to 4.68% in FY 2010.

Comparison of Financial Year 2010 with 2009

Total Income

Our total income increased by 7.96% to ₹35,057.22 lakhs for the FY 2010 from ₹32,473.42 lakhs for the FY 2009. This rise is due to the fact that sales have increased from ₹30,595.03 lakhs for the FY 2009 to ₹35,414.00 lakhs for the FY 2010 attributing to a percentage increase of 15.75%.

Net Sales

Our net sales increased by 15.75% to ₹35,414.00 lakhs for the FY 2010 from ₹30,595.03 lakhs for the FY 2009. The increase is attributable to the increase in production, improved product mix and aggressive marketing strategies with a clear thrust on adding new customers.

Other Income

Our other income increased to ₹108.80 lakhs for the FY 2010 from ₹50.40 lakhs for the FY 2009, primarily due to increase in interest and other miscellaneous income.

Total Expenditure

Our total expenditure increased to ₹32,798.35 lakhs for the FY 2010 from ₹30,617.26 lakhs for the FY 2009. As a percentage of our total income, our total expenditure decreased to 93.56% for the FY 2010 from 94.28% for the FY 2009.

Material Consumption

Material Consumption includes Raw Materials Consumed/Purchases and Consumption of Stores, Spares & Consumables. Material consumption expenses increased by 4.82% to ₹27,876.04 lakhs for the FY 2010 from ₹26,594.34 lakhs for the FY 2009, primarily due to an increase in the consumption of raw material. As a percentage of total expenditure our material consumption decreased to 84.99% for the FY 2010 from 86.86% for the FY 2009.

Payment to & Provision for Employees

Our personnel expenses increased by 8.92% to ₹619.82 lakhs for the FY 2010 from ₹569.08 lakhs for the FY 2009, primarily due to general increase in the level of wages and salaries. As a percentage of our total income, our personnel expenses increased marginally to 1.77 % for the FY 2010 from 1.75 % for the FY 2009.

Other Manufacturing Expenses

Other manufacturing expenses include power & fuel and other manufacturing expenses like conversion charges, carriage, freight & handling on purchases, repairs to plant & machinery etc.. Other manufacturing expenses increased by 33.09% to ₹1,343.26 lakhs for the FY 2010 from ₹1,009.27 lakhs for the FY 2009, primarily due to an increase in the power tariffs, cost of F.O. cost of diesel, freight, conversion charges, repair and maintenance charges, factory expenses, etc. As a percentage of our total income, our other manufacturing expenses increased to 3.83% for the FY 2010 from 3.11% for the FY 2009.

Administrative and Other Expenses

Administrative and other expenses primarily include insurance, commission & brokerage, rates & taxes, rent, general repairs & maintenance, general office administration expenses etc. There was increase in administrative and other expense by 43.18% to ₹588.32 lakhs for the FY 2010 from ₹410.89 lakhs for the FY 2009. During the same period, the administrative and other expenses as a percentage of total income increased from 1.27 % to 1.68%.

Depreciation

Depreciation increased by 28.74 % to ₹766.92 lakhs for the FY 2010 from ₹595.73 lakhs for the FY 2009, mainly on account of additions to fixed assets. As a percentage of our total income, our depreciation increased to 2.19% for the FY 2010 from 1.83% for the FY 2009.

Financial Charges

Our financial charges increased by 10.54 % to ₹1,603.93 lakhs for the FY 2010 from ₹1,450.93 lakhs for the FY 2009, primarily due to an increase in interest and finance cost on the cash credit facility availed by our Company. As a percentage of our total income, our interest and finance costs increased marginally to 4.58% for the FY 2010 from 4.47% for the FY 2009.

Net Profit after Tax

Our net profit after tax was ₹1,642.17 lakhs for the FY 2010 as compared to ₹1,844.72 lakhs for the FY 2009. This decrease in net profit after tax is due to the fact that the tax provision was higher in this fiscal as we were liable to pay tax under normal provisions of the Income Tax Act, whereas during the last fiscal we only paid Minimum Alternate Tax (MAT).

Comparison of Financial Year 2009 with 2008

Total Income

Our total income increased 53.13% to ₹32,473.42 lakhs for the FY 2009 from ₹21,206.13 lakhs for the FY 2008. This rise is due to the fact that sales have increased from ₹19,994.85 lakhs for the FY 2008 to ₹30,595.03 lakhs for the FY 2009 attributing to a percentage increase of 53.01%.

Net Sales

Our net sales increased by 53.01% to ₹30,595.03 lakhs for the FY 2009 from ₹19,994.85 lakhs for the FY 2008. The increase is attributable to the higher capacity utilization and increase in the sale of goods traded.

Other Income

Our other income increased to ₹50.40 lakhs for the FY 2009 from ₹21.98 lakhs for the FY 2008, primarily due to increase in interest and other miscellaneous income.

Total Expenditure

Our total expenditure increased to ₹30,617.26 lakhs for the FY 2009 from ₹19,596.29 lakhs for the FY 2008. As a percentage of our total income, our total expenditure increased to 94.28% for the FY 2009 from 92.42% for the FY 2008.

Material Consumption

Material consumption expenses increased by 58.30% to ₹26,594.34 lakhs for the FY 2009 from ₹16,800.04 lakhs for the FY 2008, primarily due to an increase in the consumption of raw material due to higher capacity utilization and purchase of trading goods. As a percentage of total expenditure, our material consumption increased to 86.86% for the FY 2009 from 85.73% for the FY 2008.

Payment to & Provision for Employees

Our personnel expenses increased by 93.33% to ₹569.08 lakhs for the FY 2009 from ₹294.35 lakhs for the FY 2008, primarily due to the increase in the level of wages and salaries and increase in the remuneration of the Executive directors of the Company. As a percentage of our total income, our personnel expenses increased marginally to 1.75% for the FY 2009 from 1.39 % for the FY 2008.

Other Manufacturing Expenses

Our other manufacturing expenses increased by 11.79% to ₹1,009.27 lakhs for the FY 2009 from ₹902.84 lakhs for the FY 2008, primarily due to an increase in cost of Furnance Oil, cost of diesel, freight, conversion charges, repair and maintenance charges, factory expenses, etc. As a percentage of our total income, our other manufacturing expenses decreased to 3.11% for the FY 2009 from 4.26% for the FY 2008.

Administrative and Other Expenses

Administrative and other expenses primarily include insurance, commission & brokerage, rates & taxes, rent, general repairs & maintainence, general office administration expenses etc. There was increase in administration and other expenses by 39.45% to ₹410.89 lakhs for the FY 2009 from ₹294.66 lakhs for the FY 2008. During the same period, the administrative and other expenses as a percentage of total income decreased from 1.39 % to 1.27%.

Depreciation

Depreciation cost increased by 33.27% to ₹595.73 lakhs for the FY 2009 from ₹447.00 lakhs for the FY 2008, mainly on account of additions to fixed assets. As a percentage of our total income, our depreciation expenses decreased to 1.83% for the FY 2009 from 2.11% for the FY 2008.

Financial Charges

Our financial charges increased by 69.04% to ₹1,450.93 lakhs for the FY 2009 from ₹858.33 lakhs for the FY 2008, primarily due to an increase in interest and finance cost on the cash credit facility and term loans availed by our Company. As a percentage of our total income, our interest and finance costs increased marginally to 4.47% for the FY 2009 from 4.05% for the FY 2008.

Net Profit after Tax

Our net profit after tax was ₹1,844.72 lakhs for the FY 2009 as compared to a net profit of ₹1,343.30 lakhs for the FY 2008. This increase in net profit after tax is primarily due to the reasons discussed above.

Cash Flow Statement

Set forth below is a table of selected, restated cash flow statement data for period ended September 30, 2011 and Fiscal 2011, 2010 and 2009:

(₹ in Lakhs)

Particulars	Six months period ended	For the year ended March 31 st		
	30-Sep-11	2011	2010	2009
Net cash generated from / (used in) operating activities	(4,083.60)	2,284.86	2,267.86	797.82
Net cash generated from / (used in) investing activities	(5,084.69)	(1,296.08)	(1,280.34)	(3,882.33)
Net cash generated from / (used in) financing activities	8,731.19	(430.76)	(849.30)	3,228.18
Net increase/(decrease) in cash and cash equivalent	(437.10)	558.02	138.22	143.67

For Six months period ended September 30, 2011

Our Company had negative cash generated from operating activities for six months ended September 30, 2011 amounted to ₹4,083.60 lakhs mainly due to increase in advances & receivables and inventories by ₹3,638.24 lakhs and 1,550.16 lakhs. Profit before tax amounted to ₹1,310.87 lakhs and adjustments to cash flow primarily included financial expenses of ₹992.76 lakhs, and depreciation of ₹501.64 lakhs.

Net cash used in investing activities for six months ended September 30, 2011 amounted to ₹5,084.69 lakhs which primarily includes the purchase of Fixed Assets and Capital Work in Progress.

Net cash from financing activities for six months ended September 30, 2011 amounted to ₹8,731.19 lakhs, mainly due to additional finance received in form of Term Loan and enhancement of Working Capital Loan for the our business operations

For the year ended March 31, 2011

Net cash generated in operating activities for FY 2011 amounted to ₹2,284.86 lakhs. Profit before tax amounted to ₹2,573.54 lakhs, and adjustments to cash flow primarily included financial expenses of ₹1,645.67 lakhs, and depreciation of ₹757.67 lakhs. Working capital adjustments included decrease in inventories of ₹350.23 lakhs, increase in trade receivables of ₹4,057.47 lakhs and increase in trade payables of ₹1,534.42 lakhs primarily due to usage of Letters of Credits as a mode of payment to our suppliers.

Net cash used in investing activities for the FY 2011 amounted to ₹1,296.08 lakhs which primarily include purchase of Fixed Assets and Capital Work in Progress for the expansion of our capacity at our Khanyan unit.

Net cash used in financing activities for the FY 2011 amounted to ₹430.76 lakhs, mainly due to decrease in term loan and increase in working capital loans and finance charges.

For the year ended March 31, 2010

Net cash generated in operating activities for FY 2010 amounted to ₹2,267.86 lakhs. Profit before tax amounted to ₹2,258.87 lakhs and adjustments to cash flow primarily included financial charges of ₹1,603.93 lakhs and depreciation of ₹766.92 lakhs. Working capital adjustments included increase in inventories of ₹346.41 lakhs, increase in trade receivables of ₹1,690.52 lakhs and increase in trade payables of ₹40.14 lakhs primarily due to usage of Letters of Credits as a mode of payment to our suppliers.

Net cash used in investing activities for the FY 2010 amounted to ₹1,280.34 lakhs which primarily includes the purchase of Fixed Assets and Capital Work in Progress for additions of wire drawing machines at Khanyan unit and upgradation of our existing wire drawing machines in Kalyani unit.

Net cash used in financing activities for the FY 2010 amounted to ₹849.30 lakhs, mainly due to decrease in term loans, increase in Working Capital Loans and finance charges.

For the year ended March 31, 2009

Net cash generated in operating activities for FY 2009 amounted to ₹797.82 lakhs. Profit before tax amounted to ₹1,856.16 lakhs and adjustments to cash flow primarily included financial charges of ₹1,450.93 lakhs and depreciation of ₹595.73 lakhs. Working capital adjustments included increase in inventories by ₹795.38 lakhs, increase in trade receivables ₹3,519.38 lakhs and increase in trade payables of ₹1,491.15 lakhs due to use of letters of credit as mode of payment.

Net cash used in investing activities for the FY 2009 amounted to ₹3,882.33 lakhs which primarily includes the purchase of Fixed Assets and Capital Work in Progress for setting up the wind power generation turbines in Kundadam, near Coimbatore in Tamilnadu and setting up of the Woven Sacks unit in Silvassa.

Net cash raised for financing activities for the FY 2009 amounted to ₹3,228.18 lakhs, primarily because of increase in term loan and Working Capital Loans and finance charges.

Indebtedness

The following table provides our outstanding indebtedness as at September 30, 2011, March 31, 2011, 2010, 2009:

(₹ in lakhs)

Particulars	Six months period ended	As on March 31,		
	30-Sep-11	2011	2010	2009
Secured Loans				
Term Loan from Banks	5,465.50	1,399.50	2,378.00	3,300.51
Working Capital / Cash Credit from Banks	16,075.93	13,169.49	11,197.65	8,830.68
Vehicle Loan	40.26	72.32	130.86	54.30
Unsecured Loans	3,500.00	504.10	28.68	599.10
Total Indebtedness	25,081.69	15,145.41	13,735.19	12,784.59

For further details on the indebtedness, please refer to the chapter titled “*Financial Indebtedness*” beginning on page 176 of this Draft Red Herring Prospectus.

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds. For the year ended March 31, 2011, our indebtedness consists of floating rate interest as well as fixed rate interest with a reset clause. Since we do not have any forward contracts to hedge against interest rate risk, any upward fluctuations in interest rates may increase the cost of both existing and new debts.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

SIGNIFICANT DEVELOPMENTS SINCE THE DATE OF LAST FINANCIAL STATEMENTS

There has been no significant development after September 30, 2011:

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations except for changes in government policies including changes in tax structure. As mentioned earlier, we deal in steel wires and wire products and as such our business is subject to the volatility in steel prices, which is a globally traded commodity and whose prices are determined by international demand and supply.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Except as described in the chapters titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 12 and 165, respectively of this Draft Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

Except as described in the chapters titled “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 12, 32 and 165, respectively of this Draft Red Herring Prospectus to our knowledge there are no known factors that will have a material adverse impact on our operations and finances.

5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Increases in revenues are by and large linked to increases in volume of steel wire and wire products to be sold by our Company. Other than as described in this DRHP regarding our Proposed Project for manufacture of Steel Wires, we do not propose to introduce any new products or business segment at present.

6. Total turnover of each major industry segment in which the issuer company operated.

For details on the total turnover, please refer to the chapter titled “*Industry Overview*” beginning on page 75 of this Draft Red Herring Prospectus.

7. Status of any publicly announced new products or business segment.

Our Company has not announced any new product and segment, other than through this Draft Red Herring Prospectus.

8. The extent to which business is seasonal.

Our Company’s business is not seasonal in nature.

9. Dependence on single or few suppliers / customers

We are dependent on a few suppliers for our requirement of steel & zinc which is the main raw material for our products. We procure raw materials domestically, from major Indian steel manufacturers. Having been in this industry for over 10 years, we have gained expertise in sourcing of raw material from domestic suppliers, on a timely basis to meet our production and sales requirements. Our Company is dependent on few customers for its sales. Our Company’s top 10 customers accounts for 52.69%, 40.46%, 36.53% and 42.80% of our Net turnover for the half yearly ended September 30, 2011, fiscal year 2011, 2010 and 2009 respectively. Our Company has derived and believes that it will continue to derive a significant portion of its income from a few major customers.

10. Competitive Conditions

There are a number of players who operate in the same or similar product lines as ours. However, our products find application in segments which are witnessing significant growth and as such market for our products is growing. We believe that on account of our competitive strengths we are well positioned to maintain our position in the sector in which we operate.

FINANCIAL INDEBTEDNESS

The financial indebtedness of our Company as on January 31, 2012 is as under:

Name of Bank / Financial Institution	Purpose	Nature of Facility	Sanctioned Amount (₹ In Lakhs)	Outstanding as on 31/01/2012 (₹ In Lakhs)	Interest Rate	Monthly / Quarterly Installment (₹ in Lakhs)	Security
IDBI Bank Limited	Wind Mill Project in Maharashtra	Term Loan	1,890.00	420.00	14.25%	105.00	<ol style="list-style-type: none"> 1. Exclusive charge on the Wind Mill Project at Dhule, Maharashtra 2. First pari-passu charge on all movable and immovable assets of the Company at Kalyani, Nadia, West Bengal 3. Escrow of the Power Tariff receivables from MSEB 4. Unconditional and irrevocable personal guarantee of the promoter, Mr. Bhanwar Lal. Jajodia (B.L. Jajodia) and Corporate Guarantee by UIC Industries Limited.
IDBI Bank Limited	Working Capital Requirement	Cash Credit (In consortium with SBI and ICICI)	4,600.00 (Including ₹500 lakhs SLC)	3,451.49	375 basis points above Base Rate	N.A.	<ol style="list-style-type: none"> 1. Pari-passu first charge by way of hypothecation of entire current assets of the Company including raw materials, work-in-progress, finished goods and receivables/book debts etc. pertaining to Wire Division & Pin Division 2. Pari passu first charge on the landed property (0.65 acres) of UIC Industries Limited and on the fixed assets of the Company at Khanyan, Hooghly. 3. Pari-Passu second charge on the fixed assets of the Company at Kalyani, Nadia, West Bengal. 4. EM over landed property measuring 10.76 acres in the name of M/s UIC industries Limited at Mouza- Jhinga & Sukhdevpur, Block-II, Diamond harbour road, 24 Parganas (South) on pari-passu basis with SBI Only. 5. Pari Passu first charge on the STDR in the name of the Company. 6. Pari-Passu Charge on a office space at Pollock Street Kolkata jointly in the name of Mr. B.L. Jajodia & Mr. Mahendra Kumar Jajodia (M.K. Jajodia) with SBI only. 7. Corporate guarantees by UIC Industries Limited and UIC Finance Private Limited 8. Personal guarantee by Mr. B.L. Jajodia and M.K. Jajodia.
State Bank of India	Working Capital Requirement	Cash Credit Cash Credit (In consortium with IDBI and ICICI)	7,700.00 (Including ₹500 lakhs SLC)	5,781.66	14.25% (4.25% above Base Rate)	N.A.	<ol style="list-style-type: none"> 1. Pari-passu first charge by way of hypothecation of entire current assets of the Company including raw materials, work-in-progress, finished goods and receivables/book debts etc. pertaining to Wire Division & Pin Division 2. Pari passu first charge on the landed property (10.76 acres at Mouza-

Name of Bank / Financial Institution	Purpose	Nature of Facility	Sanctioned Amount (₹ In Lakhs)	Outstanding as on 31/01/2012 (₹ In Lakhs)	Interest Rate	Monthly / Quarterly Installment (₹ in Lakhs)	Security
							<p>Jhinga & Sukhdevpur) of UIC Industries Limited</p> <ol style="list-style-type: none"> First charge on land, building, plant & machinery & other movable fixed assets at Khanyan unit on pari passu basis. Pari-Passu second charge on the fixed assets of the Company at Kalyani, Nadia, West Bengal Pari Passu first charge on the STDR in the name of the Company. Pari-Passu Charge on a office space at Pollock Street Kolkata jointly in the name of Mr. B.L. Jajodia & Mr. M.K. Jajodia with IDBI only. Corporate guarantees by UIC Industries Limited and UIC Finance Private Limited Personal guarantee by Mr. B.L. Jajodia & Mr. M. K. Jajodia
ICICI Bank Limited	Wind Mill Project - Tamil Nadu	Term Loan	1,790.00	984.50	13.25% (3% below ICICI Bank Advance Rate)	89.50	<ol style="list-style-type: none"> Exclusive charge by way of equitable mortgage of the land and building at Kundadam, Coimbatore, in Tamil Nadu Exclusive Charge on the fixed assets of the Wind Mill Division at Kundadam, Coimbatore, in Tamil Nadu Unconditional and irrevocable Corporate Guarantee of UIC Finance Private Limited Unconditional and irrevocable personal guarantee of Mr. B.L. Jajodia & Mr. M.K. Jajodia.
ICICI Bank Limited	Woven Sacks Division - Silvassa	Term Loan	500.00	125.00	13.25% (3% below ICICI Bank Advance Rate)	25.00	<ol style="list-style-type: none"> Exclusive charge by way of hypothecation of the current assets of the Company at its Woven Sacks Division at Silvassa Exclusive charge on the fixed assets of the Woven Sack Division of the Company except land and building, hypothecated vehicles and equipments under finance First charge by way of equitable mortgage of factory land and building at survey No 117/1 & 117/2 at Silvassa Unconditional and irrevocable Corporate Guarantee of UIC Finance Private Limited Unconditional and irrevocable personal guarantee of Mr. B.L. Jajodia, and Mr. M.K. Jajodia
ICICI Bank Limited	Working Capital Requirement	Cash Credit	390.00	355.42	13.25% (sum of I-Base and Spread)	N.A.	<ol style="list-style-type: none"> Exclusive charge by way of hypothecation of the current assets of the Company at its Woven Sacks Division at Silvassa Exclusive charge on the fixed assets of the Woven Sack Division of the

Name of Bank / Financial Institution	Purpose	Nature of Facility	Sanctioned Amount (₹ In Lakhs)	Outstanding as on 31/01/2012 (₹ In Lakhs)	Interest Rate	Monthly / Quarterly Installment (₹ in Lakhs)	Security
							Company except land and building, hypothecated vehicles and equipments under finance 3. First charge by way of equitable mortgage of factory land and building at survey No 117/1 & 117/2 at Silvassa 4. Unconditional and irrevocable Corporate Guarantee of UIC Finance Private Limited 5. Unconditional and irrevocable personal guarantee of Mr. B.L. Jajodia, and Mr. M.K. Jajodia,
ICICI Bank Limited	Working Capital Loan	Cash Credit (In consortium with SBI and IDBI)	2,000.00		13% (sum of ICICI Base Rate and Spread)	N.A.	1. Primary Security - Hypothecation of raw material, work in progress, finished goods, receivables (domestic and export) and all other current assets, present & future on pari - passu basis with other consortium bankers except the current assets of woven sacks division at Silvassa which is already exclusively charged to ICICI Bank Ltd. 2. Collateral Security on pari passu basis - (i). First charge on the entire 1.42 acres of land in the name of UIC Industries Limited and all other plant & machinery and fixed assets in the pin division at Khanyan with all other consortium members on pari - passu basis (Title Deed No. 16819, I - 161, I - 420) (ii). First charge on STDR (No. - 30503302292 & 30503554444) in the name of UIC Udyog Limited with all other consortium members on pari - passu basis (in custody of SBI) (iii). Pari Passu second charge on fixed assets of UIC Udyog Limited at Kalyani, Dist - Nadia, West Bengal
ICICI Bank Limited	Unsecured Loan	Unsecured Loan	500.00	500.00	14% (sum of ICICI Base Rate and Spread)	N.A.	N.A.
DBS Bank Limited	Part Financing Capital Expenditure - Gujarat	Term Loan	4,505.00	4,505.00	LIBOR + 2.85%	563.13	1. Pari passu first charge by way of mortgage on proposed project in Gujarat. 2. Hypothecation of all Plant & Machinery & other movable fixed assets of the project both present & future on pari passu basis with other term lenders. 3. Pari passu second charge on all current assets of the project, both present & future. 4. Personal guarantee of Mr. B.L. Jajodia, Promoter Director (pending security creation in favour of

Name of Bank / Financial Institution	Purpose	Nature of Facility	Sanctioned Amount (₹ In Lakhs)	Outstanding as on 31/01/2012 (₹ In Lakhs)	Interest Rate	Monthly / Quarterly Installment (₹ in Lakhs)	Security
							<i>DBS Bank Limited)</i>
DBS Bank Limited	General Working Capital Requirement	WC Facilities	1,000.00	1,000.00	11.85%	N.A.	1. First pari passu charge over fixed assets of the project. 2. Personal Guarantee of Mr. B.L. Jajodia <i>(security to be created within six months of first drawdown)</i>

Vehicle Loans

Sr. No.	Name of Bank / Financial Institution	Nature of Facility	Sanctioned Amount (₹ In Lakhs)	Outstanding as on 31/01/2012 (₹ In Lakhs)	Monthly / Quarterly Installment (₹ in Lakhs)	Security
1	Tata Capital	Car Loan	5.50	2.93	0.18	Secured by hypothecation of the respective vehicle
2	Tata Capital Market Car	Car Loan	11.00	2.09	0.36	Secured by hypothecation of the respective vehicle
3	Tata Capital	Car Loan	5.00	1.53	0.16	Secured by hypothecation of the respective vehicle
4	Tata Capital	Car Loan	7.00	2.72	0.20	Secured by hypothecation of the respective vehicle
5	Mercedes	Car Loan	74.50	44.82	1.65	Secured by hypothecation of the respective vehicle
6	HDFC Bank	Car Loan	4.50	0.86	0.15	Secured by hypothecation of the respective vehicle
7	HDFC	Car Loan	4.00	0.77	0.13	Secured by hypothecation of the respective vehicle
8	HDFC	Vehicle Loan	10.20	3.58	0.28	Secured by hypothecation of the respective vehicle
9	HDFC	Vehicle Loan	10.20	3.58	0.28	Secured by hypothecation of the respective vehicle
10	HDFC	Vehicle Loan	10.20	3.58	0.28	Secured by hypothecation of the respective vehicle
11	HDFC	Vehicle Loan	10.20	3.58	0.28	Secured by hypothecation of the respective vehicle
12	HDFC	Vehicle Loan	10.20	3.58	0.28	Secured by hypothecation of the respective vehicle
13	HDFC	Vehicle Loan	14.80	5.20	0.40	Secured by hypothecation of the respective vehicle
14	HDFC	Vehicle Loan	14.80	5.20	0.40	Secured by hypothecation of the respective vehicle
15	HDFC	Vehicle Loan	14.80	5.20	0.40	Secured by hypothecation of the respective vehicle
16	HDFC	Vehicle Loan	14.80	5.20	0.40	Secured by hypothecation of the respective vehicle
17	HDFC	Vehicle Loan	14.80	5.20	0.40	Secured by hypothecation of the respective vehicle

SECTION VI: LEGAL AND REGULATORY INFORMATION OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this Draft Red Herring Prospectus, there is no outstanding or pending litigation, suit, criminal or civil prosecution, proceeding initiated for offence (irrespective of whether specified in paragraph (I) of Part I of Schedule XIII of the Companies Act) or litigation for tax liabilities against our Company, our Directors or our Promoters or companies promoted by our Promoters and there are no defaults to banks /financial institutions, non-payment of or overdue statutory dues, or dues towards holders of any debentures, bonds and fixed deposits and arrears of preference shares, other unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Promoters or Directors. Further, except as stated in this Draft Red Herring Prospectus, there are no past cases in which penalties have been imposed on our Company or our Promoters, Directors or companies promoted by our Promoters by concerned authorities, and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Further, except as stated herein, there are no cases of litigations, defaults, etc. in respect of companies/firms/ventures with which our Promoters were associated in the past but are no longer associated, in respect of which the name(s) of our Promoters continues to be associated with those litigation(s).

This section has been divided into seven parts:

Part 1: Contingent Liabilities of our Company

Part 2: Litigation relating to our Company

Part 3: Litigation against or by Directors of our Company

Part 4: Litigation relating to our Promoters and Group Companies

Part 5: Other disclosures

Part 6: Amounts owed to Small Scale Undertakings and other Creditors

Part 7: Material Developments

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

As on September 30, 2011, the Contingent Liabilities not provided for, are as follows

(₹ in lakhs)		
Sr. No.	Particulars	As at September 30, 2011
1	Bank Guarantees given by the Company's Bankers	809.38
2	Letters of Credit issued by the Company's Bankers	1,499.41
3	Estimated amount of contracts remaining to be executed on Capital account and not provided for in the books	3,122.66
4	Claims not acknowledged as debts	
5	Sales tax liability against which the Company has preferred appeals	29.15
6	Excise Duty demand including Interest & Penalty against which the Company has preferred appeals	54.93
	Total	5,515.53

PART 2: LITIGATION RELATING TO OUR COMPANY

A) FILED AGAINST OUR COMPANY

1. Litigation involving Civil Laws: NIL
2. Litigation involving Criminal Laws: NIL
3. Litigation involving Securities and Economic Laws: NIL
4. Litigation involving Statutory Laws: NIL
5. Litigation involving Direct Tax Laws: : NIL
6. Litigations involving Indirect Tax Laws: NIL

B) PREFERRED BY OUR COMPANY

1. Litigation involving Civil Laws: NIL
2. Litigation involving Criminal Laws: NIL
3. Litigation involving Securities and Economic Laws: NIL
4. Litigation involving Statutory Laws: NIL
5. Litigation involving Direct Tax Laws: NIL
6. Litigation involving Indirect Tax Laws:

Appeals Preferred By Our Company Under Indirect Tax Laws

a) Revision Case No. 1143 of 2009-10 Filed at West Bengal Commercial Taxes Appellate and Revision Board.

The Assessing Officer (D.C.S.T./C.D) in case no. 10/CD-2006/Central/08-09 relating to financial year 2005-06 raised a demand of ₹29,14,992 vide order dated November 14, 2008 after assessment under Central Sales Tax Act, 1956. Against the above assessment order the Company filed an Appeal before the Additional Commissioner, Commercial Taxes, West Bengal. The said appeal was disposed off by an ex-parte order dated October 13, 2009 against the Company. Our Company filed revision case before the West Bengal Commercial Taxes Appellate and Revisional Board on January 28, 2010 against the said ex-parte order. The appeal is under hearing at Revision Board. The next date of hearing is fixed for April 05, 2012.

Amount Involved: ₹29,14,992

b) Appeal filed with Commissioner of Central Excise (Appeals), Kolkata-IV

Asstt. Commissioner of Central Excise vide its Order no. 16/Demand/CGR-II/09 dated December 30, 2009 (issued on December 31, 2009) confirmed the demand of ₹2,65,138 under rule 14 of the Cenvat Credit Rules, 2004 read with section 11A of the Central Excise Act, 1944 and ordered to adjust the amount of ₹2,63,643 deposited by the Company voluntarily towards the said demand. He also imposed equal amount of penalty of ₹2,65,138 under section 11AC of the Act read with Rule 15(2) of the Rules, for availing the Cenvat Credit on inputs wrongly. Aggrieved by the said order, the Company filed an Appeal on February 26, 2010 before the Commissioner of Central Excise (Appeals), Kolkata-IV praying therein to set aside the above order passed by the Asstt. Commissioner of Central Excise with consequential relief to the Company. The Company has also filed a Petition for stay along with the said appeal on February 26, 2010 before the Commissioner of Central Excise (Appeals), Kolkata-IV praying therein that an unconditional stay may kindly be granted before the appeal is finally decided. No date for hearing has been fixed as yet.

Amount Involved: ₹2,66,633 inclusive of penalty.

c) Appeal (No. XAP-62/KOL-III/10) filed with Commissioner (Appeals), Central Excise, Kolkata-I

Additional Commissioner of Central Excise vide its Order No. 06/Addl. Commr./CE/KOL-III/2010-11 dated June 17, 2010 disallowed the Cenvat Credit availed by the Company to the tune of ₹25,94,880 and order for recovery of the said amount in terms of Rule 14 of the Cenvat Credit Rules, 2004 read with proviso to section 11A(1) of the Central Excise Act, 1944. He also imposed equal amount of penalty of ₹25,94,880 under Rule 15(2) of the Rules read with section 11AC of the Act for availing the Cenvat Credit wrongly. Aggrieved by the said Order, the Company filed an Appeal on August 10, 2010 before the Commissioner (Appeals), Central Excise, Kolkata-I praying therein to kindly set aside the above order passed by the Additional Commissioner of Central Excise with consequential relief to the Company. The Company also filed a petition on August 10, 2010 for stay alongwith the said appeal before the Commissioner (Appeals), Central Excise,

Kolkata-I praying therein that an unconditional stay may kindly be granted before the appeal is finally decided. In the last hearing on January 31, 2012, the Company had sought adjournment. No further date has been fixed for hearing thereafter.
Amount Involved: ₹51,89,760 and interest.

d) Appeal (No. E/606/11) filed with Custom, Excise and Service Tax Appellate Tribunal, EZB, Kolkata-III

Asstt. Commissioner of Central Excise vide its Order no. 03/AC-KLY/2010-11 dated July 7, 2010 confirmed the demand of differential duty to the tune of ₹28,391. It was stated by the Commissioner that the assessee after clearing excisable goods for export without payment of duty on June 24, 2009 had diverted those goods partially for home consumption making him liable to differential duty to the tune of ₹28,391. He also imposed a penalty to the tune of ₹10,000 under Rule 25(1) of the Central Excise Rules, 2002. Aggrieved by the said Order, the Company filed an Appeal dated September 06, 2010 before the Commissioner (Appeals), Central Excise, Kolkata-I praying therein to set aside the above order passed by the Asstt. Commissioner of Central Excise. The said appeal was rejected by the Commissioner (Appeals) vide its Order no. 149/Kol-III/2011 dated April 04, 2011. Aggrieved by such rejection order, the Company filed an Appeal on July 06, 2011 before the Hon'ble CESTAT, Kolkata praying therein to set aside the rejection order passed by Commissioner (Appeals) with consequential relief to the Company. The Company has also filed a Petition on July 06, 2011 for stay along with the said Appeal before CESTAT, Kolkata praying therein that an unconditional stay may kindly be granted before the appeal is finally decided. The stay has been allowed by CESTAT vide order No. S-298/Kol/2011 dated October 21, 2011. No date has been fixed for hearing thereafter.

Amount Involved: ₹38,391 (inclusive of penalty) and interest.

PART 3: LITIGATIONS RELATING TO DIRECTORS OF OUR COMPANY

Litigation Against the Directors of our Company:

There are no pending litigations, defaults, non payment of statutory dues, proceedings initiated for economic offences/ civil offences (including the past cases), any disciplinary action taken by the SEBI / stock exchanges against our Company's directors.

Litigations Preferred By the Directors of our Company: Nil

PART 4: LITIGATIONS RELATING TO OUR PROMOTERS AND GROUP COMPANIES

a) OUR PROMOTERS

Litigation Against our Promoters:

There are no pending litigations, defaults, non payment of statutory dues, proceedings initiated for economic offences/ civil offences (including the past cases). Further, no disciplinary action was taken by the SEBI/ stock exchanges against the promoters and their other business ventures (irrespective of the fact whether they are companies under the same management with the Issuer Company as per section 370 (1B) of the Companies Act, 1956).

Litigations Preferred by our Promoters: Nil

b) OUR GROUP COMPANIES

A) Filed against our Group Companies

1. Litigation involving Civil Laws: NIL
2. Litigation involving Criminal Laws: NIL
3. Litigation involving Securities and Economic Laws: NIL
4. Litigation involving Statutory Laws: NIL
5. Litigation involving Direct Tax Laws:

Direct Tax Proceedings against our Group Companies

a) Appeal Preferred by the Income Tax Department Against Alishan Steels Private Limited

The Deputy Commissioner of Income Tax, Circle-8, Kolkata has issued a notice of demand of ₹26,06,379 under section 156 of the Income Tax Act, 1961 in terms of Assessment Order dated December 26, 2008 under section 143(3) of the Income Tax Act, 1961, in respect of the Assessment Year 2006-07. In response to the Order the Company preferred an Appeal under the Income Tax Act, 1961 before the Commissioner of Income Tax (Appeals) – VIII, Kolkata, on January 21, 2009. The CIT(A)-VIII vide its order dated June 18, 2010 deleted the entire additions made by the A.O. Against the said order of CIT(A)-VIII, the department has moved to the Income Tax Appellate Tribunal. The date of hearing has been fixed for March 23, 2012.

Amount involved: ₹26,06,379

b) Appeal Preferred by the Income Tax Department Against Alishan Steels Private Limited

The Deputy Commissioner of Income Tax, Circle-8, Kolkata has issued a notice of demand of ₹1,91,68,870 under section 156 of the Income Tax Act, 1961 in terms of Assessment Order dated December 31, 2009 under section 147/144 of the Income Tax Act, 1961, in respect of the Assessment Year 2007-08. In response to the Order the Company preferred an Appeal under the Income Tax Act, 1961 before the Commissioner of Income Tax (Appeals) – VIII, Kolkata, on January 27, 2010. The CIT(A)-VIII vide its order dated June 18, 2010 confirmed an addition of only 4,05,756/- and deleted the other additions made by the A.O. Against the said order of CIT(A)-VIII, the department has moved to the Income Tax Appellate Tribunal. The date of hearing has been fixed for March 23, 2012.

Amount involved: ₹1,91,68,870

6. Litigation involving Indirect Tax Laws:

Demand Notices Issued to Our Group Companies Under Indirect Tax Laws:

a) Reply filed by Alishan Steels Private Limited against Show Cause cum Demand Notice from Central Excise Authorities

A show cause cum demand notice number 35/ADC/BOL/11 dated March 16, 2011 was issued to the Company by the Additional Commissioner of Central Excise & Service Tax, Bolpur Commissionerate. In the said show cause cum demand notice it was alleged that there is a mismatch between the figures of manufacturing sales as reported in ER-1 with the audited balance sheet for the financial year 2006-07 and it demanded an amount of ₹17,88,811 as differential Excise duty including the relevant cess along with interest at appropriate rate and penalty under the provisions of Central Excise Act, 1944. Against such show cause cum demand notice the Company filed its reply on September 07, 2011 and a further rejoinder to the reply on September 15, 2011 against the stand taken by the department and requested the authorities to drop the proceedings. The Company has not heard anything from the department after filing of the aforesaid reply.

Amount involved: ₹17,88,811 along with interest and penalty.

b) Notice of Demand issued to Alishan Steels Private Limited under Section 9 of the Central Sales Tax Act, 1956 read with section 46, 48, 50, 51, 53A of the West Bengal Value Added Tax Act, 2003

The Commercial Tax Officer, Ezra Street Charge, passed the Assessment Order on July 5, 2011 in Case no. 2008-09/53/08/C/10, under CST Act, 1956 read with WB VAT Act, 2003 for the financial year 2008-09 and raised a nil demand and penalty of ₹3,000 for late submission of CST Return for quarter ended September 2008. The date of payment was fixed as July 28, 2011.

c) Notice of Demand issued to Rampurhat PSC Sleepers Private Limited under section 46 of the W.B. VAT Act, 2003

The Deputy Commissioner, Commercial Taxes, Central Audit Unit, passed the Assessment Order on December 19, 2011 in Case no. 2008-09/92/09/V/13, under WB VAT Act, 2003 for the financial year 2008-09 and raised a total demand of ₹1,46,13,433 on the Company, including Purchase Tax, Late Fee, Interest and Penalty. The Company is directed to pay on or before March 19, 2012. The company is in process of filing the appeal with appropriate authorities

d) Notice of Demand issued to Rampurhat PSC Sleepers Private Limited under section 9 of the Central Sales Tax Act, 1956

The Deputy Commissioner, Commercial Taxes, Central Audit Unit, passed the Assessment Order on December 19, 2011 in Case no. 2008-09/92/09/C/13, under CST Act, 1956 for the financial year 2008-09 and raised a demand of ₹4,84,788 on the Company, including late fee, interest and penalty. The Company is directed to pay on or before March 19, 2012. The company is in process of filing the appeal with appropriate authorities

e) Notice of Demand issued to UIC Infrastructure India Private Limited under West Bengal VAT Act, 2003

The Commercial Tax Officer, Ezra Street Charge raised a demand notice on July 27, 2011 amounting to ₹1,20,979 under VAT and Rs Nil under CST as per assessment for the financial year 2008-09. However, no reasoned order was enclosed with the demand notice, to enable the company to understand how the demand arose. We submitted a letter on August 12, 2011 requesting for a copy of the order and again on December 8, 2011 for the same. However, till date we have not received the copy of the order and in the absence of the order we have not filed any appeal for the same.

f) Notice of Demand issued to UIC Industries Limited under West Bengal VAT Act, 2003

The Commercial Tax Officer, Ezra Street Charge raised a demand notice on July 26, 2011 amounting to ₹20,616 under VAT and Rs Nil under CST as per assessment for the financial year 2008-09. However, no reasoned order was enclosed with the demand notice, to enable the company to understand how the demand arose. We submitted a letter on August 16, 2011 requesting for a copy of the order and again on December 8, 2011 for the same. However, till date we have not received the copy of the order and in the absence of the order we have not filed any appeal for the same.

B) Preferred by our Group Companies:

1. Litigation involving Civil Laws: NIL
2. Litigation involving Criminal Laws: NIL
3. Litigation involving Securities and Economic Laws: NIL
4. Litigation involving Statutory Laws: NIL
5. Litigation involving Direct Tax Laws:

Appeal Preferred by our Group Company under Direct Tax Laws

a) Appeal Preferred by Anisha Estate & Finance Private Limited against notice of demand issued under Section 156 of the Income Tax Act, 1961

The Joint Commissioner of Income Tax (OSD), Circle-8, Kolkata has issued a notice of demand of ₹35,70,120 under section 156 of the Income Tax Act, 1961 in terms of Assessment Order dated November 21, 2011 under section 143(3) of the Income Tax Act, 1961, in respect of the Assessment Year 2009-10. In response to the Order the Company preferred an Appeal under the Income Tax Act, 1961 before the Commissioner (Appeals), CIT(A)- VIII/ KOL, on December 22, 2011. No date for hearing has been fixed as yet.

Amount involved: ₹35,70,120

Litigation involving Indirect Tax Laws:

6. Litigation involving Indirect Tax Laws:

Appeals Preferred By Our Group Companies under Indirect Tax Laws:

• Appeals filed under Finance Act, 1994

a) Appeal Preferred by Alishan Steels Private Limited against the Demand of Service Tax

An order-in-original number 11/Commr /ST/BOL /11 dated March 03, 2011 was passed by Commissioner of Central Excise & Service Tax, Bolpur, against the Company alleging non payment/short payment of Service Tax during the financial year 2005-06 to financial year 2007-08 confirming the following demands:

- i). Service Tax (Including E. Cess and SHE Cess) to the tune of ₹50,16,133
- ii). Interest u/s 75 subject to a maximum of service tax payable amounting to ₹50,16,133.
- iii). Interest of ₹2,85,230 u/s 75 for delayed payment of service tax.

- iv). Penalty @ ₹200 per day or 2% of Service tax per month whichever is higher, subject to the maximum of service tax payable amounting to ₹50,16,133.
- v). Penalty of ₹3,87,400 for delayed payment of service tax.
- vi). Further penalty of ₹50,16,133 on the Company.

Against the said order the Company filed an Appeal before the Customs, Excise and Service Tax Appellate Tribunal on June 20, 2011 praying therein to set aside the said Order-in-Original with consequential relief to the Company. No date for hearing has been fixed as yet..

Amount involved: ₹2,07,37,162 (inclusive of interest and penalty)

- **Appeals filed under West Bengal VAT Act, 2003**

a) Preferred by Anisha Estate & Finance Private Limited

The Deputy Commissioner, Commercial Taxes, Park Street, passed the Assessment Order dated June 09, 2010 in case no. 2007-08/43/06/V/103, under WB VAT Act, 2003 for the financial year 2007-08 and raised a demand of ₹1,75,55,605 on the Company on account of disallowance of Input Tax Credit. In response to such order the Company preferred an Appeal on September 13, 2010 before the Joint Commissioner, Kolkata South Circle, stating therein that the Deputy Commissioner, Commercial Taxes has erred in disallowing Input Tax Credit on trading goods amounting to ₹1,75,59,612 without giving any opportunity to the Company to submit the relevant documents/records. The appeal was quashed by the Joint Commissioner vide its order dated December 2, 2011. Against this order, the Company has filed a revision petition with the West Bengal Appellate & Revisional Board on January 20, 2012. No date for hearing has been fixed so far by the Board as yet.

Amount Involved: ₹1,75,55,605

b) Preferred by Rampurhat PSC Sleepers Limited

The Sales Tax Officer, Bhowanipore, vide his Order dated November 24, 2008 raised a demand of ₹71,49,573 in respect of quarter ended March 2006 under WB VAT Act, 2003 in case no. 98(F)-08-09. In response to the Order the Company filed an Appeal under the West Bengal Value Added Tax Rules, 2005 on March 26, 2009 before the Joint Commissioner, Sales Tax, Kolkata South Circle, stating therein that the Sales Tax Officer, Bhowanipore disallowed the Input Tax Credit for purchase of raw materials and consumable stores to the extent of ₹16,44,646 inspite of submitting Stock Register, Tax Invoices etc. However the Joint Commissioner, Sales Tax vide its exparte Order dated June 25, 2010 disposed off the appeal and confirmed the demand raised by the Sales Tax Officer. Against such exparte Order the Company filed further Appeal under the said Rules for Revision with the Commissioner of Sales Tax on January 24, 2011. No date for hearing has been fixed by the Board as yet.

Amount Involved: ₹71,49,573 along with Interest.

c) Preferred by Rampurhat PSC Sleepers Limited

The Deputy Commissioner, Bhowanipore, passed Assessment Order on June 23, 2010 in Case no. 2007-08/41/06/V/58 for the financial year 2007-08 under WB VAT Act, 2003 and raised a demand of ₹1,21,37,004 on the Company. In response to the Order the Company preferred an Appeal under the West Bengal Value Added Tax Rules, 2005 before the Joint Commissioner, Kolkata South Circle, on September 13, 2010 stating therein that the Deputy Commissioner, Bhowanipore, has erred in disallowing Input Tax Credit on trading goods amounting to ₹1,15,78,692 & ₹2,22,164 on stone chips without giving any opportunity to the Company to submit the relevant documents/records. The appeal was quashed by the Joint Commissioner vide its order dated October 31, 2011. Against this order, the Company has filed two revision petitions i.e. WB VAT & CST with the Revisional Board on January 24, 2012. No date for hearing has been fixed by the Board as yet.

Amount Involved: ₹1,21,37,004.

d) Preferred by Alishan Steels Private Limited (formerly Glass House Developers Private Limited)

The Sales Tax Officer, BS Charge passed Assessment Order on November 11, 2008 for the quarter ended March 2006 under WB VAT Act, 2003 in Case No. 18(F)/ 2007-08 and raised a demand of ₹56,42,315 on the Company. In response to the Order the Company preferred an Appeal on February 19, 2009 under the West Bengal Value Added Tax Rules, 2005, before the Assistant Commissioner, Commercial Taxes, Kolkata North Circle. The Appellate Authority vide its Order dated May 31, 2010 reduced the amount of aforesaid demand to ₹14,370. The Company is awaiting notice from the department for making payment of this amount.

Amount Involved: ₹14,370 including penalty.

e) Preferred by Alishan Steels Private Limited (formerly Glass House Developers Private Limited)

The Deputy Commissioner Sales Tax, Bowbazar Charge, passed Assessment Order on June 30, 2009 for the quarter ended March 2007 under WB VAT Act, 2003 in Case no. 185(H)/2008-09 and raised a demand of ₹2,52,664 on the Company. In response to the Order the Company preferred an Appeal under the West Bengal Value Added Tax Rules, 2005 on December 03, 2009 before the Joint Commissioner, Sales Tax Dharamtalla Circle. The Appellate Authority vide its order (Consolidated order for VAT & CST) dated December 16, 2010 quashed the appeal. However since the company has preferred revision petition under CST Act, 1956 the demand Notice of VAT is also kept in abeyance and will be issued by the department after the CST revision petition is decided

Amount Involved: ₹2,52,664

f) Preferred by Alishan Steels Private Limited (formerly Glass House Developers Private Limited)

The Commercial Tax Officer, Bowbazar Charge, passed Assessment Order on May 27, 2010 for the quarter ended March 2008 under WB VAT Act, 2003 in Case No. 2007-2008/53/08/V/61 and raised a demand of ₹1,96,95,763 on the Company. In response to the Order the Company preferred an Appeal on August 13, 2010 under the West Bengal Value Added Tax Rules, 2005 before the Joint Commissioner, Sales Tax Dharamtalla Circle. The hearing of the appeal has been completed and order is awaited

Amount Involved: ₹1,96,95,763

g) Preferred by Alishan Steels Private Limited (formerly Glass House Developers Private Limited)

The Commercial Tax Officer, Ezra Street Charge, passed Assessment Order on July 05, 2011 for the quarter ended March 2009 under WB VAT Act, 2003 in Case No. 2008-2009/53/08/V/11 and raised a demand of ₹41,28,851 on the Company. In response to the Order the Company preferred an Appeal on August 10, 2011 to the Joint Commissioner, Sales Tax Dharamtalla Circle. The next date of hearing is fixed for April 5, 2012

Amount Involved: ₹41,28,851.

• **Appeals filed under Central Sales Tax Act, 1956**

a) Preferred by Rampurhat PSC Sleepers Private Limited

The Sales Tax Officer, Bhowanipore Charge, passed Assessment Order on November 24, 2008 for the quarter ended March 2006 under CST Act, 1956 in Case no. 94 (F)/2009-09 and raised a demand of ₹7,35,391 on the Company. In response to the Order the Company preferred an Appeal under the CST Act, 1956 on March 26, 2009 before the Joint Commissioner Sales Tax, Kolkata, stating therein that the Sales Tax Officer, Bhowanipore has not given any opportunity to the Company to submit the requisite "D" Forms from the Department of Railway. The Joint Commissioner, Sales Tax vide its exparte order dated 25/06/2010 disposed off the appeal and confirmed the demand raised by the Sales Tax Officer, Bhowanipore. Against such exparte Order the Company filed further Appeal for Revision with the Commissioner of Sales Tax on January 24, 2011. No date for hearing has been fixed by the Board as yet.

Amount Involved: ₹7,35,391 along with interest.

b) Preferred by Alishan Steels Private Limited (formerly Glass House Developers Private Limited)

The Sales Tax Officer, BS Charge, passed the Assessment Order on November 11, 2008 for the quarter ended March 2006 under CST Act, 1956 in Case No. 77(F)/2008-2009 and raised a demand of ₹12,92,826 on the Company. In response to the Order the Company preferred an Appeal on February 19, 2009 before the Asst. Commissioner, Commercial Taxes, Kolkata North Circle. The Joint Commissioner, Sales Tax, Kolkata North Circle vide its order dated May 31, 2010 reduced the amount of aforesaid demand to ₹38,239. The Company is awaiting notice from the department for making payment of this amount.

Amount involved: ₹38,239 including penalty

c) Preferred by Alishan Steels Private Limited (formerly Glass Developers Private Limited)

The Deputy Commissioner Sales Tax, Bowbazar Charge passed the assessment order dated 30/06/2009 for the financial year 2006-07 under CST Act, 1956 in Case no. 135(H)/2008-2009 and made the demand of ₹1,98,682 on the Company. In

response to the Order the Company preferred an Appeal before the Joint Commissioner, Sales Tax, Dharamtalla Circle on December 3, 2009. The appellate authority vide its order dated December 16, 2010 allowed certain claim following submission of certain forms. In response to the said order of appellate authority the Company has filed revision petition before West Bengal Commercial Taxes Appellate & Revisional Board. No date for hearing has been fixed by the Board as yet.

Amount involved: ₹1,98,682

- **Appeals filed under Central Excise Act, 1944**

a) Preferred by Rampurhat PSC Sleepers Private Limited

A show cause cum demand notice no. C.No. II (8)73/AE/CE/BOL/08/59 dated April 02, 2009 was issued to the Company by the Joint Commissioner of Central Excise, Bolpur Commissionerate. In the said show cause notice it has been alleged that the Company had wrongly taken Cenvat Credit amounting to ₹10,59,168 which was liable to be demanded and recovered from the Company under Rule 14 of the Cenvat Credit Rules, 2004, read with section 11A (1) of the Central Excise Act, 1944 along with interest u/s 11AB and penalty u/s 11Ac of the Central Excise Act, 1944. The Company submitted its reply on October 20, 2009 in response to such show cause notice praying therein to drop the proceeding and provide an opportunity of being heard. Thereafter, the Company received the Order-in-Original no. 19/JC/BOL/2010 dated March 25, 2010 passed by the Joint Commissioner of Central Excise, Bolpur confirming the demand of ₹10,59,168 and penalty of same amount along with interest at the appropriate rate under the provisions of Cenvat Credit Rules and Central Excise Act. Aggrieved by the said order, the Company filed an Appeal before the Commissioner of Central Excise (Appeals-IV), Kolkata on June 10, 2010 praying therein to set aside the above order passed by the Joint Commissioner of Central Excise with consequential relief to the Company. The company also filed a Stay Petition along with the said Appeal before the Commissioner of Central Excise praying therein that an unconditional stay may kindly be granted before the appeal is finally decided. Further the Company has filed a Miscellaneous Application before the Commissioner of Central Excise for condoning delay of 13 days in filing the appeal petition. In the last hearing on January 12, 2012, the Company had sought adjournment. No further date has been fixed for hearing thereafter.

Amount involved: ₹10,59,168 plus penalty of the ₹10,59,168 and interest..

b) Preferred by Alishan Steels Private Limited (formerly Glass House Developers Private Limited)

An order-in-original number 16/AC //DGP-III/2007-08 dated February 29, 2008 was passed by Assistant Commissioner of Central Excise, Durgapur-III Division, against the Company confirming the demand of ₹4,65,039 along with interest at appropriate rate and penalty of a same amount, under the provisions of Central Excise Act, 1944 alleging shortage in physical stock. Against such order the Company filed an Appeal with the Commissioner (Appeals), Central Excise, Kolkata-IV. The Commissioner (Appeals), Central Excise vide its order dated December 22, 2008 dismissed the said Appeal being devoid of merits. Against such order the Company filed an Appeal with the CESTAT, Kolkata in March 2009, along with the application for Stay on the impugned order passed by the Commissioner (Appeals) and waiver of penalty and interest. The Company had made payment of ₹4,65,039 vide two cheques dated March 19 & March 26, 2007. No date for hearing has been fixed as yet.

Amount involved: ₹4,65,039 plus penalty of ₹4,65,039 on the Company and its Director.

c) Preferred by Alishan Steels Private Limited (formerly Glass House Developers Private Limited)

An order-in-original number 16/JC /BOL/09 dated February 23, 2009 was passed by the Joint Commissioner of Central Excise, Bolpur against the Company confirming the demand of ₹17,67,822 along with penalty of the same amount on the Company as well as its Director under the provisions of Central Excise Act, 1944, alleging clandestine removal of goods leading to evasion of duty. Against this order the Company filed an Appeal with the Commissioner of Central Excise (Appeal-IV), Kolkata. The Commissioner (Appeals-IV) vide its order-in-appeal no. 48-49/BOL/10 dated March 25, 2010 disposed off the Appeal as barred by limitation and not maintainable. Against the Order the Company filed an Appeal with the CESTAT, Kolkata on June 20, 2010 along with the application for Stay u/s 35F of Central Excise Act, 1944 on the operation of the impugned order-in-original/order-in-appeal passed by the Commissioner (Appeals) and waiver of pre-deposit of central excise duty of ₹1,26,328 and penalty thereon since the balance amount of Rs.16,41,494 out of the total demand of ₹17,67,822 and penalty of 25% on ₹16,41,494 was paid. No date for hearing has been fixed as yet.

Amount involved: ₹17,67,822 plus penalty of ₹17,67,822 on the Company and its Director.

d) Preferred by Alishan Steels Private Limited (formerly Glass House Developers Private Limited)

An order-in-original number 54/JC /BOL/2010 dated July 26, 2010 was passed by the Joint Commissioner, Central Excise, Bolpur, against the Company confirming the demand of ₹9,53,612 as well as penalty of same amount under Rule 14 of Cenvat Credit Rules, 2004 read with the provisions of Central Excise Act, 1944, alleging wrong availment of cenvat credit on capital goods and inputs. Against this Order the Company filed an Appeal u/s 35 of the Central Excise Act, 1944 on September 23, 2010 with the Commissioner of Central Excise (Appeal-IV), Kolkata along with the Application for Stay u/s 35F of the Act. No date for hearing has been fixed as yet.

Amount involved: ₹9,53,612 plus penalty of ₹9,53,612 and interest.

ARBITRATION PROCEEDINGS INVOLVING OUR GROUP COMPANY

Arbitration Cases involving Rampurhat PSC Sleepers Private Limited in respect of Contracts with Railway Authorities

- a) The company has entered into a Contract No. CS-160 with Eastern Railways for manufacture and supply of 4,00,000 mono-block pre-stressed concrete sleepers. The manufacturing at Company's plant was heavily disrupted because of shortage of space and non-supply of cement by Ambuja Cement Limited, the authorized supplier. Consequently the Company was unable to fulfill its obligations under the contract. The Railway Authorities vide their letter dated August 30, 2010 levied liquidated damages of ₹79,51,260 on the Company in terms of the Tender No. CS-160. Against such order the Company filed an application under section 9 of the Arbitration & Conciliation Act, 1996 with the Hon'ble High Court at Calcutta being A.P. No. 513/2010 on September 6, 2010. The Hon'ble Justice I.P.Mukherjee vide its order dated September 15, 2010 directed the Railways not to deduct any money if the Company provides Bank Guarantee for similar amount and further directed the Railways not to encash the guarantee without the consent of the Arbitrator of the Court. Aggrieved by the order passed by Justice I.P.Mukherjee, the Company filed a further Appeal being A.P.O. No. 27/2011 praying for Stay on the said Order. However, the Company provided Bank Guarantee in terms of the aforesaid Order. Hon'ble Justice Kalyan Jyoti Sengupta and Asim Kumar Ray vide Order dated January 13, 2011 gave interim relief by asking to file paper book and ordering Railways to release any withheld money. The case was thus disposed off. Subsequently, the Railway Authorities appointed Mr. J.M. Garg as sole arbitrator for this case to start the proceeding as per 2900(f) of IRS condition of the said contract but proceeding has not yet started.

Amount involved: ₹79,51,260

- b) The Company entered into a Contract No. CS-156 with Eastern Railways for manufacture and supply of pre-stressed concrete sleepers. However, the Company failed to supply the agreed balance quantity of 48178 sleepers within the stipulated time for which the Eastern Railways directed deduction of liquidated damages amounting to ₹34,41,403 vide its letter dated September 24, 2010. Against such letter the Company filed an Appeal with the High Court at Delhi. The Hon'ble High Court of Delhi passed an unfavorable Order against which the Company filed a Special Leave Petition 27394-27397 of 2010 with the Hon'ble Supreme Court of India. The Supreme Court of India dismissed the petition vide its Order dated November 14, 2011 as withdrawn with liberty to the petitioner to invoke the Arbitration Clause of the contracts. The Company is yet to invoke the arbitration clause of the Contract.

Amount involved: ₹34,41,403

- c) The Company entered into a Contract No. CS-152 with Eastern Railways for manufacture and supply of 1,30,000 mono-block pre-stressed mono block concrete sleepers by March 31, 2005. However, the Company failed to supply the agreed quantity of sleepers within the stipulated time for which the Railway Board directed deduction of liquidated damages amounting to ₹42,15,639 vide letter dated October 30, 2006. The Company vide its letter dated October 27, 2009 to the ED, Track (MOD), The Railway Board invoked the Arbitration Clause in terms of the agreement dated March 25, 2003 entered into with the Railway Authority. The Railways appointed Mr. Sujit Kumar Saha as the Sole Arbitrator. The Company vide its letter dated December 13, 2010 requested the Arbitrator to fix up the date of hearing. The Arbitration Case number is W.520/2/3/12/RPH/C- Volume. II. No progress has been made till now.

Amount involved: ₹42,15,639

PART 5: OTHER DISCLOSURES

Our promoters, their relatives (as per Companies Act, 1956), issuer, group companies, associate companies are not declared as willful defaulters by RBI/ government authorities and there are no violations of securities laws committed by them in the past or pending against them.

Our Company, promoters, directors or any of our Company's Associates or Group companies or other ventures of the promoters and companies with which the directors of our Company are associated as directors or promoters have not been prohibited from accessing the capital markets under any order or direction passed by SEBI and no penalty has been imposed at any time by any of the regulators in India or abroad.

PART 6: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

Based on the information available with our Company, there are no suppliers to our Company who are registered under the Micro, Small Scale and Medium Enterprises Development Act, 2006 as at September 30, 2011 and having a balance of more than ₹1,00,000 and pending for more than 30 days except M/s B.P.Engineers & Electronics Private Limited and M/s Coro Chem.

PART 7: MATERIAL DEVELOPMENT

Material Developments since the Last Balance Sheet Date i.e., September 30, 2011:

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last audited financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or value of assets or our ability to pay material liabilities within the next twelve (12) months.

GOVERNMENT AND OTHER APPROVALS

The approvals and licenses received by our Company from government/other authorities listed below enable us to carry out our present business activities. Unless otherwise stated hereinbelow, these approvals are valid and subsisting as on the date of this Draft Red Herring Prospectus. It must, however, be distinctly understood that in granting the above approvals, the Government and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed.

Our Company is required to obtain various statutory and regulatory licenses / approvals from the Central and State authorities for the purposes of its business. The approvals obtained by our Company are arranged in the following order:

Approvals related to the Issue

1. In Principle approval dated [●] from the NSE.
2. In Principle approval dated [●] from the BSE.

1. Under the Companies Act, 1956

Sr. No.	Date of approval	Authority granting approval	Registration No. / CIN	Applicable law	Nature of approval
1	December 21, 1995	Registrar of Companies, West Bengal	21-76114	Companies Act, 1956	Certificate of Incorporation as UIC Wires Limited
2	February 1, 1996	Registrar of Companies, West Bengal	21-76114	Companies Act, 1956	Certificate of Commencement of business
3	March 30, 2007	Registrar of Companies, West Bengal	U27109WB1995PLC076114	Companies Act, 1956	Certificate of Registration of the Special Resolution confirming alteration of Object Clause.
4	April 16, 2007	Registrar of Companies, West Bengal	U27109WB1995PLC076114	Companies Act, 1956	Fresh Certificate of Incorporation Consequent upon its Name change as UIC Udyog Limited

2. Under Direct & Indirect Tax Laws

Sr. No.	Date of approval	Authority granting approval	Approval/ Regn. No.	Applicable law	Nature of approval	Valid Upto
1	-	Income Tax Department	PAN No. AAACU3431C	Income Tax Act, 1961	Allotment of Permanent Account Number (PAN)	Valid until Cancelled
2	-	Income Tax Department	TAN No. CALU01985E	Income Tax Act, 1961	Allotment of Tax Deduction Account Number (TAN)	Valid until Cancelled
3	June 08, 1998	Profession Tax Officer, Calcutta North Range	RCN2585219	West Bengal State Tax on Professions, Trades, Callings & Employments Act, 1979	Certificate of Registration	Valid until Cancelled
4	June 08, 1998	Profession Tax Officer, Calcutta North Range	ECN2108046	West Bengal State Tax on Professions, Trades, Callings & Employments Act, 1979	Certificate of Enrolment*	Valid until Cancelled
5	November 23, 2007	Asstt. Commissioner of Value Added Tax, Dadra & Nagar Haveli, Silvassa	26002001094	Dadra & Nagar Haveli Value Added Tax Regulation, 2005	Certificate of Registration for unit located at Plot No. 117-1 & 117-2, Agarwal Industrial Estate, Wagdhara-Dungra Road, Village	Valid until Cancelled

Sr. No.	Date of approval	Authority granting approval	Approval/ Regn. No.	Applicable law	Nature of approval	Valid Upto
6	November 23, 2007	Assistant Commissioner VAT, Dadra & Nagar Haveli, Silvassa.	DNH/CST/M/1095	Central Sales Tax Act, 1956	Dadra Certificate of Registration for unit located at Plot No. 117-1 & 117-2, Agarwal Industrial Estate, Wagdhara-Dungra Road, Village Dadra	Valid until Cancelled
7	February 3, 2010	Assistant Commissioner VAT, Dadra & Nagar Haveli, Silvassa	ADM/DNH/EXEMPT/CST /2010/2596	Central Sales Tax Act, 1956	Certificate of exemption from payment of CST with respect to 'Woven Sacks & Fabrics' manufactured at unit located at Plot No. 117-1 & 117-2, Agarwal Industrial Estate, Wagdhara-Dungra Road, Village Dadra	December 31,2017
8	December 16, 2009	Superintendent (Registration) Service Tax Division- II	AAACU3431CSD006 <i>(in lieu of old no. AAACU3431CST001 issued on June 19, 2006)</i>	Finance Act, 1994 & Service Tax Rules, 1994	Certificate of Registration for Khanyan unit.	Valid until Cancelled
9	December 16, 2009	Superintendent (Registration) Service Tax Division- II	AAACU3431CSD005 <i>(in lieu of old no. AAACU3431CST002 issued on June 19, 2006)</i>	Finance Act, 1994 & Service Tax Rules, 1994	Certificate of Registration for Kalyani unit.	Valid until Cancelled
10	June 5, 2008	Assistant Commissioner, Central Excise & Customs, Division-1, Silvassa	AAACU3431CST004	Finance Act, 1994 & Service Tax Rules, 1994	Allotment of Service Tax Code Number to unit located at Plot No. 117-1 & 117-2, Dungra Road, Wagdhara, Silvassa	Valid until Cancelled
11	November 15, 2007	Assistant Commissioner, Central Excise, Kalyani Division	AAACU3431CXM001 <i>(in lieu of Original C.E. Registration number- 19/UIC/KR-VI/CH-72 & 73/98-99 dated July 17, 1998)</i>	Central Excise Rules, 2002	Certificate of Registration for Kalyani Unit.	Valid Until Cancelled
12	December 11, 2007	Deputy /Assistant Commissioner, Central Excise	AAACU3431CXM002 <i>(in lieu of Original C.E. Registration number: AAACU3431CXM002 dated June 02,2005)</i>	Central Excise Rules, 2002	Certificate of Registration for Khanyan Unit.	Valid Until Cancelled
13	January 23, 2008	Deputy Commissioner, Central Excise & Customs Division-I, Silvassa	AAACU3431CXM003	Central Excise Rules, 2002	Certificate of Registration for Silvassa Unit.	Valid Until Cancelled

* In the erstwhile name of company i.e. UIC Wires Limited The change in name has been intimated to the Department vide letter dated June 17, 2008.

3. Under Industrial and Labour Laws

Sr. No.	Date of approval	Authority granting approval	Approval/ License No. / Regn. No.	Applicable law	Nature of approval	Valid Upto
1	January 19, 2000	Supervising Inspector, Shops & Establishment, Govt of West Bengal	Kol/Hau/P- II/35643	West Bengal Shops & Establishment Act, 1963	Registration Certificate	June 18, 2012
2	September 09, 1997	Ministry of Commerce & Industry, Secretariat for Industrial Assistance	2707/SIA/IMO/97	Industrial Policy and Industrial (Development & Regulation) Act, 1951	IEM Acknowledgement for Manufacture of wire of iron or non –alloy steel not plated or coated whether or not polished 18 SWG and thicker at Kalyani unit – proposed capacity 40000 M.T. in aggregate.	Valid until Cancelled
3	April 29, 2002	Ministry of Commerce & Industry, Secretariat for Industrial Assistance	1096/SIA/IMO/2002	Industrial Policy and Industrial (Development & Regulation) Act, 1951	IEM Acknowledgement for Manufacture of wire drawings of steel, Alloy Steel or Stainless Steel at Kalyani unit - proposed capacity 20000 M.T. (existing capacity 40000 M.T.)	Valid until Cancelled
4	February 17, 2010	Ministry of Commerce & Industry, Secretariat for Industrial Assistance	492/SIA/IMO/2010	Industrial Policy and Industrial (Development & Regulation) Act, 1951	IEM Acknowledgement for Manufacture of wire drawings of steel, Alloy Steel or Stainless Steel at Khanyan unit - proposed capacity 25000 M.T.	Valid until Cancelled
5	April 13, 2009	Ministry of Commerce & Industry, Secretariat for Industrial Assistance	922/SIA/IMO/2009	Industrial Policy and Industrial (Development & Regulation) Act, 1951	IEM Acknowledgement for Manufacture of Parts and Accessories N.E.C. for industrial machinery for food and textile industries at Khanyan unit - proposed capacity 60,00,00,000 Nos.	Valid until Cancelled
6	November 06, 2007	District Industries Centre, Department of Industries, Silvassa	260011300370	Industrial Policy and Industrial (Development & Regulation) Act, 1951	IEM Acknowledgement for Manufacture of Woven Sack & fabrics in HDPE & PP for Silvassa Unit.- proposed capacity 6000 M.T.	Valid until Cancelled
7	March 04, 2011	West Bengal Pollution Control Board	Consent Letter No. C016762	Water (Prevention and Control of Pollution) Act, 1974 & Air (Prevention and Control of Pollution) Act, 1981	Consent order for Discharge of liquid effluent and to emit gaseous effluent in respect of Kalyani unit.	December 31, 2011. Applied for renewal on December 24, 2011
8	April 20, 2010	West Bengal Pollution Control Board	Consent Letter No. C016416	Water (Prevention and Control of Pollution) Act, 1974 & Air (Prevention and Control of Pollution) Act, 1981	Consent order for Discharge of liquid effluent and to emit gaseous effluent with respect to manufacture of Indented wire and Card/Gill pin wire at Khanyan unit.	December 31, 2012
9	Applied for	Pollution Control	PCC/DDD/G-	Air (Prevention	Consent to manufacture	Awaited

Sr. No.	Date of approval	Authority granting approval	Approval/ License No. / Regn. No.	Applicable law	Nature of approval	Valid Upto
	renewal on November 24, 2011	Committee Daman & Diu and Dadra & Nagar Haveli.	4614/AA/DR/07-08/613	and Control of Pollution) Act, 1981	Woven Sack & Fabrics at Silvassa unit.	
10	July 28, 2010	West Bengal Pollution Control Board	Consent Letter No. C061553	Water (Prevention and Control of Pollution) Act, 1974 & Air (Prevention and Control of Pollution) Act, 1981	Consent order for Discharge of liquid effluent and to emit gaseous effluent with respect to manufacture of Steel pin at Khanyan unit.	March 31, 2014
11	March 10, 2005	Deputy Commissioner, Assistant Commissioner, Commercial Taxes, Corporate Division	Memo No. 39	West Bengal VAT Act, 2003	Allotment of 11 digit Registration Certificate Nos. under different acts: State Act No. – 19200093186 C.S.T. Act No – 19200093283 VAT No. - 19200093089	Valid until Cancelled

4. Other Registrations & Approvals from Governmental/ Regulatory Authorities

Sr. No.	Date of approval	Authority granting approval	Approval/ Registration number	Applicable law	Nature of approval	Valid Upto
1	August 31, 2006	Chief Inspector of Factories, West Bengal	License No. 16028	Factories Act, 1948	License to work a factory for premises situated at Station Road, Khanyan, Dist. Hooghly	December 31, 2011. Applied for renewal on January 06, 2012
2	August 25, 2008	Chief Inspector of Factories, West Bengal	License No. 14692	Factories Act, 1948	License to work a factory for premises situated at Plot No. A,H,II K-5, K-6, K-7 & J in Industrial Growth Centre, Phase- II, Kalyani, Nadia	December 31, 2011. Applied for renewal on December 26, 2011
3	June 24, 2008	Chief Inspector of Factories & Boilers Administration of Dadra & Nagar Haveli, Silvassa	License No. 2326	Factories Act, 1948	License to work a factory for premises situated at Srv. No. 117/1, 117/2, Agarwal Estate, Vagdhara-Dungra Road, Village Dadra, Silvassa.	December 31, 2014
4	November 26, 1999 w.e.f September 01, 1999	Regional P.F. Commissioner, West Bengal	Code no. WB/ 38097	Employees' Provident Fund & Misc. Provisions Act, 1952 and EPF Scheme, 1952	Registration of unit at Kalyani.	Valid until Cancelled
5	May 07, 2007 w.e.f. April 01, 2007	Asstt. P. F. Commissioner, Park Street, Kolkata	Code no. WB/PRB/42300	Employees' Provident Fund & Misc. Provisions Act, 1952 and EPF Scheme, 1952	Allotment of Separate Code No. for Corporate/Head office of the Company at 227, A.J.C. Bose Road, Kolkata	Valid until Cancelled
6	April 16, 2008 w.e.f. October 01, 2006	Assistant Provident Fund Commissioner,	WB/43960	Employees' Provident Fund & Misc.	Registration of unit at Khanyan, Hooghly	Valid until Cancelled

Sr. No.	Date of approval	Authority granting approval	Approval/ Registration number	Applicable law	Nature of approval	Valid Upto
		Sub Regional Office, Howrah		Provisions Act, 1952 and EPF Scheme, 1952		
7	March 16, 2009 w.e.f. May 05, 2008	Assistant Provident Fund Commissioner, Sub Regional Office, Vapi	Code No. GJ/VAP/47670	Employees' Provident Fund & Misc. Provisions Act, 1952 and EPF Scheme, 1952	Allotment of Separate Code No. for unit at 117/1, 117/2, Agarwal Estate, Waghdhara, Dungra Road, Dadra, Silvassa	Valid until Cancelled
8	November 26, 2009	Sub Regional Office, Barrackpore	400002804700002 99 (old no. 41-28047-64 effective March 01, 1999)	ESI Act, 1948	Allotment of New Code Number for Kalyani Unit	Valid until Cancelled
9	November 18, 2010	Regional Director, West Bengal Region	414002804700106 04 (old code: N.41-28047A-64)	ESI Act, 1948	Allotment of New Code No. for corporate/head office situated at 227, A.J.C. Bose Road, Calcutta	Valid until Cancelled
10	December 30, 1999	Office of Licensing Officer, Govt. of West Bengal	NO-5/R/CL/99	Contract Labour (Regulation & Abolition) Act, 1970	Certificate of Registrations as Principal Employer at Industrial Growth Centre, Phase III, Kalyani, Nadia - 741235	Valid until Cancelled

5. Coimbatore, Tamil Nadu Project Related Approvals & Registrations (Wind Farm Project)

Sr. No.	Date of approval	Authority granting approval	Approval/ License No. / Registration No.	Nature of approval
1	September 19, 2008	Tamil Nadu Electricity Board	Approval Letter/ WEG.No.197(U)/R.NO:5085/D.2 27/08	Approval for Name Transfer from Shubh Realty (South) Private Limited to UIC Udyog in the approval letter granted to Shubh Realty for installation of 1 No.1250 KW WEG at the survey No. 557/1 Kundadam Village, Dharapuram, Taluk, Erode
2	September 19, 2008	Tamil Nadu Electricity Board	Approval Letter/ WEG.No.219(U)/R.NO:5083/D.2 29/08	Approval for Name Transfer from Shubh Realty (South) Private Limited to UIC Udyog in the approval letter granted to Shubh Realty for installation of 1 No.1250 KW WEG at the survey No. 540/2 Kundadam Village, Dharapuram, Taluk, Erode
3	September 19, 2008	Tamil Nadu Electricity Board	Approval Letter/ WEG.No.195(U)/R.NO:5084/D.2 25/08	Approval for Name Transfer from Shubh Realty (South) Private Limited to UIC Udyog in the approval letter granted to Shubh Realty for installation of 1 No.1250 KW WEG at the survey No. 619/1 & 619/2 Kundadam Village, Dharapuram, Taluk, Erode
4	September 19, 2008	Tamil Nadu Electricity Board	Approval Letter/ WEG.No.199(U)/R.NO:5233/D.2 21/08	Approval for Name Transfer from Shubh Realty (South) Private Limited to UIC Udyog in the approval letter granted to Shubh Realty for installation of 1 No.1250 KW WEG at the survey No. 746/1 Kundadam Village, Dharapuram, Taluk, Erode
5	November 18, 2008	Superintendent Engineer, Udumalpet Elec. Distn. Circle, Udumalpet	SE/UEDC/UDT/AO/AS/JA4/F.W INDFARM S.C.NO: U1575/08	Commissioning Certificate of Wind Electric Generator at SF. No. 540/2(P) Kundadam Village, Dharapuram, Taluk, Erode
6	November 18, 2008	Superintendent Engineer, Udumalpet Elec. Distn.	SE/UEDC/UDT/AO/AS/JA4/F.W INDFARM S.C.NO: U1585/08	Commissioning Certificate of Wind Electric Generator at SF. No. 619/1(P) & 619/2(P) Kundadam Village, Dharapuram, Taluk, Erode

Sr. No.	Date of approval	Authority granting approval	Approval/ License No. / Registration No.	Nature of approval
		Circle, Udumalpet		
7	November 18, 2008	Superintendent Engineer, Udumalpet Eley. Distn. Circle, Udumalpet	SE/UEDC/UDT/AO/AS/JA4/F.W INDFARM S.C.NO: U1577/08	Commissioning Certificate of Wind Electric Generator at SF. No. 746/1(P) Kundadam Village, Dharapuram, Taluk, Erode
8	December 17, 2008	Superintendent Engineer, Udumalpet Eley. Distn. Circle, Udumalpet	SE/UEDC/UDT/AO/AS/JA4/F.W INDFARM S.C.NO: U1598/08	Commissioning Certificate of Wind Electric Generator at SF. No. 557/1(P) Kundadam Village, Dharapuram, Taluk, Erode

6. Nandurbar, Maharashtra Project Related Approvals & Registrations (Wind Farm Project)

Sr. No.	Date of approval	Authority granting approval	Approval/ License No. / Regn. No.	Nature of approval
1	March 23, 2007	Maharashtra Energy Development Agency	PGN-I/IC/UIC Wires Ltd./5.00 MW/06-07/1738	Infrastructure Clearance for setting up of 5.00 MW (4 X 1250 KW) Wind Power Project at Gut No. 30, 136, 79, 43 of Village Akrale, Tal. Nandurbar, Dist. Nandurbar.
2	March 28, 2007	Maharashtra Energy Development Agency	PGN-I/CC/UIC Wires Ltd./2.5 MW/06-07/1810	Clearance for commissioning for 2.50 MW (2 X 1250 KW) Wind Power Project at Gut No. 30,136 of Village Akrale, Tal. Nandurbar, Dist. Nandurbar.
3	March 30, 2007	Maharashtra Energy Development Agency	PGN-I/CC/UIC Wires Ltd./1.25 MW/06-07/1907	Clearance for commissioning for 1.25 MW (1 X 1250 KW) Wind Power Project at Gut No. 43 of Village Akrale, Tal. Nandurbar, Dist. Nandurbar.
4	March 30, 2007	Maharashtra Energy Development Agency	PGN-I/CC/UIC Wires Ltd./1.25 MW/06-07/1933	Clearance for commissioning for 1.25 MW (1 X 1250 KW) Wind Power Project at Gut No. 79 of Village Akrale, Tal. Nandurbar, Dist. Nandurbar.
5	March 30, 2007	Maharashtra State Electricity Distribution Company Limited, O & M Circle, Dhule	SE/DHL/Tech/Wind/2702	Commissioning Certificate of 2 X 1250 KW Wind Electric Generators at Location No. K537 & K539 R.S.No. 136 & 30, Village Akrale, Tal. Nandurbar, Dist. Nandurbar.
6	April 2, 2007	Maharashtra State Electricity Distribution Company Limited, O & M Circle, Dhule	SE/DHL/Tech/Wind/2733	Commissioning Certificate of 2 X 1250 KW Wind Electric Generators at Location No. K542 & K543 R.S.No. 43 & 79, Village Akrale, Tal. Nandurbar, Dist. Nandurbar.

7. Quality Certification

Sr. No	Nature of Registration/License	Registration /License No	Issuing Authority	Date of Issue	Expiry Date
1	Certificate of Registration Under ISO 9001-2008	SG11/03280	SGS United Kingdom Limited	January 20, 2011	January 14, 2014
2	Licence for the use of Standard Mark (IS398 - Part 2)	CM/L-5112137	Bureau of Indian Standards	October 1, 2011	September 30, 2012
3	Licence for the use of Standard Mark (IS398 - Part 5)	CM/L-5140849	Bureau of Indian Standards	May 16, 2011	May 15, 2012
4	Licence for the use of Standard Mark (IS278)	CM/L-5439169	Bureau of Indian Standards	June 16, 2011	June 15, 2012
5	Licence for the use of Standard Mark (IS2141)	CM/L-5192060	Bureau of Indian Standards	May 1, 2011	April 30, 2012
6	Licence for the use of Standard Mark (IS4454)	CM/L-5144756	Bureau of Indian Standards	August 1, 2011	July 31, 2012
7	Licence for the use of Standard Mark (IS6006)	CM/L-5125853	Bureau of Indian Standards	August 1, 2011	July 31, 2012

Sr. No	Nature of Registration/License	Registration /License No	Issuing Authority	Date of Issue	Expiry Date
8	Licence for the use of Standard Mark (IS3975)	CM/L-5115951	Bureau of Indian Standards	January 1, 2012	December 31, 2012
9	Licence for the use of Standard Mark (IS280)	CM/L-5117248	Bureau of Indian Standards	February 1, 2012	January 31, 2013
10	Licence for the use of Standard Mark (IS6003)	CM/L-5156763	Bureau of Indian Standards	December 16, 2011	December 15, 2012
11	Licence for the use of Standard Mark (IS12776)	CM/L-5210036	Bureau of Indian Standards	Applied for Renewal vide application dated November 10, 2011	

8. Application Trade Mark

Sr. No	Trademark	Application No	Issuing Authority	Date	Class
1	UIC Logo	2259343	Trade Mark Registry, Government of India	December 30, 2011	6

Approvals in relation to our Proposed Project

We are required to obtain certain approvals from the concerned Central/State government departments and other authorities for setting up our projects and operating the same. These include:

- All necessary approvals before construction on land acquired;
- Approvals such as consents to establish and operate a project, environmental clearances and authorisations to draw water, from concerned departments of state governments;
- Any other approvals that may be required by local authorities on a case to case basis.

We have obtained the following approval for our proposed manufacturing facility:

Sr. No.	Date of approval	Authority granting approval	Approval/ License No. / Regn. No.	Applicable law	Nature of approval	Valid Upto
1	June 24, 2011	Ministry of Commerce & Industry, Secretariat for Industrial Assistance	2047/SIA/IMO/2011	Industrial Policy and Industrial (Development & Regulation) Act, 1951	IEM Acknowledgement for Manufacture of Wire Drawing of steel, alloy steel or stainless steel for proposed unit at Gujarat Unit.-proposed capacity 180000 M.T.	Valid until Cancelled

We will apply for other approvals, licenses and registrations at the appropriate stage of development of project.

SECTION VII: OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board has, pursuant to a resolution dated November 04, 2011 authorized the 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 authorized the Issue by a special resolution in accordance with Section 81(1A) of the Companies Act, passed at the EGM of our Company held on November 30, 2011.

Our Company has received in-principle approvals from NSE and BSE for the listing of our Equity Shares pursuant to letters dated [●] and [●] respectively. [●] is the Designated Stock Exchange for the purpose of the Issue.

Prohibition by SEBI

We confirm that neither (i) our Company, the Promoters, Promoter Group, persons in control of our Company or the Group Companies; nor (ii) companies with which any of the Promoters, the Directors, persons in control of our Company or any natural person behind the Promoters are or were associated as a Promoters, director or person in control, are debarred or have been prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

There has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors. Neither our Company, nor our Promoters, Promoter Group, Group Companies, or Directors have been declared as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or pending against them.

Prohibition by RBI

Our Company, its Directors, the Promoters, relatives of the Promoters (as defined under the Companies Act) and Group Companies have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no such proceeding are pending against our Company or them.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Chapter III, Part I, Regulation 26(1) of the SEBI (ICDR) Regulations, 2009 as explained under, with the eligibility criteria calculated in accordance with restated financial statements prepared under Indian GAAP:

- The Company has net tangible assets of at least ₹300 Lakhs in each of the preceding three full years. The monetary assets held by the company for the financial years ended March 31, 2011, 2010, 2009 are not more than 50% of the net tangible assets;
- The Company has a track record of distributable profits in accordance with Section 205 of the Companies Act, for at least three out of the immediately preceding five years;
- The Company has a net worth of at least ₹100 Lakhs in each of the three preceding full years;
- The Company has not changed its name within the last one year.
- No issue has been made during the period April 01, 2011 to February 07, 2012. The proposed issue size of ₹10,800 Lakhs is less than 5 times of Pre-issue net worth of ₹69,757.54 Lakhs.

The net tangible assets and monetary assets, distributable profit as per Section 205 of the Companies Act, 1956 and net worth for the past five years are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Net Tangible Assets ⁽¹⁾	28,672.53	25,678.44	23,233.46	16,743.33	10,161.91
Monetary Assets ⁽²⁾	899.68	341.67	203.44	59.78	69.73
Monetary Assets as a % of the Net Tangible Assets	3.14%	1.33%	0.88%	0.36%	0.69%
Distributable Profits ⁽³⁾	1,722.46	1,642.17	1,844.72	1,343.30	683.50
Networth ⁽⁴⁾	13,116.26	11,588.48	10,141.64	8,494.39	4,205.48

⁽¹⁾ Net tangible assets are defined as the sum of fixed assets (including capital work in progress and excluding intangible assets and revaluation reserves), investments, current assets less current liabilities & provisions.

⁽²⁾ Monetary assets includes cash and bank balances only.

⁽³⁾ Distributable profits of the Company, as per section 205 of the Companies Act, have been calculated from the audited financial statements of the respective years after making adjustments for restatement of Financial Statements.

⁽⁴⁾ Net worth = Equity Share Capital + Reserves & Surplus (Excluding revaluation reserve, if any) – Miscellaneous Expenditure.

In accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of allottees to whom the equity shares will be allotted shall not be less than 1,000, otherwise the entire application money will be refunded forthwith. If such money is not repaid within eight days after our Company becomes liable to repay it (i.e., from the date of refusal or within 10 Working Days from the date of Bid/ Issue Closing Date, whichever is earlier), then our Company shall, on and from expiry of eight days, be liable to repay the money, with interest at the rate of 15% *per annum* on application money, as prescribed under Section 73 of the Companies Act.

Disclaimer Clause of SEBI

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED 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 THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, BOB CAPITAL MARKETS LIMITED AND LSI FINANCIAL SERVICES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE 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 INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, BOB CAPITAL MARKETS LIMITED AND LSI FINANCIAL SERVICES PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 03, 2012 WHICH READS 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 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) THIS DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD 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 BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (C) THE DISCLOSURES MADE IN THIS 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 BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- (4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.-NOTED FOR COMPLIANCE**
- (5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED 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 THIS DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THIS 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 THIS 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 BOARD. 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 ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- (8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER 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 HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS**

PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 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 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 THE 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 ₹1,000 LAKHS AND THEREFORE, IN ACCORDANCE WITH SECTION 68B OF THE COMPANIES ACT, 1956, THE EQUITY SHARES IN THE ISSUE HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.**
- (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 IS RESPONSIBLE FOR PRICING THIS ISSUE) (PLEASE SEE ANNEXURE A, FOR DETAILS)**

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY 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 LEAD MERCHANT BANKERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS."

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE RED HERRING PROSPECTUS WITH THE ROC IN TERMS OF SECTION 60B OF THE COMPANIES ACT. ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE ROC IN TERMS OF SECTIONS 56, 60 AND 60B OF THE COMPANIES ACT.

Caution- Disclaimer from our Company and BRLMs

Our Company, the Directors, and the BRLMs accept no responsibility for statements made otherwise than those mentioned in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at the instance of the above mentioned companies and anyone depending on any other source of information, including our website, www.uicudyog.com, or the website of our Promoters, or any affiliate or associate of our Company or its subsidiaries, would be doing so at his or her own risk.

The BRLMs accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLMs and us dated March 03, 2012 and the Underwriting Agreement to be entered into among the Underwriters and us.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centres etc.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates, for which they have received and may in future receive compensation.

Neither we nor the Syndicate is liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors that bid in the Issue will be required to confirm and will be deemed to have represented to our Company, 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 Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorized 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 Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹250 million and pension funds with minimum corpus of ₹250 million their sub account, VCF's, the National Investment Funds, insurance funds set up and managed by the Army, Navy or Air Force of the Union of India and insurance funds set up and managed by Department of Posts, India, and to non-residents including multilateral and bilateral institutions, FIIs registered with SEBI eligible NRIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction 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 Kolkata, India 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 submitted to SEBI. 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 since 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 U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (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 and applicable State Securities Laws. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of 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.

The restrictions as stated above will apply to the Issue, investors are advised to consult their own legal counsel prior to making any offer, resale, pledge or transfer of the Equity Shares.

Further, each Bidder where required agrees that such Bidder will not sell or transfer any Equity Shares or create 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 and in compliance with applicable laws and legislations in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

Disclaimer clause of the BSE

As required, a copy of this Draft Red Herring Prospectus has been 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 the RoC filing.

Disclaimer clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to National Stock Exchange of India Limited. 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 the RoC filing.

Disclaimer Clause of IPO Grading Agency

[•]

FILING

A copy of this Draft Red Herring Prospectus dated March 03, 2012 has been filed with the SEBI at Plot No. C-4A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of the Red Herring Prospectus, along with the other documents required to be filed under section 60B of the Companies Act, will be delivered for registration to the RoC and a copy of the Prospectus, alongwith the other documents required, to be filed under section 60 of the Companies Act will be delivered for registration to the RoC, situated at Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.Bose Road, Kolkata – 700020, West Bengal, India.

LISTING

Applications will be made to NSE and BSE for permission to deal in and for an official quotation of the Equity Shares of our Company. [•] shall be the Designated Stock Exchange with which the basis of allocation will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges mentioned above, our Company shall forthwith repay, without interest, all monies 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 or within 15 days from the Bid/Issue Closing Date, whichever is earlier), then our Company, and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at both the Stock Exchanges mentioned above are taken within twelve Working Days from the Bid /Issue Closing Date.

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."

CONSENTS

Consents in writing of the Directors, our Company Secretary and Compliance Officer, the Auditors, the Legal Advisor, Bankers to our Company, Bankers to the Issue, BRLMs, Syndicate Members, Escrow Collection Bankers and the Registrar to the Issue to act in their respective capacities, have been obtained and will be filed along with a copy of the RHP with the ROC as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

M/s. Chhaparia & Associates, Auditors of our Company have also given their consent to the inclusion of their report as appearing in the form and context beginning on page 141 of this Draft Red Herring Prospectus and also of the tax benefits accruing to our Company and to the members of our Company and such consent and report have not been withdrawn up to the time of signing this Draft Red Herring Prospectus.

[●], the agency engaged by us for the purpose of obtaining IPO grading in respect of this Issue, has given its written consent to being named as an expert for purposes of grading of the Issue and to the inclusion of its grading of the Issue in the Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the Designated Stock Exchange.

EXPERT OPINION

Except the report of [●] in respect of the IPO grading of the Issue (a copy of which will be annexed to the Red Herring Prospectus), furnishing the rationale for its grading which will be provided to the Designated Stock Exchange and the report of our Auditor in respect of the information in "*Financial Information*" and "*Statement of Possible Tax Benefits*" beginning on pages 141 and 68 respectively of this Draft Red Herring Prospectus, our Company has not obtained any other expert opinions.

EXPENSES OF THE ISSUE

The total expenses of the issue are estimated to be ₹[●] Lakhs. The expenses of this Issue include, among others, underwriting and lead management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. All expenses with respect to the Issue will be borne by our Company. The estimated Issue expenses are as follows:

(₹ In Lakhs)

Sr. No.	Activity*	Amount	% of the Issue Expenses	% of Total Issue size
1.	Lead Management Fees	[●]	[●]	[●]
2.	Underwriting Commission and Selling Commission (including commission to SCSB for ASBA Applications)	[●]	[●]	[●]
3.	Registrar to the Issue Fees	[●]	[●]	[●]
4.	IPO Grading Expenses	[●]	[●]	[●]
5.	Printing & Stationery (including expenses on transportation of material)	[●]	[●]	[●]
6.	Advertising & Marketing expenses	[●]	[●]	[●]
7.	Other Expenses (including legal advisor fees, listing fees, bidding software expenses, depository charges etc.)	[●]	[●]	[●]
Total		[●]	[●]	[●]

*Will be completed after finalization of the Issue Price

DETAILS OF FEES PAYABLE

Book Running Lead Managers to the Issue and the Syndicate Members

The total fees payable to the BRLMs and the Syndicate Member(s) (including underwriting commission and selling commission) will be as per their respective engagement letters with our Company.

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 CAN/ refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement signed with our Company dated August 26, 2011, a copy of which is available for inspection at our Company's registered office.

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 by our Company to the Registrar to the Issue to enable them 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 "[●]" 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 [●], furnishing the rationale for its grading will be annexed to the Red Herring Prospectus and will be made available for inspection at our Registered office from 10.00 a.m. To 4 p.m. on Working Days from the date of Red Herring Prospectus until the Bid Closing Date.

PARTICULARS REGARDING PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS

Our Company has not made any public or rights issues during the last five years. .

PREVIOUS ISSUE OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled "Capital Structure" beginning on page 47 of this Draft Red Herring Prospectus, our Company has not made any previous issues of shares for consideration other than cash.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF EQUITY SHARES

Since this is the initial public offer of our Company, 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 inception of our Company.

Public or Rights Issue during last ten years

Neither our Company nor our Group Companies or Associate Companies have made any public issue (including any rights issue to the public) in the last ten years.

Particulars in regard to our Company and other listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act which made any public or rights issue during the last 3 years.

Neither our Company nor any other company under the same management within the meaning of Section 370(1B) of the Companies Act is listed on any of the Stock Exchanges and has not made any public/ rights issue during the past 3 years.

PROMISE VIS-A-VIS PERFORMANCE

There has been no public issue (including any Rights Issue) to the public by our Company, Group Companies and entities or our Associate Companies during the last ten years.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by our Company as on the date of this Draft Red Herring Prospectus.

STOCK MARKET DATA

This being an initial public offering of our Company, the Equity Shares are not listed on any stock exchange.

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

Our Company has appointed the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of our Company. All grievances relating to the present issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of equity shares applied for, amount paid on application and bank and branch. The Agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of three years to enable the investors to approach the Registrar to the Issue for redressal of their grievances. We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible. Our Company would monitor the work of the registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

All grievances relating to the ASBA process may be addressed to the SCSB or the Syndicate / Sub-Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations) , giving full details such as name and address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number and the Designated Branch of the SCSBs or details of the Syndicate / Sub - Syndicate Members to whom the Bid was submitted (at ASBA Bidding Locations) where the ASBA Form was submitted by the ASBA Bidders.

The Registrar shall act as a nodal agency for redressing complaints of ASBA and non-ASBA investors including providing guidance to ASBA investors regarding approaching the SCSBs concerned.

The Registrar to the issue namely, Bigshare Services Private Limited, will handle investor's grievances pertaining to the issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to our Company. Our Company would also be co-ordinating with the Registrar to the issue in attending to the grievances to the investor. Our

Company assures that the Board of Directors in respect of the complaints, if any, to be received shall adhere to the following schedules:

Sr. No.	Nature of complaint	Time Table
1	Non-receipt of refund	Within 7 days of receipt of complaint subject to production of satisfactory evidence
2	Non Receipt of Share Certificate/Demat Credit	Within 7 days of receipt of complaint subject to production of satisfactory evidence
3	Any other complaint in relation to Public Issue	Within 7 days of receipt of complaint with all relevant details

Redressals of investors' grievance are given top priority by our Company. The Committee oversees redressal of complaints of shareholders/investors and other important investor related matters. Our Company has adequate arrangements for redressal of investor complaints as follows:

Our Company has also constituted a Shareholders'/ Investors' Grievance Committee of the Board of Directors *vide* resolution passed as the Board Meeting held on November 04, 2011 which was reconstituted on December 20, 2011 to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares

We have appointed Mr. Jayanta Saha, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-issue or post-issue problems. He can be contacted at the following address:

UIC Udyog Limited

Anandlok, Block- A, 1st Floor, 227,
A.J.C. Bose Road, Kolkata – 700020,
West Bengal, India

Tel: +91-33-2280 8811/8812/8813;

Fax: +91-33-2280 9492;

E-mail: ipo@uicudyog.com;

Website: www.uicudyog.com;

CHANGES IN AUDITORS IN THE LAST THREE YEARS

There has been no change in auditor in the last three years.

CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 YEARS

Since its inception, our Company has not capitalised its reserves or profits

TAX IMPLICATION

Investors that are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the stock exchanges. For details, please refer to the chapter titled "*Statement of Possible Tax Benefits*" beginning on page 68 of this Draft Red Herring Prospectus.

REVALUATION OF ASSETS DURING THE LAST 5 YEARS

Our Company has not revalued its assets during the last 5 years.

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, the SCRR, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, the ASBA Bid cum Application Form, the ASBA Revision Form, the CAN and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, the Stock Exchanges, the RBI, RoC and/ or other relevant authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the other existing Equity Shares of our Company including rights in respect of dividend. The Allottees will be entitled to dividend or any other corporate benefits, if any, declared by our Company after the date of allotment. Please refer to the section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page 251 of this Draft Red Herring Prospectus for a description of the Articles of Association of our Company.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our Equity Shareholders, as per the provisions of the Companies Act, the Equity Listing Agreements, our Memorandum of Association and Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. See chapter titled “*Dividend Policy*” beginning on page 140 of this Draft Red Herring Prospectus.

Face Value and Issue Price

The face value of the Equity Shares is ₹10 each and the Floor Price is ₹[●] and the Cap Price is ₹[●] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares subject to the applicable laws.

The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultations with the BRLMs and advertised English national newspaper, a Hindi national newspaper and a regional newspaper alongwith relevant financial information atleast two working days prior to the Bid/Issue opening date.

Compliance with SEBI Regulations

We 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, regulations, rules and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a show of hands in person or a poll either in person or by proxy;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Articles of Association.

For a detailed description of the main provisions of our Articles of Association dealing with voting rights, dividend,

forfeiture and lien, transfer and transmission and/or consolidation/splitting, please refer to the section titled “*Main Provisions of Articles of Association of our Company*” beginning on page 251 of this Draft Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares of the Company shall be allotted only in dematerialised form. In terms of existing SEBI Regulations, the trading in the Equity Shares of the Company shall only be in dematerialised form for all investors. Since trading of our Equity Shares will be in dematerialized mode, the tradable lot is one equity share. Allotment of Equity Shares through this Issue will be done only in electronic form in multiples of 1 Equity Share to the successful Bidders subject to a minimum Allotment of [●] Equity Shares.

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidder(s), may nominate any one person in whom, in the event of death of the sole Bidder or in case of joint Bidders, 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 the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she 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 Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form available on request at the registered office of the Company or at the Registrar and Transfer Agent of the Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by our Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. 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 of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

In the event our Company does not receive the minimum subscription of 90% of the Issue, including devolvement on Underwriters, if any, within 60 days from the Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act, 1956.

Further, in accordance with the regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of allottees under the Issue shall not be less than 1,000, failing which the entire application money will be refunded forthwith.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Kolkata, India.

Bidding Period

Bidders may submit their Bids only in the Bidding Period. The Bid/Issue Opening Date is [●] and the Bid/Issue Closing Date is [●].

Arrangements for disposal of odd lots

Our Company's Equity Shares will be traded in dematerialized form only. Marketable lot is one Equity Share. Hence no arrangement for disposal possibility of odd lots is proposed.

Restrictions on transfer of shares

Except for the lock-in of the post-Issue Equity Shares forming the Promoters' contribution in the Issue and the balance pre-Issue share capital of our Company as detailed in chapter titled "*Capital Structure*" beginning on page 47 of this Draft Red Herring Prospectus, there are no restrictions on the transfer and transmission of shares/debentures and on their consolidation/ splitting except as provided for in our Articles. Please see the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page 251 of this Draft Red Herring Prospectus.

Option to Receive Securities in Dematerialized Form

Equity Shares being issued through this Draft Red Herring Prospectus can be applied for and will be allotted in dematerialized form only.

APPLICATION BY ELIGIBLE NRIS, FIIS AND FOREIGN VENTURE CAPITAL FUNDS REGISTERED WITH SEBI AND QFIS

It is to be understood that there is no reservation for Eligible NRIs or FIIs or FVCFs or QFIs. Such Eligible NRIs, FIIs, FVCFs and QFIs will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant policy of the Government of India, OCBs cannot participate in this Issue. The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, there exists a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/ or SEBI (ICDR) Regulations as may be applicable to such investors. It is to be distinctly understood that there is no reservation for NRIs, FIIs or FCVIs registered with SEBI, applicants will be treated on the same basis with other categories for the purpose of allocation.

The allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (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 and applicable State Securities Laws. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of 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.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLMs are not liable to inform the investors of any amendments or modifications 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 the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

The Issue of [●] Equity Shares of face value ₹10 each, at an Issue Price of ₹[●] for cash, including a premium of ₹[●] per Equity Share, aggregating to ₹10,800 lakhs is being made through the Book Building Process.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	Not more than [●] Equity Shares	Not less than [●] Equity Shares or Issue less allocation to QIBs and Retail Individual Bidders shall be available for allocation.	Not less than [●] Equity Shares or Issue less allocation to QIBs and Non - Institutional Bidders shall be available for allocation.
Percentage of Issue Size available for allocation	Not more than 50% of Issue. However, up to 5% of the QIB Portion shall be available for allocation to mutual Funds only. The unsubscribed portion, if any, in the Mutual Fund reservation will be available to QIBs.	Not less than 15% of the Issue or Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 35% of Issue or Issue less allocation to QIB Bidders and Non Institutional Bidders shall be available for allocation.
Basis of Allocation if Respective category is oversubscribed	Proportionate as follows: (a) Equity Shares constituting 5% of the QIB portion shall be allocated on a proportionate basis to Mutual Funds (b) The balance Equity Shares shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹200,000.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹200,000.	[●] Equity Shares
Maximum Bid	Such number of Equity Shares not exceeding the Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares whereby the Bid Amount does not exceed ₹200,000.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter.		
Trading Lot	One Equity Share.		
Mode of Allotment	Compulsorily in dematerialised form		
Who can apply **	Public financial institutions as defined in Section 4A of the Companies Act, FIIs and Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals), VCFs, FVCIs, multilateral and bilateral financial institutions, scheduled commercial banks, Mutual Funds, state industrial development corporations, insurance companies registered with the	Resident Indian individuals, Eligible NRIs, HUF (in the name of Karta), companies, bodies' corporate, scientific institutions societies, trusts, any FII sub-account registered with SEBI, which is a	Resident Indian Individuals (including HUFs in the name of Karta), Eligible NRIs and QFIs who are individuals applying for Equity Shares such that the Bid Amount per individual Bidder does not exceed ₹2,00,000 in value.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
	Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹2500 lakhs, pension funds with a minimum corpus of ₹2500 lakhs, National Investment Fund set up by Government of India, Insurance funds set up and managed by army, navy or airforce of the union of India, eligible for bidding in this Issue and Insurance funds set up and managed by the Department of Posts, India.	foreign corporate or foreign individual and societies, QFIs.	
Terms of Payment***	Full Bid Amount on Bidding		

* Subject to valid Bids being received at or above the Issue Price. The Issue is being made through a Book Building Process wherein not more than 50% of the Issue shall be allotted on a proportionate basis to QIBs. 5% of the Issue in the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds. The remainder shall be available for allotment on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

In case of under-subscription in the Issue, spillover to the extent of under-subscription shall be permitted from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. Such inter-se spillover, if any, would be effectuated in accordance with applicable laws, rules, regulations and guidelines. In case of inadequate demands from the mutual funds, the Equity shares will be made available to the QIBs other than the mutual funds

** In case the Bid cum Application Form or the Application Supported by Blocked Amount is submitted in joint names, the investors should ensure that the demat 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 or the Application Supported by Blocked Amount.

*** In case of ASBA bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA bidder that are specified in the Bid cum ASBA Form.

Letters of Allotment or Refund Orders or Instructions to SCSB's

Our Company shall credit each beneficiary account with its depository participant within 12 Working Days of the Bid/Issue Closing Date. Applicants those who are residents of the 68 cities notified by SEBI through its notification (Ref. No. SEBI/CFD/DILDIP/29/2008/01/02) dated February 1, 2008 will receive refunds through NECS only (subject to availability of all information for crediting the refund through NECS) except where the applicant is eligible to receive refunds through direct credit, NEFT or RTGS. In the case of other applicants, our Company shall ensure the dispatch of refund orders 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. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter (refund advice) through ordinary post informing them about the mode of credit of refund, within 12 Working Days of the Bid/Issue Closing Date.

In case of ASBA Bidders, the Registrar to the Issue will, within 12 Working Days of the Bid Closing Date, instruct the relevant SCSB 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, rejected, unsuccessful or partially successful ASBA Bids.

Interest in case of delay in dispatch of Allotment Letters/Refund Orders / Instructions to SCSB's

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Guidelines, our Company undertakes that:

- Allotment shall be made only in dematerialized form within 12 Working Days from the Bid/Issue Closing Date;
- Dispatch of refund orders except for Bidders who can receive refunds through Direct Credit, NEFT, RTGS or NECS shall be done within 12 Working Days from the Bid/Issue Closing Date;
- Instructions to the relevant SCSBs to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Bidders, will be given within 12 Working Days of the Bid/ Issue Closing Date; and
- Our Company shall pay interest at 15% per annum, if Allotment is not made and refund orders are not dispatched to the applicant or if, in a case where the refund or portion thereof is made in electronic mode/manner, the refund instructions have not been given to clearing members and/or demat credits are not made to investors within the 15 day time period prescribed above.

Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar.

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, except where the refund or portion thereof is made in electronic mode/manner. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Bid/Issue Program

BID/ISSUE OPENS ON	[●]
BID / ISSUE CLOSES (EXCEPT FOR QIB BIDDERS) ON	[●]
BID / ISSUE CLOSES (FOR QIB BIDDERS) ON	[●]

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 as mentioned above at the bidding centers mentioned on the Bid cum Application Form or in case of bids submitted through ASBA, the designated branches of the SCSBs except that on the Bid/Issue Closing Date, Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded till (i) 4.00 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders (ii) till until 5.00 p.m. in case of Bids by Retail Individual Bidders. 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 3.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are advised that due to clustering of last day applications, as is typically experienced in public offerings, some Bids may not get uploaded on the last date. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. If such Bids are not uploaded, the Issuer, BRLMs and Syndicate members will not be responsible. Bids will be accepted only on Working days, i.e. Monday to Friday (excluding any public holiday). Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE.

On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings for acceptance of Bid cum Application Forms and ASBA Form as stated herein and reported by the BRLMs to the Stock Exchange within half an hour of such closure.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder 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 submitted through the ASBA process, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB or the member of the Syndicate.

Our Company reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI ICDR Regulations provided that the Cap Price is less than or equal to 120% of the Floor Price. The Floor Price can be revised up or down to a maximum of 20% of the Floor Price advertised at least one day before the Bid /Issue Closing Date.

In case of revision in the Price Band, the Issue Period will be extended for atleast three additional Working days after revision of Price Band subject to the Bidding Period/Issue Period not exceeding 10 Working days. Any revision in the Price Band and the revised Bidding Period/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the web sites of the Book Running Lead Managers at the terminals of the 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 and Non-Institutional Bidders are mandatorily required to submit their Bids by way of ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that may be different from the procedure applicable to Bidders other than the 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. ASBA Bidders should note that they may submit their ASBA Bids to the members of the Syndicate at the the Syndicate ASBA Bidding Centres or the SCSBs. ASBA Bidders may also apply electronically through the internet banking facility wherever provided for by the SCSB. Please note that all the Bidders are required to make payment of the full Bid Amount or instruct the relevant SCSB to block the full Bid Amount along with the Bid cum Application Form. Bidders other than the ASBA Bidders are required to submit their Bids to the Syndicate.

Please note that the information stated/ covered in this section may not be complete and / or accurate and as such would be subject to modification/change. Our Company and the Book Running Lead Managers would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft 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

The Issue is being made through a Book Building Process wherein not more than 50% of the Issue will be available for allocation to Qualified Institutional Buyers (“QIBs”). 5% 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 QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

In case of under-subscription in the Issue, spillover to the extent of under-subscription shall be permitted from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. Such inter-se spillover, if any, would be effectuated in accordance with applicable laws, rules, regulations and guidelines. In case inadequate demands from the mutual funds, the Equity shares will be made available to the QIBs other than the mutual funds.

QIBs and Non-Institutional Bidders can participate in this Issue only through the ASBA process while Retail Individual Bidders have the option to Bid through the ASBA process. Bidders applying through the ASBA process can do so by submitting Bid cum Application Form, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained or through the members of the Syndicate/ sub-Syndicate. However, ASBA Bids through submitted to the Syndicate is permitted only at the Syndicate ASBA Bidding Locations (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat). Kindly note that Bid cum Application Forms submitted by ASBA Bidders to members of the Syndicate at the Syndicate ASBA Bidding Locations 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 to deposit the Bid cum Application Form (A list of such branches is available at <http://www.sebi.gov.in/pmd/scsb-asba.html>).

Bidders, other than ASBA Bidders, are required to submit their Bids through the Syndicate or their affiliates. ASBA Bidders are required to submit their Bids to SCSBs or in case of Syndicate ASBA Investors with the members of the Syndicate. In case of QIBs, who are bidding through the Syndicate ASBA Bidding locations, our Company may, in consultation with BRLMs, reject their Bids at the time of acceptance of the Bid cum Application Form, provided that the reasons for such rejection shall be disclosed to such QIB in writing. In case of QIBs applying though ASBA directly with SCSBs, Non-Institutional Bidders and Retail Individual Bidders, the right to reject the Bids shall only be on technical grounds mentioned in this chapter.

Investors should note that Allotment to all successful Bidders will be only in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder’s depository accounts including DP ID, PAN and

Client ID will be treated as incomplete and rejected. Bidders will not have the option of receiving Allotment in physical form. On allotment, the Equity Shares will be traded only on the dematerialized segment of the Stock Exchange.

Bidders are required to ensure that the PAN (of the sole/ first Bidder) provided in the Bid cum Application Form or the ASBA Bid cum Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. If the Bid cum Application Form or the ASBA Bid cum Application Form was submitted in joint names, Bidders are required to ensure that the beneficiary accounts are held in the same joint names in the same sequence in which they appeared in the Bid cum Application Form or the ASBA Bid cum Application Form.

Bidders can Bid at any price within the Price Band. Investors shall, in the relevant column, indicate the Bid price. The Price Band, and the Bid lot for the Issue will be decided by our Company, in consultation with the BRLMs, and published at least two Working Day prior to the Bid opening date, in an English national daily newspaper, a Hindi national daily newspaper and a regional daily newspaper with wide circulation, with the relevant financial ratios calculated at the Floor Price and at the Cap Price.

Bid cum Application Form and ASBA Bid cum Application Form

Further, pursuant to SEBI Circular bearing No. CIR/CFD/DIL/4/2011 dated September 27, 2011, the application cum Bidding form has been standardized i.e., THERE IS A SINGLE FORM FOR ASBA AND NON-ASBA APPLICANTS, WITH EFFECT FROM NOVEMBER 1, 2011. 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.

Copies of the Bid cum Application Form will be available for all categories of Bidders with the members of the Syndicate and at our Registered Office. 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 Opening Date. The ASBA Bid cum Application Form will also be available on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least 1 day prior to the Bid/Issue Opening Date and shall bear a unique application number. The BRLMs and the SCSBs will provide the hyperlink to NSE or BSE on their websites. Copies of the Red Herring Prospectus shall, on a request being made by any Bidder before the Bid Closing Date, be furnished to such Bidder at our Registered Office and the Designated Branches.

Retail Bidders shall use only the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Red Herring Prospectus. Non- retail Bidders shall use the specified ASBA Bid cum Application Form, indicating the mode of payment option as being “ASBA” obtained from any member of the Syndicate, for the purpose of making a Bid in terms of the Red Herring Prospectus. Before being issued to Bidders, the Bid cum Application Form (except in relation to ASBA Bidders) shall be serially numbered. Bidders (other than ASBA Bidders) are required to submit their Bids through the Syndicate or their affiliates. Such Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Red Herring Prospectus.

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 Centre. 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 Bid Amount specified in the Bid cum Application Form.

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 Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgment slip. This acknowledgment slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

The Bid cum Application Form shall contain information about the Bidder and the price and number of Equity Shares that the Bidder wishes to Bid for. Bidders shall have the option to make a maximum of 3 Bids in the Bid cum Application Form and such options shall not be considered multiple Bids.

On completion and submission of the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be, to a member of the Syndicate or the SCSB, 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/ ASBA Bid cum Application Form as would be required under the SEBI ICDR Regulations and other applicable laws, for filing the Prospectus with the RoC and as would be required by SEBI and/or the RoC after such filing, without prior or subsequent notice of such changes to the Bidder. On filing of the Prospectus with the RoC, the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be, shall be treated as a valid application form.

To supplement the foregoing, the mode and manner of Bidding is illustrated in the following chart

Category of bidder	Mode of Bidding	Application form to be used for Bidding	To whom the application form has to be submitted
Retail Individual Bidders	Either (i) ASBA or (ii) non-ASBA	(i) If Bidding through ASBA, ASBA Form (physical or electronic); or (ii) If Bidding through non-ASBA, Bid cum Application Form.	(i) If using physical ASBA Form, to the members of the Syndicate only at Syndicate ASBA Centres; or (ii) If using physical ASBA Form, to the Designated Branches of the SCSBs where the SCSB account is maintained; or (iii) If using electronic ASBA Form, to the SCSBs, electronically through internet banking facility, where the SCSB account is maintained; or (iv) If using Bid cum Application Form, to the members of the Syndicate at the Bidding Centres.
Non-Institutional Bidders and QIBs	ASBA (<i>Kindly note that ASBA is mandatory and no other mode of Bidding is permitted</i>)	ASBA Form (physical or electronic) with an indication of the mode of payment option being "ASBA"	(i) If using physical ASBA Form, to the members of the Syndicate/Sub-Syndicate only at Syndicate ASBA Centre; or (ii) If using physical ASBA Form, to the Designated Branches of the SCSBs where the SCSB account is maintained; or (iii) If using electronic ASBA Form, to the SCSBs, electronically through internet banking facility, where the SCSB account is maintained.

ASBA Process

In accordance with the ICDR Regulations, all Bidders can participate in the Issue through the ASBA process. ASBA Bidders shall submit an ASBA Bid cum Application Form either (i) in physical form to the Designated Branch of an SCSB or to the member of Syndicate at Syndicate ASBA Centre (ii) in electronic form through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the bank account ("ASBA Account") specified in the ASBA Bid cum Application Form used by ASBA Bidders. The SCSB shall block an amount equal to the Bid Amount in the ASBA Account, on the basis of an authorization to this effect given by the account holder at the time of submitting the Bid. The ASBA data shall be uploaded by the SCSB in the electronic bidding system of the Stock Exchanges. The Bid Amount shall remain blocked in the ASBA Account until approval of the basis of Allotment in the Issue by the Designated Stock Exchange and consequent transfer of the Bid Amount against the allocated shares to the Public Issue Account, or until withdrawal or failure of the Issue or until withdrawal or rejection of the ASBA Bid, as the case may be. Once the basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the requisite amount to the Public Issue Account. In case of withdrawal or failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the BRLMs and/or the Registrar.

Retail Bidder, QIBs and Non Institutional Bidders Bidding through ASBA process:

While Retail Bidders have an option to participate in the Issue either through the ASBA process or non-ASBA process, the QIBs and the Non Institutional Bidders have to mandatorily Bid through the ASBA process if they wish to participate in the Issue.

ASBA Bidders are required to submit their Bids only through the SCSBs, authorising blocking of funds that are available in the bank account specified in the Bid cum Application Form, except for the ASBA Bids submitted in the Syndicate ASBA Bidding Centres. In the case of Syndicate ASBA Bidding Centres, the ASBA Bids may either be submitted with the Designated Branches or with the Syndicate. Bidders other than ASBA Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Red Herring Prospectus.

ASBA Bidders Bidding through a Syndicate Member should ensure that the Bid Cum Application Form is submitted to a Syndicate Member located in Syndicate ASBA Bidding Centres. ASBA Bidders should also ensure that Bid cum Application Form submitted to the Syndicate Members in the Syndicate ASBA Bidding Centres 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 members of the Syndicate to deposit Bid cum Application Forms (A list of such branches is available at <http://www.sebi.gov.in/pmd/scsb-asba.html>). 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.

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 SCSB, 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 Bid Amount specified in the Bid cum Application Form. Upon completing and submitting the Bid cum Application Form to the SCSB, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Bid cum Application Form as may be required under the SEBI ICDR Regulations and other applicable law, for filing this Prospectus with the RoC and as required by SEBI and/or the RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed colour of the Bid cum Application Form /ASBA Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA as well as non ASBA Bidders)	White
Non-Residents, Eligible NRIs, FVCIs, Multilateral and bilateral development financial institutions and FIIs applying on a repatriation basis where the Bid Amount exceeds ₹2,00,000 (ASBA as well as non ASBA Bidders)	Blue

Who can Bid?

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, in single or joint names (not more than three). Based on the information provided by the Depositories, our Company shall have the right to accept Bids belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families (“HUFs”), in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form / ASBA 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;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws;
- Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, cooperative banks

- (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual bidding in QIB portion;
 - Limited Liability Partnerships (LLPs) registered in India and authorised to invest in equity shares;
 - Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Bidders category;
 - Venture capital funds registered with SEBI;
 - Foreign Venture Capital Investors registered with SEBI; subject to compliance with applicable laws, rules, regulations, guidelines and approval in this Issue;
 - Qualified Foreign Investors (subject to compliance with RBI and SEBI circulars dated January 13, 2012);
 - 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 constitutions to hold and invest in equity shares;
 - Scientific and/or industrial research organisations authorised to invest in equity shares;
 - Insurance Companies registered with Insurance Regulatory and Development Authority;
 - Provident Funds with a minimum corpus of ₹2500 lakhs and who are authorised under their constitution to hold and invest in equity shares;
 - Pension Funds with a minimum corpus of ₹2500 lakhs and who are authorised under their constitution to hold and invest in equity shares;
 - National Investment Fund set up by a resolution no. F. No. 2/3/2005- DD II dated November 23, 2005 of the Government of India, published in the Gazette of India;
 - Insurance funds set up and managed by army, navy or air force of the Union of India;
 - Insurance funds set up and managed by the Department of Posts, India;
 - Multilateral and Bilateral Development Financial Institutions; and
 - Any other persons eligible to invest in this issue under the laws, rules, regulations and guidelines, applicable to them

As per the current RBI regulations, OCBs cannot participate in this Issue.

Bidders are advised to 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.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (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 and applicable State Securities Laws. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of 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.

Participation by Associates and Affiliates of BRLMs and Syndicate Members

The BRLMs and Syndicate Members shall not be allowed to subscribe to the Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and Syndicate Members may subscribe for Equity Shares in the Issue, either in QIB Portion or Non-Institutional Portion as may be applicable to such Bidders. All the categories of investors, including associates or affiliates of BRLMs & Syndicate Member shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Bids by Mutual Funds

As per the SEBI ICDR Regulations, at least 5% of the QIB Portion is reserved for allocation to Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Funds Portion. In the event that the demand is greater than [●] Equity Shares, allocation shall be made to Mutual Funds

proportionately, to the extent of the Mutual Fund Portion. The remaining demand by 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 Funds Portion.

The Bids made by the Asset Management Companies or Custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the 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 the 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 for which the Bid has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any 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 capital carrying voting rights. These limits would have to be adhered to by the mutual funds for investment in this Issue.

Bids by Non Residents including Eligible NRIs or FIIs or FVCIs or QFIs on a repatriation basis

There is no reservation for Eligible NRIs or FIIs or FVCIs registered with SEBI or QFIs. Such Eligible NRIs, FIIs and FVCIs registered with SEBI and QFIs will be treated on the same basis as other categories for the purpose of allocation. As per regulations made by the RBI, OCBs cannot participate in this Issue.

Bids by Eligible NRIs

Only Bids accompanied by payment in 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 Rupee Drafts purchased abroad or cheques or bank drafts or by debit to their Non Resident External ('NRE') or Foreign Currency Non Resident (FCNR) accounts maintained with banks authorised by RBI to deal in foreign exchange. Eligible NRI's bidding on a repatriation basis are advised to use the Bid cum Application form meant for Non Residents (blue in colour) accompanied by a bank certificate confirming that the payment has been made by debiting the NRE or FCNR account, as the case may be. Application-Cum-Bidding Form for Eligible NRIs will be made available at our Registered Office and with the Syndicate or SCSBs and the Registrar to the Issue, as the case may. All instruments accompanying Bids shall be payable in Mumbai only.

Payment for Bids by non-resident Bidders bidding on repatriation basis will not be accepted by debiting the Non Resident Ordinary (NRO) accounts. Eligible NRI's who intend to make payment through NRO account should use the form for the Resident Indian (White)

Bids by FIIs

As per 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 our post-Issue issued capital (*i.e.* 10% of [●] Equity Shares). In respect of an FII investing in our Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or a foreign individual. In accordance with the foreign investment limits applicable to our Company, such investment must be made out of funds raised or collected or brought from outside through normal banking channels and the investment must not exceed the overall ceiling specified for FIIs. Under the portfolio investment scheme, the aggregate issue of equity shares to FIIs and their sub-accounts should not exceed 24% of post-issue paid-up equity capital of a company. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its Board of Directors followed by a special resolution to that effect by its shareholders in their general meeting. As of the date of this Draft Red Herring Prospectus, our Company has not passed such resolution and the total FII investment cannot exceed 24% of our total issued capital.

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, as defined in the SEBI FII Regulations, may issue, or otherwise deal in offshore derivative instruments (defined under the SEBI FII Regulations as any instrument, by whatever name called, which is

issued overseas by an 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. The FII or sub-account is also required to ensure that no further issue or transfer of any offshore derivative instrument issued by it is made 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 BRLMs 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 of, claim on or an interest in, our Company. FIIs can participate in the Issue only through the ASBA process.

Bids by SEBI-registered Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, each, as amended, prescribe investment restrictions on Venture Capital Funds and FVCIs respectively registered with the SEBI. Accordingly, the holding in any company by any individual venture capital fund or FVCI registered with the SEBI should not exceed 25% of the corpus of such venture capital fund or FVCI respectively. However, venture capital funds or FVCIs may invest only up to 33.33% of their respective investible funds in various prescribed instruments, including in initial public offers.

Bids by Qualified Foreign Investors

Under the extant Indian laws, the individual and aggregate investment limits for QFIs are 5% and 10% respectively of the paid up capital of Indian company. These limits are over and above the FII and NRI investment ceilings prescribed under the PIS route for foreign investment in India.

Bids by QFIs (who are individuals) for a Bid Amount of up to ₹200,000 would be considered under the Retail Portion for the purposes of allocation. Bids by QFIs (who are individuals) for a Bid Amount of above ₹200,000 would be considered under Non-Institutional Portion for the purposes of allocation and such Bidders should use the ASBA facility to submit their Bids.

Bids by QFIs (other than who are individuals) can Bid only for a Bid Amount of more than ₹200,000 and their Bids would be considered under Non-Institutional Portion for the purposes of allocation and such Bidders should use the ASBA facility to submit their Bids.

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 reserves the right to reject any Bid without assigning any reason thereof. Limited liability partnerships can participate in the Offer only through the ASBA process.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, FIIs, insurance companies and provident funds with a minimum corpus of ₹2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 lakhs, 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 reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of 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 ASBA 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 Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along

with the Bid cum Application Form or the ASBA Bid cum Application Form, as applicable. Failing this, our Company reserves the right to accept or reject any Bid, in whole or in part, in either case without assigning any reasons thereof;

- (b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form or the ASBA Bid cum Application Form, as applicable. Failing this, our Company reserves the right to accept or reject any Bid, in whole or in part, in either case without assigning any reasons thereof;
- (c) With respect to Bids made by provident funds with a minimum corpus of ₹2500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 lakhs, 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 or the ASBA Bid cum Application Form, as applicable. Failing this, our Company reserves the right to accept or reject any Bid, in whole or in part, in either case without assigning any reasons thereof;

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/ASBA Bid cum Application Form, subject to such terms and conditions that our Company, and the BRLMs may deem fit. Our Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice, the demographic details given on the Bid cum Application Form/ASBA Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use demographic details as given in the Bid cum Application Form/ ASBA Bid cum Application Form instead of those obtained from the depositories.

Bids made by Provident Funds/pension funds

In case of the Bids made by provident funds/pension funds, subject to applicable law, with minimum corpus of ₹2500 lakhs and pension funds with minimum corpus of ₹2500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof. **Provident funds/pension funds can participate in the Issue only through the ASBA process.**

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 or the ASBA Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "IRDA Investment Regulations"), 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).

The above information is given for the benefit of the Bidders. Our Company, its Directors, officers, the BRLMs 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 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 this Draft Red Herring Prospectus. Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated above.

Bids by ASBA Investor

For ASBA process, please refer paragraph titled “ASBA Process” beginning on page 215 of this Draft Red Herring Prospectus.

Maximum and Minimum Bid Size (including ASBA Bidder)

- (i) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Price 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 Price does not exceed ₹200,000. In case the Bid Price is over ₹200,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (ii) **For Other Bidders (Non-Institutional Bidders and QIBs):** 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. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **QIB Bidders cannot withdraw their Bids after the Bid Closing Date & is required to pay the entire Bid amount upon submission of the Bid.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than ₹200,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to ₹200,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allotment under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at ‘Cut-Off Price’

Non – retail Investors i.e. QIBs and Non Institutional Investors who intend to participate in the Issue are mandatorily required to submit their Bids through the ASBA facility.

The maximum and the 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.

Payments made upon any revision of Bids shall be adjusted against the payment made at the time of the original Bid or the previously revised Bid.

Bidders are advised to 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 Red Herring Prospectus.

Information for the Bidders:

1. Our Company shall file the Red Herring Prospectus with the RoC at least 3 days before the Bid/ Issue Opening Date.
2. Copies of the Bid cum Application Form and the ASBA Bid cum Application Form, as also the Red Herring Prospectus will be available with the members of the Syndicate and our Registered Office. For ASBA Bidders, Bid cum Application Forms will be available on the websites of the BSE, NSE and the Designated Branches of the SCSBs.
3. Any Investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Bid cum Application Form or the ASBA Bid cum Application Form can obtain the same from our Registered Office or from any of the members of the Syndicate. In addition, electronic ASBA Bid cum Application Forms shall be available on the websites of SCSBs. Furthermore, the SCSBs shall ensure that the abridged prospectus is made available on their websites
4. Subject to Section 66 of the Companies Act, our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-issue advertisement, in the form prescribed under the SEBI (ICDR) Regulations, in an English national daily newspaper, a Hindi national daily newspaper and a regional newspaper, each with wide circulation. In the pre-issue advertisement, our Company and the BRLMs shall declare the Bid/Issue Opening Date, the Bid/Issue

Closing Date. This advertisement, subject to the provisions of Section 66 of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

5. Our Company shall announce the Price Band at least two Working Days before the Bid/Issue Opening Date in an English national daily newspaper, a Hindi national daily newspaper and a regional newspaper, each with wide circulation. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band.
6. The Bid/Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Bid/Issue Period shall be extended at least by an additional three Working Days, subject to the total Bid/Issue Period not exceeding ten Working Days. The revised Price Band and Bid/Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in an English national daily newspaper, a Hindi national daily newspaper and a regional newspaper, each with wide circulation and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.
7. The members of the Syndicate (in accordance with the terms of the Syndicate Agreement) and the Designated Branches shall accept Bids from the Bidder during the Bid / Issue Period in accordance with the terms of the Red Herring Prospectus.
8. Eligible Bidders who are interested in Bidding for the Equity Shares should approach the BRLMs or the Syndicate Members or their authorized agent(s) to register their Bids. Eligible Bidders can approach the members of the Syndicate or their authorised agent(s) to submit their Bids under the ASBA process. It may be noted that QIBs and Non Institutional Investors are mandatorily required to submit their Bids through the ASBA facility, in order to participate in the Issue.
9. The Bids should be submitted on the prescribed Bid cum Application Form or the prescribed ASBA Bid cum Application Form only, as the case may be. Bids by ASBA Bidders shall be accepted by the members of the Syndicate (at the ASBA Bidding Locations) and Designated Branches of SCSBs in accordance with the SEBI ICDR Regulations and any other circulars issued by SEBI in this regard. Bid cum Application Forms or ASBA Bid cum Application Forms should bear the stamp of the members of the Syndicate or Designated Branch. Bid cum Application Forms or ASBA Bid cum Application Forms (except electronic ASBA Bid cum Application Forms), which do not bear the stamp of a member of the Syndicate or the Designated Branch, are liable to be rejected.
10. QIBs and Non-Institutional Bidders may participate in the Issue only through the ASBA process. Retail Individual Bidders have the option to Bid through the ASBA process. ASBA Bidders are required to submit their Bids to the members of the Syndicate at the Syndicate ASBA Bidding Centres or to the SCSBs. Bidders other than ASBA Bidders are required to submit their Bids to the members of the Syndicate.
11. With effect from August 16, 2010, the demat accounts of Bidders for whom PAN details have not been verified excluding (i) persons resident in the state of Sikkim; (ii) the Central or State Governments and the (iii) officials appointed by the courts, who, may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders. However, 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.

Additional information specific to ASBA Bidders

1. Bid cum Application Form in physical form will be available with the Designated Branches, members of the Syndicate at the Syndicate ASBA Bidding Centres and at our Registered Office. Electronic Bid Cum Application Forms will be available on the websites of the SCSBs and on the websites of the Stock Exchanges at least one Working Day prior to the Bid/ Issue Opening Date. Further, the SCSBs will ensure that a soft copy of the abridged Red Herring Prospectus is made available on their websites. The BRLMs shall ensure that adequate arrangements are made to circulate copies of the abridged Red Herring Prospectus and Bid cum Application Form the SCSBs and the Syndicate.

2. **ASBA Bidders Bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate at the Syndicate ASBA Bidding Centres and that the SCSB where the ASBA Account is maintained as specified in the Bid cum Application Form, has named at-least one branch in the relevant Syndicate ASBA Bidding Centres for the members of the Syndicate to deposit Bid cum Application Forms, as displayed on the website of SEBI (www.sebi.gov.in/pmd/scsb-asba.html). ASBA Bidders Bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch where the ASBA Account is maintained (www.sebi.gov.in/pmd/scsb.pdf).**
3. For ASBA Bids submitted to the members of the Syndicate at the Syndicate ASBA Bidding Centres, the members of the Syndicate shall upload the ASBA Bid on to the electronic Bidding system of the Stock Exchanges and deposit the Bid cum Application Form with the relevant branch of the SCSB at the relevant Syndicate ASBA Bidding Centres authorized to accept such Bid cum Application Form from the members of the Syndicate (as displayed on the website of SEBI (www.sebi.gov.in/pmd/scsb-asba.html)). The relevant branch of the SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the Bid cum Application Form. For ASBA Bids submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the Bid cum Application Form, before entering the ASBA Bid into the electronic Bidding system.
4. **ASBA Bidders should ensure that they have funds equal to the Bid Amount in the ASBA Account before submitting the Bid cum Application Form to the members of the Syndicate at the Syndicate ASBA Bidding Centres or the respective Designated Branch. An ASBA Bid where the corresponding ASBA Account does not have sufficient funds equal to the Bid Amount at the time of blocking the ASBA Account is liable to be rejected.**
5. The members of the Syndicate at the Syndicate ASBA Bidding Centres and the SCSBs shall accept ASBA Bids only during the Bid/Issue 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 Bid/ Issue Closing Date.
6. The Bid cum Application Form shall bear the stamp of the SCSBs and/or the Designated Branch, member of the Syndicate at the Syndicate ASBA Bidding Centres (as displayed on the website of SEBI (www.sebi.gov.in/pmd/scsb-asba.html)), if not, the same shall be rejected.
7. **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 and the SCSBs, 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 our Company and the members of the Syndicate shall not be liable for losses, if any.**
8. For ASBA Bids submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs, 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, our Company in consultation with the Designated Stock Exchange, the BRLMs, the Registrar, 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 as available on the records of the Depositories.
9. For ASBA Bids submitted to the members of the Syndicate at the ASBA Bidding Centres, 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 SCSBs with the electronic Bid details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. 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, our Company in consultation with the Designated Stock Exchange, the BRLMs, the Registrar and the Company, reserves the right to proceed as per the depository records or treat such Bid as rejected.

Based on the information provided by the Depositories, the Company shall have the right to accept Bids belonging to an account for the benefit of a minor (under guardianship).

Method and Process of Bidding

1. Each Bid cum Application and/or the ASBA 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*” beginning on page 225 of this Draft Red Herring Prospectus) 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 and/or the ASBA 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 Price, will become automatically invalid.
2. The Bidder cannot Bid on another Bid cum Application Form or ASBA Bid cum Application Form after Bid(s) on one Bid cum Application Form or ASBA Bid cum Application Form have been submitted to any member of the Syndicate or SCSBs. Submission of a second Bid cum Application Form or ASBA Bid cum Application Form to either the same or to another member of the Syndicate or SCSBs 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 allocation or Allotment of Equity Shares in the Issue. However, the Bidder can revise the Bid through the Revision Form or ASBA Revision Form, the procedure for which is detailed under the paragraph titled “*Bids at Different Price Levels and Revision of Bids*” beginning on page 225 of this Draft Red Herring Prospectus.
3. The members of the Syndicate/ the SCSBs 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 or ASBA Bid cum Application Form.
4. With regard to Syndicate ASBA, upon receipt of the ASBA Bid cum Application Form by a member of the Syndicate, the concerned member of the Syndicate shall issue an acknowledgement by giving the counter foil of the ASBA Bid cum Application Form to the ASBA Bidder as proof of having accepted the Bid. Thereafter, the member of the Syndicate shall upload the details of the Bid in the electronic Bidding system of the Stock Exchanges and forward the ASBA Bid cum Application Form to the concerned SCSB. The SCSB shall carry out further action for such ASBA Bid cum Application Forms such as signature verification and blocking of funds. If sufficient funds are not available in the ASBA Account, the SCSB shall reject such Bids. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Payment Amount mentioned in the ASBA 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.
5. With regard to non-Syndicate ASBA i.e. ASBA Bidders Bidding through the SCSBs, upon receipt of an ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the respective Designated Branch shall verify if sufficient funds equal to the Payment Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Bids and shall not upload such Bids with the Stock Exchanges. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Payment Amount mentioned in the ASBA 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.
6. The Payment Amount shall remain blocked in the aforesaid ASBA Account until approval of the Basis of Allotment and consequent transfer of the Payment Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid cum Application Form, as the case may be. Once the Basis of Allotment is approved, 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 ASBA Bidders to the Public Issue 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.
7. During the Bidding/Issue Period, Bidders should approach the members of the Syndicate or their authorized agents to submit their Bid. Every member of the Syndicate shall accept Bids from all clients/investors who place orders through them and shall have the right to vet the Bids, subject to the terms of the Syndicate Agreement and this Draft 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.

8. The Members of the Syndicate shall accept Bids from the Bidders during the Bid/Issue Period in accordance with the terms of the Syndicate Agreement.
9. Along with the Bid cum Application Form, all Bidders (other than ASBA Bidders) will make payment in the manner described in “*Escrow Mechanism, terms of Payment and Payment into the Escrow Accounts*” beginning on page 226 of this Draft Red Herring Prospectus.

INVESTORS ARE ADVISED NOT TO SUBMIT THE BID CUM APPLICATION FORMS TO THE ESCROW COLLECTION BANKS. BIDS SUBMITTED TO THE ESCROW COLLECTION BANKS SHALL BE REJECTED AND SUCH BIDDERS SHALL NOT BE ENTITLED TO ANY COMPENSATION ON ACCOUNT OF SUCH REJECTION.

Bids at Different Price Levels and Revision of Bids

1. In accordance with SEBI ICDR Regulations, Our Company, in consultation with the BRLMs and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band 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 disclosed at least one days prior to the Bid/Issue Opening Date and the Cap Price will be revised accordingly.
2. Our Company, in consultation with the BRLMs will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
3. In case of revision in the Price Band, the Bidding Period will be extended for at least three working days subject to total Bidding Period of a maximum of 10 Working Days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the Stock Exchange and SCSB, by issuing a public notice in two widely circulated national newspapers (one each in English and Hindi) and one regional newspaper with wide circulation, and also by indicating the change on the websites of the BRLM and at the terminals of the Syndicate Members
4. The Bidder 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 applying for a maximum Bid in any of the bidding options not exceeding ₹200,000 may bid at Cut-Off Price. However, bidding at Cut-Off Price is prohibited for QIB, Non-Institutional Bidders bidding in excess of ₹200,000 and such bids shall be rejected.
5. Retail Individual Bidders who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders and 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 bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
6. In the event of any revision in the Price Band, whether upward or downward, the minimum application size shall remain [●] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of ₹5,000 to ₹7,000.
7. 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 Bids, other than ASBA Bids, the Syndicate 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 by the QIB Bidders. In such cases, the Syndicate will revise the earlier Bids details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar 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 Bid would returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus.

8. When a Bidder revises his or her Bid, he or she should surrender the earlier TRS and request for a revised TRS from the Syndicate or the SCSB, as proof of his or her having revised the previous Bid. 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.

Escrow mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, please see the paragraph titled “*Payment Instructions*” beginning on page 236 of this Draft Red Herring Prospectus.

Electronic Registration of Bids

1. The Syndicate and the SCSBs will register the Bids using the on-line facilities of the Stock Exchanges.
2. 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.
3. 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. Neither the BRLMs nor our Company nor 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 and the SCSBs, (ii) the Bids uploaded by the Syndicate Members and the SCSBs, (iii) the Bids accepted but not uploaded by the Syndicate Members and the SCSBs or (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 SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.

A member of the Syndicate shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by it, (ii) the Bids uploaded by it, and (iii) the Bids accepted but not uploaded by the member of the Syndicate, except, in relation to (i) and (ii), (iii) with respect to Bids by ASBA Bidders, Bids accepted and uploaded without blocking the funds in the ASBA Accounts, it shall not be responsible for ASBA Bids to the extent of payment of Bid Amounts.

4. The SCSBs 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 the SCSBs, (iii) the Bids accepted but not uploaded by the SCSBs 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 SCSBs, the full Bid Amount has been blocked in the relevant ASBA Account.
5. In case of apparent data entry error by the members of the Syndicate or the collecting bank (for Bids other than ASBA Bids), or 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).

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 and the SCSBs during the Bid/Issue Period. The Syndicate Members 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 and the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information is available with the members of the Syndicate on 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.

6. 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.
7. At the time of registering each Bid other than ASBA Bids, the Syndicate 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 Beneficiary account is held. Bids being submitted where there is more than one Bidder will be based on the name of the first Bidder. Bidders should ensure that the name of the first Bidder exactly matches the name of the First Holder for the Beneficiary account is being submitted.

- Investor Category and sub category– Individual, Corporate, Mutual Fund etc.;
- Numbers of Equity Shares Bid for;
- Price per Equity share (price option)
- Bid Amount;
- Cheque Details;
- Bid cum Application Form number;
- Bank Account number
- Cheques amount
- Cheque number
- DP ID and Client ID; and
- PAN (of First Bidder, in case of more than one Bidder);

With respect to Bids by ASBA Bidders, at the time of registering such Bids, the SCSBs shall enter the following information pertaining to the ASBA Bidders into the online system:

- Name of the Bidder
- ASBA Bid cum Application Form Number;
- PAN (of First ASBA Bidder, in case of more than one ASBA Bidder);
- Investor Category and Sub-Category – Individual, Corporate, Mutual Funds etc.;
- DP ID and Client ID;
- Numbers of Equity Shares Bid for;
- Price per Equity Share (price option)
- Bid Amount; and
- Bank code for the SCSB where the ASBA Account is maintained
- Name of the specified city

With respect to ASBA Bids submitted to the members of Syndicate at the Specified Cities, at the time of registering each Bid, the members of Syndicate shall enter the following details on the on-line system:

- Name of the Bidder
- Bid Cum Application Form number
- PAN (of the first Bidder, in case of more than one Bidder)
- Investor category and sub-category
- DP ID and Client ID
- Number of Equity Shares Bid for
- Price per Equity Share (price option)
- Bank code for the SCSB where the ASBA Account is maintained
- Name of the Specified City (Location of Syndicate ASBA Bidding location)

8. 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 Syndicate or the Designated Branches of the SCSBs. The registration of the Bid by the member of the Syndicate or the Designated Branches of the SCSBs does not guarantee that the Equity Shares shall be allocated/Allotted either by the Syndicate or our Company
9. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
10. Bidders, other than ASBA Bidders, are required to submit their Bids through the Syndicate or their affiliates. ASBA Bidders are required to submit their Bids to SCSBs or in case of Syndicate ASBA Investors with the members of the Syndicate. In case of QIBs, who are bidding through the Syndicate ASBA Bidding locations, our Company may, in consultation with BRLMs, reject their Bids at the time of acceptance of the Bid cum Application Form, provided that the reasons for such rejection shall be disclosed to such QIB in writing. In case of QIBs applying through ASBA

directly with SCSBs, Non-Institutional Bidders and Retail Individual Bidders, the right to reject the Bids shall only be on technical grounds mentioned in this chapter.

11. The permission given by the Stock Exchanges to use their network and software of the online IPO connectivity system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs 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 Promoters, 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.
12. 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 Bid/Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL. In case no corresponding record is available with depositories, which matches the three parameters, DP ID, Beneficiary Account No. and PAN, then such Bids are liable to be rejected.
13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details.

Build up of the book and revision of Bids

1. Bids received from various Bidders through the Syndicate and the SCSBs shall be electronically uploaded to the Stock Exchanges mainframe on a regular basis.
2. The Book gets built up at various price levels. This information will be available with the members of the Syndicate on a regular basis at the end of the Bid/Issue Period.
3. During the Bid/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form or ASBA Revision Form, which is a part of the Bid cum Application Form and/or ASBA Bid cum Application Form. Retail Individual Bidders may revise their bids within the Price Band at any time until finalization of Basis of Allotment.
4. Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form or ASBA Revision Form. Apart from mentioning the revised options in the Revision Form or ASBA Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form, or ASBA Bid cum Application Form or earlier Revision Form, or ASBA Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form/ ASBA Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form/ ASBA Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form or ASBA Revision Form. The Syndicate and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Form/ASBA Revision Form.
5. 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 or the 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.
6. 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), 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 by Retail Individual Bidders, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. If, however, the 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 Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

7. 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 by the SCSBs in case of ASBA Bidders.
8. Our Company, in consultation with the BRLMs, shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹5,000 to ₹7,000. In the event of any revision in the price band, whether upward or downward, the minimum bid size will remain [●] equity shares irrespective of whether the bid amount payable on such minimum bid is not in the range of ₹5,000 to ₹7,000.
9. 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 Bids, other than ASBA Bids, the Syndicate 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 by the QIB Bidders. In such cases, the Syndicate will revise the earlier Bids details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar 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 Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus.
10. When a Bidder revises his or her Bid, he or she should surrender the earlier TRS and request for a revised TRS from the Syndicate or the SCSB, as proof of his or her having revised the previous Bid. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

Price Discovery and Allocation

1. After the Bid/Issue Closing Date, the BRLMs will analyze the demand generated at various price levels and discuss pricing strategy with us.
2. Our Company, in consultation with the BRLMs shall finalize the 'Issue Price', the number of Equity Shares to be allotted in each category of Bidders.
3. The allocation available to QIBs for not more than 50% of the Issue to the Public, of which 5% shall be reserved for Mutual Funds, would be on a proportionate basis, subject to valid bids being received at or above the Issue Price in the manner as described in the para titled "*Basis of Allotment*". The allocation to Non-Institutional Bidders and Retail Individual Bidders of not less than 15% and 35% of the Issue to the Public, respectively, would be on proportionate basis, in the manner specified in the SEBI (ICDR) Regulations in consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.
4. In case of under-subscription in the Issue, spillover to the extent of under-subscription shall be permitted from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. Such inter-se spillover, if any, would be effectuated in accordance with applicable laws, rules, regulations and guidelines. In case inadequate demands from the mutual funds, the Equity shares will be made available to the QIBs other than the mutual funds. In the event of under subscription in any categories in the Issue, the unsubscribed portion will be allowed to be met with spill over from over-subscription from any other category or categories at the sole discretion of our company in consultation with the BRLMs.

Only Bids that are uploaded on the on-line 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 purpose 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 upto one working date after the Bid Closing Date to modify /verify certain select 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.

5. In case of corresponding record is available with the Depositories, which matches the three parameters, namely, DPID, Client ID and PAN, the such Bids are liable to be rejected.
6. The BRLMs, in consultation with us, shall notify the Syndicate Members of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
7. Allocation to Non-Residents, including Eligible NRIs and FIIs registered with SEBI, applying on repatriation basis will be subject to applicable laws, rules, regulations, guidelines and approvals.
8. Our Company in consultation with the BRLMs, reserves the right to cancel the Issue any time after the Bid/Issue Opening Date but before allocation, without assigning reasons whatsoever. The allotment details shall be uploaded on the website of the Registrar to the Issue.
9. QIBs shall not be allowed to withdraw their Bid after the QIB Issue Closing Date.
10. The allotment details shall be put on web-site of the registrar to the issue

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the BRLMs and the Syndicate Members shall enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, our Company will update and file the updated Red Herring Prospectus 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, Issue size, the underwriting arrangements and will be complete in all material respects.

Filing with the RoC

Our Company will file a copy of the Red Herring Prospectus and the Prospectus with RoC in terms of Sections 56, Section 60 and Section 60B of the Companies Act.

Public Announcement pursuant to filing of the DRHP

Pursuant to the filing of this Draft Red Herring Prospectus with SEBI, our Company shall on the next day, make a Public Announcement in an English national daily newspaper, Hindi national daily newspaper and a regional newspaper with wide circulation. This Public Announcement, subject to the provisions of Section 60 of the Companies Act, shall invite public to give their comments to SEBI in respect of disclosures made in this Draft Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 66 of the Companies 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, in one English language national newspaper (one each in English and Hindi) and one regional newspaper, each with wide circulation.

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. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement

Issuance of Confirmation of Allotment Note (“CAN”)

- (a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Syndicate and the SCSBs a list of the successful Bidders who have been Allotted Equity Shares in the Issue. Our Company shall issue instructions for demat credit of equity shares to all the successful Bidders in this Issue on or

after the date of allotment.

- (b) The Registrar will then dispatch CANs to the Bidders who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

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 SCSBs, 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 in 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.

However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of notification from the Registrar to the Issue by the Controlling Branch of the SCSB in relation to the approval of the Basis of Allotment in the Issue by the Designated Stock Exchange in the event of withdrawal or failure of the Issue or rejection of the ASBA Bid, as the case may be.

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 Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act and the Depositories Act.

Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated / allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's:

- (a) Check if you are eligible to apply;
- (b) Ensure that you have Bid within the Price Band;
- (c) Read all the instructions carefully and complete the Bid cum Application Form;
- (d) Ensure that the details about the PAN, Depository Participant and the beneficiary account are correct only and the beneficiary account is activated as Allotment of Equity Shares will be in the dematerialised form only;
- (e) Ensure that the Bids are submitted at the Bidding Centres only on forms bearing the stamp of a member of the Syndicate or with respect to ASBA Bidders, ensure that you Bid is submitted to a Syndicate (only in case of Syndicate ASBA Bidder) or at a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the Bidder for bidding has a bank account;
- (f) With respect to Bids by ASBA Bidders ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Bid cum Application Form;
- (g) Ensure that you request for and receive a TRS for all your Bid options;
- (h) Ensure that you have funds equal to the Bid Amount in your bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB;
- (i) Ensure that the full Bid Amount is paid for the Bids submitted to the Syndicate and funds equivalent to the Bid

Amount are blocked in case of any Bids submitted through the SCSBs;

- (j) Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
- (k) Submit revised Bids to the same member of the Syndicate/SCSB through whom the original Bid was placed and obtain a revised TRS;
- (l) Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form or the ASBA Bid cum Application Form. 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 and all Bidders should mention their PAN allotted under the IT Act;
- (m) Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects.
- (n) Ensure that the name(s) given in the Bid cum Application Form or ASBA Bid cum Application Form exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form or ASBA Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form or ASBA Bid cum Application Form;
- (o) QIBs and Non Institutional Bidders should submit their Bids through the ASBA process only;
- (p) Ensure that DP ID, the client identification number and PAN mentioned in the Bid cum Application Form or ASBA Bid cum Application Form and entered into the electronic Bidding system of the Stock Exchanges by the Members of the Syndicate or Designated Branches of the SCSBs, as the case may be, matches with the DP ID, Client ID and PAN available in the Depository database. The Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the electronic Bidding system of the Stock Exchanges by the Members of the Syndicate or the Designated Branches of the SCSBs, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected.
- (q) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (r) In addition, ASBA Bidders should ensure that:
 - a. the authorization box in the ASBA Bid cum Application Form has been correctly checked, or an authorization to the SCSB through the electronic mode has been otherwise provided, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in the ASBA Account maintained with a branch of the concerned SCSB; and
 - b. an acknowledgement from the Designated Branch of the concerned SCSB or from Members of Syndicate in case of ASBA Syndicate Bidders for the submission of the Bid cum Application Form has been obtained.

Don'ts:

- (a) Do not Bid for lower than the minimum Bid size;
- (b) Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- (c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate or the SCSBs, as applicable;
- (d) Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;
- (e) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate or the SCSBs only;
- (f) Do not submit more than five ASBA Bid cum Application forms with respect to any single ASBA Account;
- (g) Do not Bid at Cut-off Price (for QIB Bidders and Non-Institutional Bidders, for Bid Amount in excess of ₹200,000);
- (h) Do not Bid for a Bid Amount exceeding ₹200,000 for Bids by Retail Individual Bidders;
- (i) 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;
- (j) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground;
- (k) Do not submit the Bids without the full Bid Amount; and.
- (l) Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;

- (m) Do not Bid for allotment of Equity Shares in physical form;
- (n) Do not submit the Bid cum Application Form to Escrow Collection Bank (s); and
- (o) Do not submit on plain paper or incomplete or illegible Bid cum Application forms, or on Bid cum Application forms in a colour prescribed for another category of Bidder.
- (p) In case of ASBA Bids, do not submit the Bid cum Application Form with a Syndicate Member at a location other than the ASBA Bidding Locations; and
- (q) Do not submit ASBA Bids to a Syndicate Member in the Specified Cities unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named atleast one branch in the relevant Specified City, for the Syndicate Members to deposit Bid cum Application Forms (A list of such branches is available at <http://www.sebi.gov.in/pmd/scsbasba.html>).

ADDITIONAL INSTRUCTIONS SPECIFIC TO ASBA BIDDERS

Do's:

- (a) Check if you are eligible to Bid under ASBA;
- (b) Ensure that you use the ASBA Bid cum Application Form specified for the purposes of ASBA;
- (c) Before submitting the physical ASBA Bid Cum Application Form with the member of the Syndicate for Bidding through Syndicate ASBA ensure that the SCSB, whose name has been filled in the ASBA Bid Cum Application Form, has named a branch in that centre;
- (d) Read all the instructions carefully and complete the ASBA Bid cum Application Form;
- (e) For ASBA Bidders Bidding through Syndicate ASBA, ensure that your ASBA Bid cum Application Form is submitted to the members of the Syndicate at the Syndicate ASBA Centre and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- (f) For ASBA Bidders Bidding through the SCSBs, ensure that your ASBA Bid cum Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue or the members of the Syndicate;
- (g) Ensure that the ASBA 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 ASBA Bid cum Application Form;
- (i) Ensure that you have funds equal to the Payment Amount in the ASBA Account before submitting the ASBA Bid cum Application Form to the respective Designated Branch;
- (j) Ensure that you have correctly ticked, provided or checked the authorisation box in the ASBA 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 Payment Amount mentioned in the ASBA 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 ASBA Bid cum Application Form;
- (l) Submit the ASBA Revision Form with the same Designated Branch or concerned member of the Syndicate, as the case may be, through whom the ASBA Bid cum Application Form was placed and obtain a revised acknowledgment;
- (m) Ensure that the name(s) given in the ASBA Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the ASBA Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the ASBA Bid cum Application Form.

Don'ts:

- a) Do not Bid on another ASBA Bid cum Application Form after you have submitted a Bid to a member of the Syndicate or a Designated Branch, as the case may be;
- b) Payment of Amount in any mode other than through blocking of Payment Amount in the ASBA Accounts shall not be accepted under the ASBA;
- c) Do not submit the ASBA Bid cum Application Form with a member of the Syndicate at a location other than the Syndicate ASBA Centres;
- d) Do not send your physical ASBA Bid cum Application Form by post. Instead submit the same with a Designated Branch or a members of the Syndicate, as the case may be;
- e) Do not submit more than five ASBA Bid cum Application Forms per ASBA Account;

- f) Do not submit ASBA Bids to a member of the Syndicate at the Syndicate ASBA Bidding Location unless the SCSB where the ASBA Account is maintained as specified in the Bid cum Application Form, has named at-least one branch, as displayed on the SEBI website (www.sebi.gov.in/pmd/scsb-asba.html) in the relevant Syndicate ASBA Bidding Centres for the members of the Syndicate to deposit Bid cum Application Forms;
- g) In case of ASBA Bids, do not submit the Bid cum Application Form with a Syndicate Member at a location other than the ASBA Bidding Locations;

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM AND ASBA BID CUM APPLICATION FORM

Bids and revision of Bids must be:

- (a) Made only in the prescribed Bid cum Application Form or Revision Form, ASBA Bid cum Application Form or ASBA Revision Form as applicable;
- (b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form ASBA Bid cum Application Form or in the Revision Form or ASBA Revision Form as the case may be. Incomplete Bid cum Application Forms/ASBA Bid cum Applicable Form or Revision Form or Revision Forms/ASBA Revision Form are liable to be rejected. Bidders should note that the Syndicate and/or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms/ASBA Bid cum Applicable Form or Revision Forms/ASBA Revision Form;
- (c) Information provided by the Bidders will be uploaded in the online system by the Syndicate and the SCSBs, 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;
- (d) 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;
- (e) 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;
- (f) In single name or in joint names (not more than three, and in the same order as their Depository Participant details);
- (g) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- (h) Bids through ASBA must be:
 - (i) made only in the prescribed ASBA Bid cum Application Form or ASBA Revision Forms (if submitted in physical mode) or the electronic mode;
 - (ii) 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);
 - (iii) completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Red Herring Prospectus and in the ASBA Bid cum Application Form;
- (i) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the ASBA Bid cum Application Form;
- (j) 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, *“Issue Procedure – Instructions for Completing the Bid cum Application Form and ASBA Bid*

cum Application Form” beginning on page 234 of this Draft Red Herring Prospectus.

Bidder’s PAN, Depository Account and Bank Account Details

Bidders should note that on the basis of PAN of the Bidders, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar 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 bank account details would be used for giving 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 neither the BRLMs or the Registrar or the Escrow Collection Banks or the SCSBs nor our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form ASBA Bid cum Application Form as the case may be.

IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALIZED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT’S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, CLIENT IDENTIFICATION NUMBER AND PAN IN THE BID CUM APPLICATION FORM/ASBA BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN ON THE BID CUM APPLICATION FORM/ASBA BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, THE PAN IN THE BID CUM APPLICATION FORM/ASBA BID CUM APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED TO THE DEPOSITORY PARTICIPANT. IF THE BID CUM APPLICATION FORM/ASBA BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND SUCH JOINT NAMES ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR ON THE BID CUM APPLICATION FORM/ASBA BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/CANs/allocation advice and printing of bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form or ASBA Bid cum Application Form would not be used for any other purpose by the Registrar.

By signing the Bid cum Application Form, or ASBA Bid cum Application Form the Bidder would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Refund orders/CANs 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/CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder (other than ASBA Bidders) 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 or the Escrow Collection Banks or the Registrar or the BRLMs 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 three parameters, namely, PAN of the Bidder, 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 at the rate of exchange prevailing at the time of remittance 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 USD or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Retail individual Bidders other than ASBA Bidders

Pursuant to SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011 non- retail Investors are mandatorily required to utilise the ASBA facility to participate in the Issue.

Our Company and the Syndicate shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favour the 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 Retail individual Bidders would be deposited in the relevant Escrow Account.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus, the Prospectus and the Escrow Agreement. The Escrow Collection Banks for and on behalf of the Bidders shall maintain the monies in the Escrow Account(s) 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 (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 Syndicate, the Escrow Collection Banks and the Registrar to the Issue to facilitate collections from the Bidders.

Each Retail individual Bidder who does not utilize the ASBA facility shall pay the full Bid Amount at the time of the submission of the Bid cum Application Form, and shall, along with the submission of the Bid cum Application Form, draw a cheque or demand draft in favor of the relevant Escrow Account of the Escrow Collection Bank(s) (see “Payment in Escrow Account” below), and submit such cheque or demand draft to the member of the Syndicate to whom the Bid is being submitted. Retail individual Bidders may also provide the entire Bid Amount by way of an electronic transfer of funds. Bid cum Application Forms accompanied by cash/stockinvest/money order/postal order shall not be accepted.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Retail individual Bidders until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account. The balance amount after transfer to the Public Issue Account of our Company shall be transferred to the Refund Account on the Designated Date. No later than 12 Working Days from the Bid / Issue Closing Date, the Escrow Collection Bank(s) shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for Allotment, to the Bidders.

Where the Retail individual Bidder has been allotted a lesser number of Equity Shares than he or she had Bid for, the excess amount paid on Bidding, if any, after adjustment for Allotment, will be refunded to such Bidder within 12 Working Days from the Bid / Issue Closing Date, failing which our Company shall pay interest according to the provisions of the Companies Act for any delay of more than 8 days after the day on which our Company becomes liable or 15 days from the Bid / Issue Closing Date, whichever is earlier.

Payment into Escrow Accounts

- a) All Retail individual Bidders who are not Bidding through ASBA facility would be required to pay the entire Bid Amount at the time of the submission of the Bid cum Application Form.
- b) The Retail individual Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the entire Bid Amount in favour of the Escrow Account(s) and submit the same to the member of the Syndicate. If the payment is not made favouring the Escrow Account along with the Bid cum Application Form, the Bid shall be rejected. Bid cum Application Forms accompanied by cash, stockinvest, money order or postal order shall not be accepted.

- c) The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

In case of Resident Retail Bidders: “[●]”

In case of Non-Resident Retail Bidders: “[●]”

In case of Bids by Eligible NRIs applying on repatriation basis, only Bids accompanied by payment in 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 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 Non-Resident Ordinary (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.

In case of Bids by Eligible NRIs applying on non-repatriation basis, the payments must be made through 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 or out of a Non-Resident Ordinary (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.

- d) The monies deposited in the Escrow Account(s) will be held for the benefit of the Bidders until the Designated Date.
- e) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account(s) as per the terms of the Escrow Agreement and the Red Herring Prospectus into the Public Issue Account and the surplus amount shall be transferred to the Refund Account.
- f) Within 12 Days from the Bid/Issue Closing Date, the Registrar to the Issue shall dispatch all refund amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/Allotment to the Bidders.
- g) Payments should be made by cheque, or demand draft drawn on any bank (including a cooperative 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. Cash, stockinvest, money orders or postal orders will not be accepted.
- h) In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Banks, such Bids are liable to be rejected.
- i) Bidders are advised to mention the number of the Bid cum Application Form on the reverse of the cheque/demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

Payment mechanism for ASBA Bidders

Pursuant to SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011 non- retail Investors are mandatorily required to utilise the ASBA facility to participate in the Issue.

ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form which is to be submitted to the Syndicate member. The Syndicate member shall in turn forward the ASBA Bid cum Application Form to the SCSB for processing and the SCSB shall block an amount equivalent to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal / rejection of the ASBA Bid or receipt of instructions from the Registrar to unblock the Bid Amount. In the event of withdrawal or rejection of the ASBA Bid cum Application Form, failure of the Issue or for unsuccessful ASBA Bid cum Application Forms, the Registrar shall give instructions to the SCSB to unblock the Bid Amount in the relevant bank account and the SCSBs shall unblock the Bid Amount on receipt of such instruction. The Bid Amount shall remain

blocked in the ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Upon completing and submitting the ASBA Form to the Designated Branch or the Syndicate / Sub – syndicate Member, (at the ASBA Bidding Location) whether in physical or electronic mode, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus 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 Bidders. Upon submission of an ASBA Bid cum Application Form with the SCSB or the Syndicate / Sub – syndicate Member, (at the ASBA Bidding Location) whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch to block such Bid Amount in the ASBA Account. An ASBA Bid cum Application Form should not be accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form until the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Accounts, in accordance with the SEBI ICDR Regulations, into the Public Issue Account. The balance amount, if any, against any Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 (i) Non-Institutional Bidders and QIB Bidders are required to mandatorily apply through ASBA, and (ii) the syndicate/ sub-syndicate members may procure the ASBA Bid cum Application Form from the investors in Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda, and Surat and submit it to the SCSB. Syndicate/ sub-syndicate members are required to upload the bid and other relevant details of the ASBA Bid cum Application Form in the electronic bidding system provided by the stock exchanges and forward the same to the SCSBs.

Payment into Escrow Account for Bidders other than ASBA Bidders

Please Note that the payment into the Escrow Account is applicable only to Retail Individual Bidders, Bidding through the Bid cum Application Form.

Each Bidder shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism 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 Syndicate. 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.
3. 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. Cash/stockinvest/money orders/postal orders will not be accepted. Please note that cheques without the nine digit Magnetic Ink Character Recognition ("MICR") code are liable to be rejected.
4. 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.

Payment by cash/ stockinvest/ money order

Payment through cash/ stockinvest/ money order shall not be accepted in this Issue.

Submission of Bid cum Application Form and ASBA Bid cum Application Forms

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 at the time of submission of the Bid. With regard to submission of ASBA Bid cum Application Forms, please see, “*Issue Procedure - Instructions for Completing the Bid cum Application Form and ASBA Bid cum Application Form*” beginning on page 234 of this Draft Red Herring Prospectus.

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 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 or concerned member of the Syndicate, as the case may be, for submission of the ASBA Bid cum Application Form may be provided.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form/ASBA Bid cum Application Form or Revision Form/ASBA Revision Form. 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 (and not more than one) Bid. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same.

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.

In this regard, the procedures which would be followed by the Registrar to detect multiple Bids are given below:

- a) All Bids will be checked for same name and age will be accumulated and taken to a separate process file which would serve as a multiple master;
- b) In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master;
- c) The Registrar will obtain, from the depositories, details of the applicant’s address based on the DP ID and Beneficiary Account Number provided in the Bid data and create an address master;
- d) The addresses of all the applications in the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names. The Bids with same name and same address will be treated as multiple Bids;
- e) The Bids will be scrutinised for DP ID and Beneficiary Account Numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.
- f) Subsequent to the aforesaid procedure, a print out of the multiple master will be taken and the applications physically verified to tally signatures, as well as, father’s/ husband’s name. On completion of this exercise, applications will be identified as Multiple Applications.

More than one ASBA Bidder may Bid for Equity Shares using the same ASBA Account, provided that the SCSBs shall not accept a total of more than 5 Bid cum Application Forms from such ASBA Bidders with respect to any single ASBA Account.

The Company, in consultation with the BRLM, reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number or PAN

Except for Bids on behalf of the Central or State Government and the officials appointed by the courts, the Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. 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/ASBA Bid cum Application Form without the PAN is liable to be rejected, except for resident in the state of Sikkim, on behalf of the Central or State Governments and the officials appointed by the courts, may be 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 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 ASBA Bids

QIBs cannot withdraw their ASBA Bids after the applicable Issue Closing Date.

ASBA Bidders can withdraw their Bids during the Issue Period by submitting a request for the same to the concerned SCSB or the concerned member of the Syndicate, as applicable, who shall do the requisite, including deletion of details of the withdrawn ASBA 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 ASBA Bid Cum Application Form.

In case an ASBA Bidder (other than a QIB) 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 file and give instruction to the SCSB for unblocking the ASBA Account after approval of the 'Basis of Allotment'.

Rejection of Bids

In case of QIB Bidders, our Company, in consultation with the BRLMs may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidders in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made by RTGS/NEFT/NES/Direct Credit/cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk.

With respect to Bids by ASBA Bidders, the Designated Branches of the SCSBs shall have the right to reject Bids by ASBA Bidders if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch of the SCSB ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the Bid by ASBA Bidder by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected on technical grounds including:

- DP ID and Client ID not mentioned in the Bid cum Application Form
- Bid submitted without payment of the entire Payment Amount or if the amount paid does not tally with the Payment Amount;
- Bids submitted by Retail Individual Bidders through the non-ASBA process, wherein the Payment Amount exceeds ₹200,000 upon revision of Bids;
- Bids submitted by Retail Individual Bidders which does not contain details of the Bid Amount and the Payment Amount in the Bid cum Application Form;
- Application submitted on a plan paper;
- Bids by HUFs not mentioned correctly as given in 'Who can Bid';
- 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 firm can apply in its own name;
- Bids by minors identified based on the Demographic Details provided by the Depositories;
- PAN not mentioned in the Bid cum Application Form or ASBA Bid cum Application Form, except forbids by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim provided such claims have been verified by the Depository Participants, DP ID and Client ID not mentioned in the Bid cum Application Form or ASBA Bid cum Application Form;
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than the Floor Price;
- Bids at a price more than the Cap Price;
- Bids at Cut-off Price by Non-Institutional Bidders and QIBs;
- Bids with Payment Amount for a value of more than ₹200,000 by Bidders falling under the category of Retail Individual Bidders;
- Bids by QIBs and Non-Institutional Bidders not submitted through ASBA;
- Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
- Bids for number of Equity Shares which are not in multiples of [●];
- Multiple bids as referred to in this Draft Red Herring Prospectus;
- Bids accompanied by stockinvest/money order/postal order/cash;
- Bid cum Application Forms and ASBA Bid cum Application Forms not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms and ASBA Bid cum Application Forms, 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 and ASBA Bid cum Application Forms;

- In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations and applicable law;
- Bids where clear funds are not available in Escrow Accounts as per final certificates from Escrow Collection Banks;
- With respect to ASBA Bids, the ASBA Account not having credit balance to meet the application money or no confirmation is received from the SCSB for blocking of funds;
- Bids by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Bids not uploaded on the terminals of the Stock Exchanges
- Bids by Bidders whose demat accounts have been suspended for credit pursuant to the circular by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Signature of Bidders missing. In case of joint Bidders, the Bid cum Application Forms not being signed by each of the joint Bidders and not appearing in the same sequence as appearing in the depository's records;
- Bid cum ASBA Application Forms not being signed by the ASBA account holder, if the account holder is different from the Bidder;
- ASBA Bid cum Application Forms does not have the stamp of the members of the Syndicate or the SCSB and/or the Designated Branch (except for electronic ASBA Bids), as the case may be;
- ASBA Bid cum Application Forms not having details of the ASBA Account to be blocked.
- Bid cum Application Forms does not have Bidder's depository account details;
- Bid cum Application Forms not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and this Draft Red Herring Prospectus and as per the instructions in this Draft Red Herring Prospectus and the Bid cum Application Forms;
- With respect to ASBA Bids, inadequate funds in the ASBA Account to enable the SCSB to block the Bid Amount specified in the ASBA Bid cum Application Forms the time of blocking such Bid Amount in the ASBA Account;
- Bid cum Application Forms not containing the authorizations for blocking the Bid Amount in the bank account specified in the Bid cum Application Forms;
- Bids by any person outside India if not in compliance with applicable foreign and Indian laws;
- Bids by OCBs; and
- Bids by QIBs uploaded after 4.00 p.m. on the Issue Closing Date applicable to QIBs, Bids by Non- Institutional Bidder uploaded after 4 pm on the issue closing date and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Issue Closing Date.

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/THE SCSBs DO NOT MATCH WITH THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE RECORDS WITH THE DEPOSITORIES, THE APPLICATION IS LIABLE TO BE REJECTED.

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, the Allotment of Equity Shares in this Issue shall be only in a dematerialised 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:

- Agreement dated September 21, 2011 between NSDL, our Company and the Registrar to the Issue;
- Agreement dated September 20, 2011 between 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 Beneficiary Account Number and Depository Participant's identification number) 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 holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- 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 this Issue should be addressed to the Registrar quoting the full name of the sole or first Bidder, Bid cum Application Form/ASBA Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form / ASBA Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch of the SCSBs 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 in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders can contact the Designated Branches of the SCSBs.

PAYMENT OF REFUND

Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue will dispatch the refund orders for all amounts payable to unsuccessful Bidders (other than ASBA Bidders) and also any excess amount paid on Bidding, after adjusting for allocation/ Allotment to Bidders

Bidders other than ASBA Bidders must note that on the basis of the Bidders PAN, DP ID, Client ID and beneficiary account number provided by them in the Bid cum Application Form / ASBA Bid cum Application Forms, the Registrar to the Issue will obtain, from the Depositories, the Bidders' bank account details, including the MICR code. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue nor the BRLMs shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In the case of Bids from Eligible NRIs and FIIs, refunds, dividends and other distributions, if any, will normally be payable in Indian Rupees only and net of bank charges and/or commission. Where so desired, 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. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Mode of making refunds for Bidders other than ASBA Bidders

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through various modes in the following order of preference:

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. The payment of refunds is mandatory for applicants having a bank account at any of the centres where such facility is made available, except where the applicant, is eligible and opts to receive refund through direct credit or RTGS.
2. **Direct Credit** – Applicants having bank accounts with the Refund Bank (s), as mentioned in the Bid cum Application Form, 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.
3. **RTGS** – Applicants having a bank account at any of the centres where such facility is available and whose refund amount exceeds ₹200,000 will be considered to receive refund through RTGS. For such eligible applicants, IFSC code will be derived based on MICR code of the Bidder as per depository records. In the event the same is not available as per depository's records, refund shall be made through NECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.
4. **NEFT** – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a MICR, if any, available to that particular bank branch. IFSC code will be obtained from the website of 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 code 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 shall instruct the SCSBs to unblock the funds in the relevant ASBA Accounts to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, 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 Bidders other than 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 of the Bid/Issue Closing Date.

In case of applicants who receive refunds through NECS, 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 dispatched to the Bidders receiving refunds through this mode within 12 Working Days of 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 shall use its best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, our Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 12 Working Days of the Bid/Issue Closing Date; and
- With respect to Bidders other than 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 dispatched within 12 Working Days from the Bid/Issue Closing Date.
- Our Company shall pay interest at 15% p.a. for any delay beyond 12 Working Days from the Bid/Issue Closing Date as mentioned above, 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. If such money is not repaid within stipulated time, our Company and every Director of our Company who is an officer in default shall, be jointly and severally liable to repay the money with interest as prescribed under sub-section (2) and (2A) of section 73 of the Companies Act.

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 subscribing for, any shares therein, or
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”

BASIS OF ALLOTMENT

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.
- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the 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.

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 shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares, and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

C. For QIBs

- 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 Issue size less Allotment to Non Institutional Bidders and Retail shall be available for Allotment to Non- QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. The Allotment to all the QIB Bidders will be made at the Issue Price. The QIB Portion shall 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 shall be determined as follows:
 - (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion;
 - (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the 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, not allocated to Mutual Funds shall 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, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter 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, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders;
- (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

The Book Running Lead Managers, the Registrar to the Issue and the Designated Stock Exchange shall ensure that the 'Basis of Allocation' is finalized in a fair and proper manner in accordance with the SEBI Regulations. The drawing of lots (where required) to finalize the 'Basis of Allocation' shall be done in the presence of a public representative on the Governing Board of the Designated Stock Exchange.

A. Illustration of Allotment to QIBs and Mutual Funds ("MF")

Sr. No	Particulars	Issue details
1.	Issue size	200 Crores equity Shares
2.	Allocation QIB (50%)	100 Crores Equity Shares
	Of which	
a.	Reservation for Mutual Funds (5%)	5 Crores Equity Shares
b.	Balance for all QIBs including Mutual Funds	95 Crores Equity Shares
3.	No. of QIB applicants	[●]
4.	No. of shares applied for	[●]

B. Details of QIB Bids

Sr. No.	Type of QIB bidders	No. of shares bid for (in millions)
1.	A1	50
2.	A2	20
3.	A3	130
4.	A4	50
5.	A5	50
6.	MF1	40
7.	MF 2	40
8.	MF3	80
9.	MF4	20
10.	MF5	20
11.	Total	500

A1-A5: (QIB Bidders other than MFs), (MF1-MF5) (QIB Bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/ Applicants

Type of QIB bidders	Shares bid for	Allocation of 5% equity shares	Allocation of 95% equity shares	Aggregate allocation to MFs
(I)	(II)	(III)	(IV)	(V)
	<i>(Number of equity shares in million)</i>			
A1	50	0	6.65	0
A2	20	0	2.66	0
A3	130	0	17.29	0
A4	50	0	6.65	0
A5	50	0	6.65	0
MF1	40	0.7	5.32	6.02

MF 2	40	0.7	5.32	6.02
MF3	80	1.4	10.64	12.04
MF4	20	0.35	2.66	3.01
MF5	20	0.35	2.66	3.01
Total	500	3.5	66.5	30.10

Please note:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in the chapter titled “*Issue Structure*” beginning on page 210 of this Draft Red Herring Prospectus.
2. Out of 100 crores equity shares allocated to QIBs, 5 crores (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 200 equity shares in QIB category.
3. The balance 95 crores equity shares (i.e. 100 - 5 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who applied.
4. The figures in the fourth column entitled “Allocation of balance 95 crores Equity Shares to QIBs proportionately” in the above illustration are arrived as under:

For QIBs other than Mutual Funds (A1 to A5) = No. of shares bid for (i.e. in column II) X 95 /495

For Mutual Funds (MF1 to MF5) = [(No. of shares bid for (i.e. in column II of the table above) less Equity Shares allotted (i.e. column III of the table above)] X 95/ 495.

The numerator and denominator for arriving at allocation of 95 crore Equity shares to the 10 QIBs are reduced by 5 crores Equity shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, our Company 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 BRLMs and the Registrar of the Issue shall be responsible for ensuring that the Basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorized 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) The 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:
 - Each successful Bidder shall be Allotted a minimum of [●] Equity Shares; and
 - 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.
- 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) Investors should note that the Equity Shares will be allocated to all successful Bidders in dematerialised form only. Bidders will have the option of being allocated Equity Shares in physical form;
- g) 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.

Letters of Allotment or Refund Orders or instructions to the SCSBs

Our Company shall credit the Allotted Equity Shares 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 disclosed as eligible to get refunds through direct credit, RTGS and NEFT. Our Company shall ensure dispatch of refund orders by registered post or speed post at the 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 Working Days of the Bid/Issue Closing Date. In case of ASBA Bidders, the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 12 Working Days of the Bid/Issue Closing Date.

Interest in case of delay in dispatch of Allotment Letters or Refund Orders/instruction to the SCSBs by the Registrar

Our Company agrees that (i) Allotment of Equity Shares; and (ii) credit to the successful Bidders depository accounts will be completed within 12 Working Days of the Bid/Issue Closing Date.

Our Company further agrees that it shall pay interest at the rate of 15% p.a. if the Allotment letters or refund orders have not been dispatched 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 12 Working Days from the Bid/Issue Closing Date.

Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar.

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.

Withdrawal of the Issue

Our Company in consultation with the BRLMs, reserve the right not to proceed with the Issue anytime after the 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 BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the accounts of the ASBA Bidders.

If our Company withdraw the Issue after the Issue Closing Date and our Company, thereafter, determines that it will proceed with issue 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.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily. Our Company has authorized the Company Secretary and Compliance Officer to redress all complaints, if any, of the investors participating in the Issue;
- 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 within 12 Working Days of the Bid/Issue Closing Date;
- That funds required for making refunds 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 dispatched to the applicant within 12 Working Days of the Bid/Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and
- That adequate arrangement shall be made to collect all ASBA Bid cum Application Forms and to consider them similar to non-ASBA applications while finalising the Basis of Allotment.
- That the certificates of the securities/refund orders to the eligible NRI's shall be dispatched within specified time.

Our Company shall comply with the requirements of Clause 49 of the Listing Agreement in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

Utilisation of Issue proceeds

The Board of Directors of our Company certifies that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- details of all monies utilized out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized;
- details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested;
- Our Company shall comply with the requirement of Clause 49 of the Listing Agreement in relation to the disclosure and monitoring of the utilization of the Net Proceeds; and
- Our Company shall not have recourse to the proceeds of the Issue until the approval for trading of the Equity Shares from the Stock Exchanges has been received.

SECTION IX: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule II of the Companies Act, 1956 and SEBI (ICDR) Regulations, 2009, the main provisions of the Articles of Association of our Company are given below.	
SHARE CAPITAL AND VARIATION OF RIGHTS	
5.	The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time be provided in Clause V of the Memorandum of Association, with power to the Company to increase or reduce from time and time its Capital and issue any shares in the equity and preference capital and to attach to any class of such shares any preference, rights, privileges or conditions in the payment of dividends or distribution of assets or other matters or to subject the same to any restrictions, limitations or conditions and to vary the regulations of the company as may be necessary to give effect the same.
INCREASE REDUCTION AND ALTERATION OF CAPITAL	
Increase in Capital	
6.	The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amounts as it thinks expedient.
On what conditions the new shares may be issued	
7.	(a) Subject to the provisions of Sections 80, 81 and 85 to 90 of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto by the general meeting creating the same as shall be directed and if no direction be given as the Directors shall determine and in particular such shares may be issued subject to the provisions of the said sections with a preferential or qualified right to dividends and in distribution of assets of the Company and subject to the provisions of the said sections with special or without any right of voting and subject to the provisions of Section 80 of the Act any preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.
Further issue of shares	
	<p>b) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of un-issued share capital or out of the increased share capital:</p> <p>i) such further shares shall be offered to the persons who at the date of offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;</p> <p>ii) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;</p> <p>iii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice shall contain a statement of this right;</p> <p>iv) after the expiry of the time specified in the notice aforesaid 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 may dispose of them in such manner as they think most beneficial to the Company.</p> <p>c) notwithstanding anything contained in (a), (b) hereinabove, such new shares may be offered to any person(s), whether or not those person(s) include the person(s) referred to in Clause (a) aforesaid, be passing a Special Resolution in General Meeting, pursuant to any Rules, Regulations, prescribed under the Companies Act, 1956.</p>
Directors may allot shares as fully paid-up	
	(d) Subject to the provisions of the Act and these Articles, the Directors may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as the case may be.
Same as original Capital	
	(e) Except so far as otherwise provided by the conditions of Issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls, installments, transfers, transmission, forfeiture, lien, surrender, voting and otherwise.

	Power To Issue And Redeem Redeemable Preference Shares
8.	The Company Shall have the Power to issue preference shares carrying right of redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemptions, or liable to be redeemed at the option of the Company and the Board may subject to the provisions of Section 80 and 80A of the Companies Act, 1956, exercise such powers in such manner as it thinks fit.
	Reduction of Capital
9.	The Company may from time to time by special resolution, subject to confirmation by the court and subject to the provisions of Sections 78, 80 and 100 to 104 of the Act, reduce its share capital and any Capital Redemption Reserve Account or premium account in any manner for the time being authorised by law and in particular without prejudice to the generality of the foregoing power may by: <ul style="list-style-type: none"> (a) extinguishing or reducing the liability on any of its shares in respect of Share Capital not paid-up; (b) either with or without extinguishing or reducing liability on any of its shares, cancel paid-up share capital which is lost or is unrepresented by available assets; or (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.
	Division, Sub-Division, Consolidation, Conversion and Cancellation of Shares
10.	Subject to the provisions of Section 94 of the Act, the Company in general meeting may by an ordinary resolution alter the conditions of its Memorandum as follows, that is to say, it may:- <ul style="list-style-type: none"> (a) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares; (b) sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and 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 and so that as between the holders of the shares resulting from such sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares. (c) convert, all or any of its fully paid-up shares into stock, and re-convert that stock into fully paid-up shares of any denomination (d) cancel, shares which at the date of such general meeting 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, the Company shall within one month after doing so, give notice thereof to the Registrar specifying as the case may be, the shares consolidated, divided, converted, sub-divided, redeemed or cancelled or the stocks reconverted.
SHARES AND CERTIFICATES	
	Issued of Further Shares not to affect rights of existing Shareholders
14.	The rights or privileges conferred upon the holders of the shares of any class issued with preference or other rights, shall not unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied or modified or affected by the creation or issue of further shares ranking pari passu therewith
	Register of Members and Debenture holders
16	The Company shall cause to be kept a Register of Members and an Index of Members in accordance with Section 150 and 151 of the Act and Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company may also keep a foreign Register of Members and Debenture holders in accordance with Section 157 of the Act.
	Restriction on Allotment
18.	The Board shall observe the restriction as to allotment of shares to the public contained in Section 69 and 70 of the Act and shall cause to be made the return as to allotment provided for in Section 75 of the Act
	Shares At the disposal of The Directors
20.	Subject to the provisions of Section 81 of the Act and these Articles the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions 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 general meeting to give to any person the option to call for any shares either at par or at a 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 for any property sold and transferred or for services rendered to the Company in the conduct of its business; and any shares which may be so allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares.

	Every Share Transferable etc
21.	<p>(i) The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles</p> <p>(ii) Each share in the Company shall be distinguished by its appropriate number.</p> <p>(iii) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, prima facie, evidence of the title of the member of such shares.</p>
	Application of Premium Received on Issue of Shares
22.	<p>(a) 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 those 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.</p> <p>(b) The share premium account may, notwithstanding anything in clause (a) above, be applied by the Company;</p> <p>i) in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;</p> <p>ii) in writing off the preliminary expenses of the Company;</p> <p>iii) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or</p> <p>iv) in providing for the premium payable on the redemption of any redeemable preference shares or of any debenture of the Company;</p>
	Sale of Fractional Shares
23.	If and whenever, as the result of issue of new or further shares or any consolidation or sub-division of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to 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.
	Acceptance of Shares
24.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares 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 on the Register of Members shall for the purpose of these Articles be a member. The Directors shall comply with the provisions of Sections 69, 70, 71, 72 and 73 of the Act in so far as they are applicable.
	Deposits and calls etc. to be debt payable immediately
25.	The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, immediately, on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt, due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
	Trusts Not recognized
26.	Save as herein provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share 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 recognise any benami, trust of 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 implied notice thereof and the provisions of Section 153 of the Act shall apply.
	Limitation of time of issue of certificate
28.	Every member shall be entitled, without payment, to one Certificate for all the shares of each class or denomination registered in his name, or if the Directors so approve to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such Certificates within the time provided by Section 113 of the Act unless the conditions of issue thereof otherwise provide. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Directors shall

	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 of several jointholders shall be sufficient delivery to all such holders
	Issue of new Certificate in place of one defaced, lost or destroyed
29.	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 be 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 this Article shall be issued without payment of fee.
	Provisions to apply to Debentures
30.	The provisions of these Articles shall mutatis mutandis apply to debentures of the Company.
	DEMATERIALISATION OF SECURITIES
31.	Definitions
	For the purpose of this Article :- ‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository ; ‘SEBI’ means the Securities & Exchange Board of India ; ‘Depository’ means a company formed and registered under the Companies Act, 1956 , and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992; and ‘Security’ means such security as may be specified by SEBI from time to time.
32.	Dematerialisation of Securities
	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a Company in a dematerialised form pursuant to the Depositories Act, 1996.
33.	Option for investors
	Every person subscribing to securities offered by the Company shall have the option to receive security certificate or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities. If a person opts to hold his security 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 record the name of the allottees as the beneficial owner of the security
34.	Securities to be in fungible form
	All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
35.	Rights of the Depositories and the Beneficial owners
	(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner. (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it. (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
36.	Service of documents
	Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.
37.	Transfer of Securities
	Nothing contained in section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
38.	Allotment of Securities dealt with a Depository
	Notwithstanding anything in the Act or these Articles, where securities dealt with by a depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

39.	Distinctive No. of Securities held with a Depository
	Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
40.	Register and Index of Beneficial Owners
	The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.”
UNDERWRITING COMMISSION AND BROKERAGE	
	Power to Pay Certain Commission & prohibition of Payment of all other commissions, discount etc.
41.	<p>(A) The Company may pay a commission to any person in consideration of:-</p> <ul style="list-style-type: none"> i) his subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company, subject to the restrictions specified in sub-section (4A) of Section 76 of the Act; or ii) his procuring or agreeing to procure subscriptions, whether absolute or conditional for any shares in, or debentures of the Company, if the following conditions are fulfilled, namely:- <ul style="list-style-type: none"> a) the commission paid or agreed to be paid does not exceed in the case of shares, five percent of the price at which the shares are issued and in the case of debentures, two and half percent of the price at which the debentures are issued; b) the amount or rate percent of the commission paid or agreed to be paid, on shares or debentures offered to the public for subscription, is disclosed in the Prospectus, and in the case of shares or debentures not offered to the public for subscription, is disclosed in the Statement in lieu of Prospectus and filed before the payment of the Commission with the Registrar, and where a circular or notice, not being a Prospectus inviting subscription for the shares or debentures is issued is also disclosed in that circular or notice; c) the number of shares or debentures which such persons have agreed for a commission to subscribe, absolutely or conditionally is disclosed in the manner aforesaid; and d) a copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the prospectus or the statement in lieu of prospectus for registration. <p>(B) Save as aforesaid and save as provided in Section 79 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance, to any person in consideration of:</p> <ul style="list-style-type: none"> (i) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company; or (ii) his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid out of the nominal purchase money or contract price, or otherwise. <p>(C) Nothing in this Article shall affect the power of the Company to pay such brokerage as it has hereto before been lawful for the Company to pay.</p> <p>(D) A vendor to, promoter of, or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received for payment of any commission, the payment of which, if made directly by the Company would have been legal under Section 76 of the Act.</p> <p>(E) The Commission may be paid or satisfied (subject to the provisions of the Act and these articles) in cash, or in shares, debentures or debenture-stocks of the Company.</p>
CALLS	
	Directors may make calls
42.	The Directors may from time to time and subject to Section 91 of the Act and subject to the terms on which any shares/ debentures may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as they think fit upon the members/debentureholders in respect of all moneys unpaid on the shares/debentures held by them respectively and each member/debentureholders shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine.
	Calls to date from resolution
43.	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be made payable by members/debentureholders on a subsequent date to be specified by the Directors.

	Notice of Call
44.	Not Less than fourteen 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 calls be paid.
	Directors may extend time
45.	The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call and may extend such time to allow any of the members/debenture holders whom for residence at a distance or other cause, the Directors may deem entitled to such extension, but no member/ debentureholder shall be entitled to such extension save as a matter of grace and favour.
	Sums deemed to be calls
46.	Any sum, which by the terms of issue of a share/debenture becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share/debenture or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified
	Installments on shares to be duly paid
47.	If by the condition of allotment of any shares the whole or part of the amount of 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 share or his legal representative.
	Calls on shares of the same class to be made on uniform basis
48.	Where any calls for further Share Capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. Explanation: For the purpose of this provision, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
	Liability of joint holders of shares
49.	The joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares.
	When interest on call or installment payable
50.	If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof or any such extension thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made or the installment shall be due, shall pay interest at the rate of 18 percent per annum from the day appointed for the payment thereof or any such extension thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.
	Partial Payment not to preclude forfeiture
51.	Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.
	Proof on trial of suits for money due on shares
52.	On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any 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 appears in the Register of Members as the holder or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered, and that the resolution making the call is duly recorded in the Minutes Book; and that the notice of such call was duly given to the member or his representatives, sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such calls nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt
	Payment in anticipation of calls may carry interest
53.	(a) 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

	<p>such advances has been made, the Company may pay interest at such rate, to 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 dividends. The Directors may at any time repay the amount so advanced.</p> <p>(b) The member shall not however 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>
	Provision to apply to Debentures
54.	The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.
LIEN	
	Company's lien on shares/Debentures
55.	<p>The Company shall have a first and paramount lien upon all the shares and/or debentures (other than fully paid-up shares and/or debentures) registered in the name of each Member and/or Debentureholder (whether held singly or jointly with others) in respect of all monies, whether presently payable or not and shall extend to all dividends, interest rights and bonuses from time to time declared in respect of such shares and/or debentures. Unless otherwise agreed the registration of transfer of shares and/or debentures shall operate as a waiver of Company's lien, if any, on such shares and/or debentures. The Directors may at any time declare any share and/or debenture wholly or in part exempt from the provisions of this Article. Notwithstanding anything contained hereinabove, Company shall have lien on fully paid shares or debentures and such lien shall extend only in respect of payment of excess dividend/interest or any sums owing to the Company by a member/debentureholder</p>
	As to enforcing lien by sale
56.	<p>For the purpose of enforcing such lien, the Board may sell the shares/debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such share and/or debentures and may authorise one of their member or appoint any officer or Agent to execute a transfer thereof on behalf of and in the name of such member/debentureholder. No sale shall be made until such period, as may be stipulated by the Board from time to time, and until notice in writing of the intention to sell shall have been served on such member and/or debentureholder or his legal representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.</p>
	Application of proceeds of sale
57.	<p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares and/or debentures at the date of the sale.</p>
	Outsiders lien not to affect company's lien
	<p>(b) The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute required) be bound to recognise equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.</p>
FORFEITURE	
	If call or installment not paid notice must be given
58.	<p>(a) If any member or debentureholder fails to pay the whole or any part of any call or installment or any money due in respect of any share or debenture either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or any installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or debentureholder or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid 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</p>
	Term of Notice
	<p>(b) The notice shall name a day not being less than 14 (fourteen) days from the date of the notice and a place or places, on and at which such call, or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non payment of call amount with interest at or before the time and at the place appointed, the shares or debentures in respect of which the call was made or installment or such part or other moneys is or are payable will be liable to be forfeited.</p>

	In default of payment shares or debentures to be forfeited
59.	If the requirements of any such notice as aforesaid are not complied with any share/debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company, in respect of the payment of any such money, shall preclude the company from thereafter proceeding to enforce a forfeiture of such shares as herein provided. Such forfeiture shall include all dividends declared or interest paid or any other moneys payable in respect of the forfeited shares or debentures and not actually paid before the forfeiture.
	Entry of forfeiture in register of members/Debenture holders
60.	When any share/debenture shall have been so forfeited, notice of the forfeiture shall be given to the member or debentureholder 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 or debentureholders but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.
	Forfeited Share/Debenture to be property of Company and may be sold
61.	Any share or debenture so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of either to the original holder or to any other person upon such terms and in such manner as the Directors shall think fit.
	Power of annul forfeiture
62.	The Directors may, at any time, before any share or debenture so forfeited shall have been sold, re-allotted or otherwise disposed of, annul forfeiture thereof upon such conditions as they think fit.
	Shareholders or debenture holders still liable to pay money owing at time of forfeiture and interest
63.	Any member or debentureholder whose shares or debentures have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, all calls, installments, interest, expenses and other money owing upon or in respect of such shares or debentures at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof, if they think fit, but shall not be under any obligation to do so
	Effect of forfeiture
64.	The forfeiture of a share or debenture shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share or debenture and all other rights incidental to the share or debenture, except only such of those rights as by these Articles are expressly saved.
	Certificate of Forfeiture
65.	A certificate in writing under the hand of one Director and counter signed by the Secretary or any other Officer authorised by the Directors for the purpose, that the call in respect of a share or debenture was made and notice thereof given and that default in payment of the call was made and that the forfeiture of the share or debenture was made by a resolution of Directors to that effect shall be conclusive evidence of the facts stated therein as against all persons entitled to such share or debenture.
	Validity of sales under articles 56 and 61
66.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinabove given, the Directors may, if necessary, appoint some person to execute an instrument of transfer of the shares or debentures sold and cause the purchaser's name to be entered in the Register of Members or Register of Debentureholders in respect of the shares or debentures sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register of Members or debentureholders in respect of such shares or debenture the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be for damages only and against the Company exclusively.
	Cancellation of share/debenture certificate in respect of forfeited shares/debentures
67.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate/s originally issued in respect of the relative shares or debentures shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member or debentureholder) stand cancelled and become null and void and be of no effect, and the directors shall be entitled to issue a duplicate certificate/s in respect of the said shares or debentures to the person/s entitled thereto.
	Title of purchaser and allottee of forfeited shares/debentures
68.	The Company may receive the consideration, if any, given for the share or debenture on any sale, re-allotment or other disposition thereof and the person to whom such share or debenture is sold, re-allotted or disposed of may

	be registered as the holder of the share or debenture and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share or debenture be affected by any irregularity or invalidity in the proceedings in reference to forfeiture, sale, re-allotment or other disposal of the share or debenture.
	Surrender of shares or debentures
69.	The Directors may, subject to the provisions of the Act, accept a surrender of any share or debenture from or by any member or debentureholder desirous of surrendering them on such terms as they think fit.
TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES	
	Register of transfers
70.	The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.
	Form of transfer
71.	The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act, shall be duly complied with in respect of all transfer of shares and registration thereof.
	Instrument of transfer to be executed by transferor and transferee
72.	Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.
	Directors may refuse to register transfer
73.	<p>(a) Subject to the provisions of Section 111 of the Act, the Directors may, at their own absolute and uncontrolled discretion and without assigning any reason, 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 Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of a 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 the Company has a lien on the shares.</p> <p>(b) Nothing in Sections 108, 109 and 110 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the rights to, any shares or interest of a member in, or debentures of the Company.</p>
	Transfer of Shares
74.	<p>(a) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of the Articles, the Company shall unless objection is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.</p> <p>(b) It shall not be lawful for the Company to register a transfer of shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee has been delivered to the Company alongwith the Certificate relating to the shares and if no such Certificate is in existence, alongwith the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit.</p> <p>(c) Nothing in clause (b) above shall prejudice any power of the Company to register as share holder any person to whom the right to any share has been transmitted by operation of law.</p> <p>(d) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.</p> <p>(e) Nothing contained in the foregoing Article shall apply to transfer of security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository.</p> <p>(f) In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.</p>

	Custody of instrument of transfer
75.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.
	Transfer Books and Register of Members when closed
76.	The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situate, to close the Transfer Books, the Register of Members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.
	Transfer to Minors etc.
77.	Only fully paid shares or debentures shall be transferred to a minor acting through his/her legal or natural guardian. Under no circumstances, shares or debentures be transferred to any insolvent or a person of unsound mind.
	Title to Shares of deceased holder
78.	The executors or administrators of a deceased member (not being one or two or more joint-holders) or the holder of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons whom the Company will be bound to recognise as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or the legal representatives unless they shall have first obtained probate or Letters of Administration or a Succession Certificate, as the case may be, from a duly constituted competent court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of probate or Letters of Administration or a Succession Certificate upon such terms as to indemnity or otherwise as the Directors in their absolute discretion may think necessary and under Article 70 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.
	Nomination
79.	A holder or joint holders of shares in or debentures of the company may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 (including any amendment thereto or any reenactment thereof) and in the manner prescribed there under, any person to whom all the rights in the shares in or debentures of the Company shall vest in the event of death of such holder (s). Any nomination so made shall be dealt with by the company in accordance with the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.
	Registration of persons entitled to share otherwise than by transfer
80.	<p>(a) Subject to the provisions of Articles 78 and 88 (b), 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 present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the 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 provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.</p> <p>(b) A transfer of the share or other interest 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.</p>
	Claimant to be entitled to same advantage
81.	The person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.
	Persons entitled may receive dividend without being registered as member

82.	A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends, bonuses or moneys as hereinafter provided be entitled to receive, and may give a discharge for any dividends, bonuses or other moneys payable in respect of the share/ debenture.
	Refusal to register Nominee
83.	The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration.
	Directors may require evidence of transmission
84.	Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
	No Fee on transfer or transmission
85.	No fee shall be charged for registration of transfer, transmission, probate, succession certificate and the letters of administration, certificate of death or marriage, power of attorney or similar other document.
	The Company not liable for disregard of a notice prohibiting registration of transfer
86.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice 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 so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.
	Provisions to apply to debentures
87.	The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law, of debentures of the Company.
JOINT HOLDERS	
	Joint-Holders
88.	<p>Where two or more persons are registered as the holders of any share/debenture, they shall be deemed to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles relating to joint-holders.</p> <ol style="list-style-type: none"> The Joint-holders of any share/debenture shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share/debenture. On the death of any one or more of such joint-holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share/ debenture, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint- holder from any liability on shares/debentures held by him jointly with any other person. Only the person whose name stands first in the Register of Members may give effectual receipts per any dividend or other monies payable in respect of such shares. Only the person whose name stands first in the Register of Members/Debenture holders as one of the joint-holders of any share/debenture shall be entitled to the delivery of the certificate relating to such share/debenture or to receive documents from the company and any documents served on or sent to such person shall be deemed service on all the Joint-holders. Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to be present at the meeting provided always that joint-holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by Attorney or by proxy although the name of such joint-holder present by any Attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares.

BORROWING POWERS	
	Powers of the Board
89.	Subject to the provisions of the Companies Act and these articles and without prejudice to the other powers conferred by these Articles the director shall have the power, from time to time at their discretion, by a Resolution passed at a meeting of the board, to accept deposits from member, either in advance of calls or otherwise, and generally raise, borrow or secure the payment of any sum of money in any manner whatsoever for the purposes of the Company; provided that sum of (1) the total amount borrowed at any time, and (2) monies already borrowed by the Company (Apart from temporary loans obtained from the companies bankers in the ordinary course of business) shall not without the consent of the board exceed the sum of the paid up capital of the company and the free reserve of the company (i. e. reserves not set a part for any specific purpose). Such consent shall be obtained by an ordinary resolution which shall provide for the total amount up to which monies may be borrowed by the board. The expression “Temporary loans” in this articles means loans repayable on demand or with in six months from the date of loans such as short term loans, cash credit arrangements, discounting of bills and the issue of other short tem loans.
SHARE WARRANTS	
	Power to issue share warrants
90.	The Company may issue share warrants subject to and in accordance with the provisions of Sections 114 and 115 of the Act and accordingly, the Board may, in its discretion, with respect to any share which is fully paid-upon application in writing signed by the persons registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time require as to the identity of the 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 warrant
91.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting, and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.</p> <p>(b) Not more than one person shall be recognised as depositor of the Share Warrant</p> <p>(c) The Company shall on two days’ written notice return the deposited share warrant to the depositor.</p>
	Privileges and disabilities of the holders of share warrant
92.	<p>(a) Subject as herein otherwise expressly provided, no person shall, as bearer of a 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 the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the shares included in the warrant and he shall be a member of the Company.</p>
	Issue of new share warrant or coupon
93.	The Board may, from time to time, make rules 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	
	<i>Shares may be converted into stock</i>
94.	The Company in general meeting may convert any paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein or any part of such interests, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arise might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid- up shares of any denomination.
	Rights of Stock Holders
95.	The holders of stock shall, according to the amount of stock, held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting 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 the dividends and profits of the Company and the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares, have conferred that privilege or advantage.
GENERAL MEETINGS	
	Annual General Meeting

96.	Subject to the provisions contained in Section 166 and 210 of the Act, as far as applicable, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, the meeting as such in the Notice calling it; 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 for any special reason, extends the time within which any annual general meeting shall be held, then such annual general meeting may be held within such extended period.
	Time and Place of Annual General Meeting
97.	Every annual general meeting shall be called at 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 some other place within the city, town or village in which the registered office of the Company is situate, and the notice calling the meeting shall specify it as the annual general meeting.
	Sections 171 to 186 of the Act shall apply to meetings
98.	Sections 171 to 186 of the Act with such adaptations and modifications, if any, as may be prescribed, shall apply with respect to meetings of any class of members or debentureholders of the Company in like manner as they apply with respect to general meetings of the Company.
	Powers of Director's To call Extraordinary General Meeting
99.	The Directors may call an extraordinary general meeting of the Company whenever they think fit.
	Calling of extra ordinary general meeting on requisition
100.	The Board of Directors of the Company shall have the power to call Extraordinary General Meeting on requisition as per Section 169 and other applicable provisions of the Companies Act, 1956.
	Length of notice for calling meeting
101.	(a) A general meeting of the Company may be called by giving not less than twenty one day's notice in writing. (b) A general meeting of the Company may be called after giving shorter notice than that specified in clause (a) above, if consent is accorded thereto: (i) in the case of an annual general meeting by all the members entitled to vote thereat; and (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 capital of the Company as gives a right to vote at the meeting. Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at the 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.
	Contents and manner of service of notice and persons on whom it is to be served
102.	Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Notice of every meeting of the Company shall be given to every member of the Company authorised by sub-sections (1) to (4) of Section 53 of the Act, to the persons entitled to shares in consequence of death or insolvency of a member, to the Auditor or Auditor's for the timing of the Company, to all the directors of the Company as per Section 172 of the Companies Act, 1956.
	Explanatory statement to be annexed to notice
103.	For the purpose of this article the explanatory statement to be annexed to the notice shall be as per Section 173 and other applicable provisions of Companies Act, 1956,
	Quorum for meeting
104.	(a) Five members personally present shall be the quorum for a meeting of the Company
	If quorum not present meeting to be dissolved or adjourned
	(b) (i) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon the requisition of members, shall stand dissolved. (ii) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place, as the Board may determine.
	Adjourned meeting to transact business
	(c) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.
	Presence of quorum
105.	(a) No business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.
	Business confined to election of Chairman whilst chair vacant

	(b) No business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the Chair is vacant.
	Chairman of general meeting
	(c) The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting. If there be no Chairman or if at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose one of themselves to be the Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director present be willing to take the chair, the members present shall choose one of themselves to be the Chairman.
	Chairman with consent may adjourn the meeting
	(d) The Chairman with the consent of the meeting may adjourn any meeting from time to time and from place to place in the city, town or village where the registered office of the Company is situate.
	Business at adjourned meeting
	(e) No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
	Notice of adjourned meeting
	(f) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of original meeting.
	In what cases poll taken with or without adjournment
	(g) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting forthwith, save as aforesaid, any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
	Proxies
106.	<p>(a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint-holders all holders) shall not appoint more than one person as proxy. A proxy so appointed shall not have any right to speak at the meeting; Provided that unless where the proxy is appointed by a body corporate a proxy shall not be entitled to vote except on a poll.</p> <p>(b) The instrument appointing a proxy or any other document necessary to show the validity or otherwise relating to the appointment of a proxy shall be lodged with the Company not less than 48 (forty-eight) hours before the meeting in order that the appointment may be effective thereat;</p> <p>(c) The instrument appointing a proxy shall:</p> <ul style="list-style-type: none"> (i) be in writing, and (ii) be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
	VOTE OF MEMBERS
	Restrictions on exercise of voting rights of members who have not paid calls
107.	<p>(a) No member shall exercise any voting right 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 and has exercised any right of lien.</p> <p>(b) Where the shares of the Company are held in trust, the voting power in respect of such shares shall be regulated by the provisions of Section 187 B of the Act.</p>
	Restriction on exercise of voting right in other cases to be void
108.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 107.
	Equal rights of share holders
109.	Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class
	Voting to be by show of hands in first instance
110.	At any general meeting a resolution put to vote at the meeting shall unless a poll is demanded under Section 179 of the Act be decided on a show of hands.

	Entitlement to vote on show of hands and on poll
111.	(a) Subject to the provisions of the Act, upon show of hands every member entitled to vote and present in person shall have one vote, and upon a poll every member entitled to vote and present in person or by proxy shall have one vote, for every share held by him.
	No voting by proxy on show of hands
	(b) No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by proxy or by a representative duly authorised under Sections 187 or 187A of the Act, in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.
	How members non composmentis and minor may vote
	(c) A member of unsound mind or in respect of whom an 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 poll vote by proxy; if any member be a minor the vote in respect of his share or shares shall be by his guardians or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.
	Votes in respect of Shares of deceased or insolvent members etc.
	(d) Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposed to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
	Custody of Instrument
	(e) If any such instrument of appointment be confined to the object of appointing proxy or substitute for voting at meetings of Company, it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company.
	Validity of votes given by proxy notwithstanding death of members etc.
	(f) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death 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, revocation or transfer shall have been received at the registered office of the Company before the meeting.
	Time for objections for vote
	(g) No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by an agent or proxy or representative not disallowed at such meeting or poll shall be deemed valid for all purpose or such meeting or poll whatsoever.
	Chairman of any meeting to be the judge of any vote
	(h) The Chairman of any meeting shall be 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.
	Chairman's declaration of result of voting by show of hands to be conclusive
112.	A declaration by the Chairman in pursuance of Section 177 of the Act 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 the votes cast in favour of or against such resolution.
	Demand for poll
113.	(a) Before or on the declaration of the result of the voting on any resolution on a show of hands, poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares, in the Company which confer a power to vote on the resolution, not being less than one tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid-up. (b) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
	Time of taking poll

114.	(a) A poll demanded on a question of adjournment shall be taken forthwith. (b) A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 175 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.
	Right of a member to use his votes differently
115.	On a poll taken at a meeting of the Company a member 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.
	Scrutineers at poll
116.	(a) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. (b) The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause. (c) Of the two scrutineers appointed under this article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.
	Manner of taking poll and result thereof
117.	(a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken. (b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
	Casting vote
118.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.
	Representation of body corporate
119.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 187 of the Act authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.
	Representation of the President of India or Governors
120.	(a) The President of India or the Governor of a state if he is a member of the Company 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 in accordance with provisions of Section 187A of the Act or any other statutory provision governing the same (b) A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a 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.
	Public trustee
	(c) The Company shall observe the provisions of Section 187B of the Act, in regard to the Public Trustee.
	Circulation of member's resolution
121.	The Company shall comply with provisions of Section 188 of the Act, relating to circulation of members' resolutions.
	Resolution requiring special notice
122.	The Company shall comply with provisions of Section 190 of the Act relating to resolution requiring special notice.
	Resolutions passed at adjourned meeting
123.	The provisions of Section 191 of the Act shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.
	Registration of resolutions and agreements
124.	The Company shall comply with the provisions of Section 192 of the Act relating to registration of certain resolutions and agreements.
	Minutes of proceedings of general meeting and of board and other meetings
125.	(a) The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every

	<p>meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(b) Each page of every such book shall be initialled or signed and the last page of the record or proceedings of each meeting in such books shall be dated and signed:</p> <p>(i) in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(ii) in the case of minutes of proceedings of the general meeting by 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.</p> <p>(c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>(d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>(e) All appointments of officers made at any of the meeting aforesaid shall be included in the minutes of the meeting.</p> <p>(f) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <p>(i) the names of the Directors present at the meetings, and</p> <p>(ii) in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>(g) Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p>(i) is or could reasonably be regarded, as defamatory of any person</p> <p>(ii) is irrelevant or immaterial to the proceedings; or</p> <p>(iii) in detrimental to the interests of the Company.</p> <p>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 clause.</p>
	Minutes to be considered to be evidence
	(h) The minutes of meetings kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.
	Presumptions to be drawn where minutes duly drawn and signed
126.	Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 193 of the Act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.
	Inspection of minutes books of general meetings
127.	<p>(a) The books containing the minutes of the proceedings of any general meeting of the Company shall;</p> <p>(i) be kept at the registered office of the Company, and</p> <p>(ii) be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.</p> <p>(b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of thirty seven paise for every one hundred words or fractional part thereof required to be copied.</p>
	Publication of reports of proceeding of general meetings
128.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.
BOARD OF DIRECTORS	

	Board of Directors
130.	Unless otherwise determined by the Company in General Meeting, the number of Directors shall not be less than 3 as per Section 252 and shall not be more than 12 subject to Section 258 and 259 of the Companies Act, 1956.
	Appointment of Senior Executives as Wholtime Directors
131.	<p>a) The following are the First Directors of the Company.</p> <p>1.NIRMAL KUMAR BHATTACHARJEE 2.BHANWAR LAL JAJODIA 3.SABYASACHI MUNSHI</p> <p>(b) Subject to the provisions of the Act and within the overall limit prescribed under the Articles for the number of Directors on the Board, the Board may appoint any Senior Executive of the Company as a Wholtime Director of the Company for such period and upon such terms and conditions as the Board may decide.</p> <p>(c) Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any of such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such Wholtime Directors.</p>
	Debenture Director
132.	Any Trust Deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person or persons to be a Director or Directors of the Company and may empower such Trustees or holders of debentures or debenture-stocks from time to time, to remove and reappoint any Director/s so appointed. The Director/s so 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(s) shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the company. The Trust Deed may contain such ancillary provisions as may be arranged between the company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
	Nominee Director
133	<p>Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), The Industrial Credit and Investment Corporation of India Ltd. (ICICI), Industrial Finance Corporation of India (IFCI) and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Financing Company or Body is hereinafter in this Article referred to as “the corporation”) continue to hold debentures in the Company as a result of underwriting or by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or by direct subscription or so long as any liability of the company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director or Directors wholtime or non-wholtime (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 or their places.</p> <p>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 not be required to hold any share qualification in the Company. Also at the option of the corporation such 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.</p>
	Special Director
134.	<p>(a) In connection with any collaboration arrangement with any company or corporation or firm or person for supply of technical know how and/or machinery or technical advice, the Directors may authorise such Company, Corporation, firm or person (hereinafter in this clause referred to as “Collaborator”) to appoint from time to time, any person or persons as Director or Directors of the Company (hereinafter referred to as “Special Director”) and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however, that such Special Director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such Collaborator under the collaboration arrangements or at any time thereafter.</p>

	<p>(b) The Collaborator may at any time and from time to time remove any such Special Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>(c) It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one or more such person or persons as a Director(s) and so that if more than one collaborator is so entitled there may at any time be as many Special Directors as the Collaborators eligible to make the appointment.</p>
	Limit on number of Non-retiring Directors
135.	Subject to the provisions of Section 255 of the Act, the number of Directors appointed under Articles 132, 133 and 134 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office.
	Appointment of Alternate Director
136.	<p>(a) The Board of Directors of the Company may appoint an alternate Director to act for a Director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held.</p> <p>(b) An alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State in which meeting of the Board are ordinarily held.</p> <p>(c) If the term of office of the Original Director is determined before he returns to the State aforesaid any provision for the automatic reappointment of retiring directors in default of another appointment shall apply to the original and not to the alternate director.</p>
	Appointment of Additional Directors
137.	Subject to the provisions of Section 260 of the Act, the Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold the office only upto the next annual general meeting of the Company and shall then be eligible for re-appointment.
	Appointment of Director to fill The Casual vacancy
138.	Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only upto 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
	Individual resolution for Directors' Appointment
139.	At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Director of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. Resolution moved in contravention of this article shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed no provision for the automatic reappointment of retiring director by virtue of these articles and the Act in default of another appointment shall apply.
	Qualification of Director
140.	A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.
	Remuneration of Directors
141.	<p>a) Subject to the provisions of the Act, a Managing Director or a Director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.</p> <p>b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either:</p> <p>(i) by way of monthly, quarterly or annual payment with the approval of the Central government; or</p> <p>(ii) by way of commission if the Company by a special resolution has authorised such payment.</p> <p>c) The fee payable to Directors (other than Managing or Wholetime Director, if any) for attending each meeting of the Board or Committee thereof shall be such sum as may be prescribed by the Act or the Central Government from time to time.</p>
	Increase in remuneration of directors to require government sanction
144.	(a) Any provision relating to the remuneration of any Director including a Managing or Joint Managing or whole time Director or any amendment thereof, which purports to increase or has the effect of increasing,

	whether directly or indirectly, the amount thereof, whether that provision is contained in the Company's Memorandum or Articles, or in an agreement entered into by it, or any resolution, passed by the Company in general meeting or by the Board of Directors, shall not have any effect- (a) in cases where Schedule XIII is applicable, unless such increase is in accordance with the conditions specified in that Schedule; and (b) in any other case, unless it is approved by the Central Government; and the amendment shall become void if, and in so far as, it is disapproved by that Government.
	Increase in remuneration of Managing Director on re-appointment or appointment
	(b) If the terms of any re-appointment or appointment of a Managing or Joint Managing or whole-time Director, purport to increase or have the effect of increasing, whether directly or indirectly, the remuneration which the Managing or Joint Managing or whole time Director or the previous Managing or Joint Managing or whole-time Director, as the case may be was receiving immediately before such re- appointment or appointment shall not have any effect- (a) in cases where Schedule XIII is applicable, unless such increase is in accordance with the conditions specified in that Schedule; and (b) in any other case, unless it is approved by the Central Government; and shall become void if, and in so far as, it is disapproved by that Government.
	Directors not to act when number falls below minimum
145.	When the number of Directors in Office falls below the minimum above fixed, the Directors, shall not act except in emergencies or for the purpose of filling up vacancies or for summoning a general meeting of the Company and so long as the number is below the minimum they may so act notwithstanding the absence of the necessary quorum.
	Eligibility
146.	A person shall not be capable of being appointed a Director if he has the disqualifications referred to in Section 274 of the Act.
	Directors vacating office
147.	The Office of a Director shall become vacant as per Section 283 and other applicable provisions of the Companies Act, 1956.
	Removal of Directors
148.	The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles) remove any director other than ex-officio directors or special directors or debenture directors or a nominee director or a director appointed by the Central Government in pursuance of Section 408 of the Act, before the expiry of his period of office.
	Directors may contract with Company
149.	<p>(a) Subject to the restrictions imposed by these Articles and by Sections 292, 293, 294, 295, 297, 300, 311, 370 and 373 and any other provisions of the Act, no Director, Managing Director, or other officer or employee of the Company shall be disqualified from holding his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, Managing Director, or any officer or employee of the Company shall be in any way interested, be avoided, nor shall the Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director, Managing Director, officer or employee holding that Office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with the provisions of Section 299 of the Act where that section be applicable.</p> <p>(b) In accordance with Section 300 of the Act, no Director shall, as a Director, vote or take part in any discussion in respect of any contract or arrangement in which he is interested and if he does so vote, his vote shall be void nor shall his presence count for the purpose of forming the quorum at the time of any such discussion or vote;</p> <p>Provided that the above prohibition or restriction shall not apply to the extent or under the circumstances mentioned in sub-section (2) of Section 300 of the Act.</p> <p>(c) A General notice such as is referred to in sub-section (3) of Section 299 of the Act shall be sufficient disclosure under this Article as provided in that Section.</p>
	Directors may be directors of companies promoted by the company
150.	A Director, Managing Director, officer or employee of the Company may be, or become a director, of any Company promoted by the Company or in which it may be interested as a vendor, member or otherwise, and no

	such director shall be accountable for any benefits received as director or member of such company except to the extent and under the circumstances as may be provided in the Act.
	Duty of directors etc to make disclosure
151.	<p>(a) Every Director (including a person deemed to be a Director by virtue of the explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company, who is appointed to or relinquishes the office of Director, Managing Director, Manager or Secretary of any other body corporate shall within twenty days of his appointment or relinquishment of such office, as the case may be, disclose to the Company aforesaid the particulars relating to the office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.</p> <p>(b) Every Director of the Company and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act and every other person referred to in sub-section (11) of Section 307 of the Act, shall give notice to the Company of such matters as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section and Section 308 of the Act.</p>
	Directors etc. not to hold office or place of profit
152.	The provisions of Section 314 of the Act shall be complied with when applicable in regard to holding of office or place of profit under the Company or under any subsidiary of the Company by any person mentioned in the said section. The words office or place of profit shall have the meaning assigned to them by Section 314 of the Act.
	Loans to Directors
153.	The Company shall observe the restrictions imposed on the Company in regard to granting of loans to Directors and other persons as provided in Section 295 and other applicable provisions, if any of the Act.
	Board resolution at a meeting necessary for certain contract
155.	Except with the consent of the Board of Directors of the Company and with the previous approval of the Central Government and after complying with the provisions of Section 297 of the Companies Act, 1956, a Director of the Company or his relative, a firm in which such a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company.
ROTATION OF DIRECTORS	
	Rotation of Directors
156.	<p>Not less than two thirds of the total number of Directors shall:</p> <p>(a) Be persons whose period of office is liable to determination by retirement of Directors by rotation; and</p> <p>(b) Save as otherwise expressly provided in the Act, be appointed by the Company in general meeting;</p> <p>The remaining Directors shall, in default of and subject to any regulations in the Articles of the Company, also be appointed by the Company, in general meeting;</p>
	Ascertainment of directors retiring by rotation and filling up vacancies
157.	<p>(a) At every annual general meeting 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 a multiple of three, then the number nearer to one-third, shall retire from office.</p> <p>(b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.</p> <p>(c) At the annual general meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto</p> <p>(d) i) If the place of the retiring Director is not so filled up and that meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>ii) 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-</p> <ol style="list-style-type: none"> 1) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost; 2) 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; 3) he is not qualified or is disqualified for appointment; and a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act; or <p>(e) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.</p> <p>Explanation: In this Article and Article 158 the expression 'Retiring Director' means Director retiring by</p>

	rotation.
	Right of person other than retiring directors to stand for directorship
158.	<p>(a) A person who is not a retiring Director shall, in accordance with Section 257 of the Act and subject to the provisions of the Act, be eligible for appointment to the office of Director at any general meeting if he or some member or members intending to propose him has, not less than fourteen days before the meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of director or the intention of such member or members to propose him as a candidate for that office, as the case may be alongwith a deposit of five hundred rupees which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director.</p> <p>(b) The Company shall inform its members of the candidature of a person for the office of director or the intention of member(s) to propose a person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting in the manner provided under Section 257 of the Act.</p>
	Consent of candidates for directorship to be filed with the registrar
159.	Every person who is proposed as a candidate for the office of Director of the Company shall sign and file with the Company and with the Registrar, his consent in writing to act as a Director, if appointed, in accordance with the provisions of Section 264 of the Act in so far as they may be applicable.
	PROCEEDINGS OF DIRECTORS
	Meeting of Directors
160.	The Directors may meet together as a Board for the despatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meetings of the Board, which had been called in compliance with the terms herein mentioned could not be held for want of quorum.
	When meeting to be convened
161.	Any Director of the Company may and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
	Directors entitled to notice
162.	Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India and at his usual address in India.
	Questions at board meeting how decided
163.	Question arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.
	Who to preside meeting of the board
164.	<p>(a) The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office. The Directors may also appoint a Vice-Chairman of the Board of Directors to preside at the meetings of the Board of Directors at which the Chairman shall not be present and determine the period for which he is to hold office.</p> <p>(b) All the meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same, the Vice-Chairman, if present, shall preside and if he be not present at such time then and in that case the Directors shall choose one of the Directors then present to preside at the meeting.</p>
	Quorum at board meeting
165.	(a) The quorum at a meeting of the Directors shall be as prescribed by Section 287 of the Act.
	Quorum competent to exercise power
	(b) 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 discretions by or under the regulations or the Articles of the Company for the time being vested in or exercisable by the Directors generally.
	Procedure in case of want of quorum
	(c) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a Public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
	Directors may appoint committee
166.	Subject to the provisions of Section 292 and other provisions of the Act and Article 169 the Directors may delegate all or any of their powers to committees consisting of such member or members of their body as they think fit, and they may, from time to time revoke and discharge any such Committee either wholly or in part, and either as to

	persons or purposes, but every Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee 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. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of that body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same
	Resolution by circulation
167.	<p>Subject to the provisions of Section 289 of the Act, a resolution passed without any meeting of Directors, or of a Committee of Directors appointed under these Articles and evidenced by writing under the hands of all the Directors or members of such Committee as aforesaid, for the time being in India, be as valid and effectual as a resolution duly passed at a meeting of the Directors or of such committee called and held in accordance with the provisions of these articles.</p> <p>Provided that the resolution has been circulated in draft, together with the necessary papers, if any, to such Directors, or members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or the Committee as the case may be) and all other Directors or members at their usual address in India and has been approved by such Directors as are then in India or by majority of such of them, as are entitled to vote on the resolution.</p>
	Limit of Directors numbers
168.	Subject to the provisions of Sections 252, 255 and 259 of the Act, the Company in general meeting may, by ordinary resolution, increase or reduce the number of Directors within the limits fixed in that behalf by the Articles.
	Acts of board or committee valid notwithstanding defect of appointment
169.	All acts done by any meeting of the Directors or by a Committee of Directors, 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 such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.
	Minutes of proceedings of the board and the committees to be valid
170.	The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with the Articles and Section 193 of the Act.
	Board minutes to be evidence
171.	Minutes of any meeting of the Board of Directors or of any Committees of the Board if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be for all purposes whatsoever prima facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction or occurrence of the proceedings so recorded and the regularity of the meeting at which the same shall appear to have taken place.
	Register of directors and managing directors etc
172.	<p>The Directors shall cause to be kept at the registered office of the Company:-</p> <p>(a)</p> <ul style="list-style-type: none"> (i) A Register of the Directors, Managing Director, Manager and Secretary of the Company containing the particulars required by Section 303 of the Act; (ii) A Register of Contracts with companies and firms in which the Directors are interested, containing the particulars required by Section 301 of the Act; and (iii) A Register of Directors' Shareholding containing the particulars required by Section 307 of the Act. They shall also cause to be kept other registers and indexes as required by the Act. <p>(b) The Company shall comply with the provisions of Section 301, 303 and 307 and other sections of the Act with regard to the inspection of registers and furnishing copies so far as the same be applicable to the Company.</p>
	POWER OF DIRECTORS
	Certain powers to be exercised by the board only at meeting
173.	<p>(a) 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 meetings of the Board.</p> <ul style="list-style-type: none"> (i) The power to make calls on shareholders in respect of money unpaid on their shares; (ii) The power to issue debenture; (iii) The power to borrow moneys otherwise than on debentures; (iv) The power to invest the funds of the Company; and

	<p>(v) The power to make loans. Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal Officer of the branch office, the powers specified in sub-clause (iii), (iv) and (v) to the extent specified in clauses (b), (c) and (d) respectively on such condition as the Board may prescribe.</p> <p>(b) Every resolution delegating the power referred to in sub-clause (iii) of clause (a) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegate.</p> <p>(c) Every resolution delegating the power referred to in sub-clause (iv) of clause (a) shall specify the total amount upto which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>(d) Every resolution delegating the powers referred to in sub-clause (v) of clause (a) shall specify the total amount upto which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount upto which loans may be made for each such purpose in individual cases.</p> <p>(e) Nothing in this article contained shall be deemed to effect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clause (i), (ii), (iii), (iv) and (v) of clause (a) above.</p>
	Prohibition regarding making of political contributions
174.	Due regard and compliance shall be observed in regard to matter dealt with by or in the Explanation contained in sub-section (1) of Section 293 of the Act and in regard to the limitations on the power of the Company contained in Section 293 A of the Act.
	General powers of the company vested in Directors
175.	Subject to the provisions of the Act the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the company is authorized to exercise and do; provided that the board shall not exercise any power or do any act or thing which it is directed or required, whether by the act or any other statute or by the memorandum of association of the company or by the articles or otherwise, to be exercised or done by the company in general meeting. Provided further that in exercising any such power or doing any such act or thing, the board shall be subject to the provisions in that behalf contained in the act or any other statute or in the memorandum of association of the company or in these articles, or in any regulations not inconsistent therewith and duly made there under, including regulations made by the company in general meeting and no such regulations shall invalidate any prior act of the board which would have been valid if that regulation had not been made.
	Specific powers given to Directors
176.	Without prejudice to the general powers conferred by Article 175 and the other powers conferred by these presents and so as not in any way to limit any or all of those powers, it is hereby expressly declared that the Directors shall have the following powers:-
	To pay registration expenses
	(i) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;
	To pay interest on Capital
	(ii) To pay and charge to the capital account of the Company any interest law-fully payable thereon under the provisions of Sections 76 and 208 of the Act;
	To acquire property
	(iii) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, 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 acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory;
	To purchase lands, buildings etc
	(iv) Subject to the provisions of the Act to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
	To construct buildings
	(v) To erect, construct, enlarge, improve, alter, maintain, pull down rebuild or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the

	Company and to acquire lands for the purposes of the Company;
	To mortgage, charge property
	(vi) To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 293 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;
	To pay for property etc.
	(vii) At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture-stock 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, debenture-stock 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;
	To insure
	(viii) To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other movable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies or assurance effected in pursuance of this power;
	To open accounts
	(ix) Subject to Section 292 of the Act, to open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any account from time to time as the Directors may think fit.
	To secure contracts
	(x) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;
	To attach to shares such conditions
	(xi) To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;
	To accept surrender of shares
	(xii) To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;
	To appoint trustees
	(xiii) To appoint any person or persons (whether incorporated or not), to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;
	To bring and defend actions
	(xiv) 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 subject to the provisions of Section 293 of the Act to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;
	To refer to arbitration
	(xv) To refer, subject to the provisions of Section 293 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards;
	To act on insolvency matters
	(xvi) To act on behalf of the Company in all matters relating to bankrupts and insolvents;
	To give receipts
	(xvii) To make and give receipts, release and other discharge for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of Section 293 of the Act;
	To authorise acceptances
	(xviii) To determine from time to time as to who shall be entitled to sign bills, notices, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents on the Company's behalf;
	To invest monies
	(xix) Subject to the provisions of Sections 292, 293, 370 and 372 of the Act, to invest and deal with any of the

	moneys of the Company, not immediately required for the purpose thereof, upon such shares, securities, or investments (not being shares in this Company) and in such manner as they may think fit, and from time to time to vary or realise such investments;
	To provide for personal liabilities
	(xx) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on;
	To give to directors etc. an interest in business
	(xxi) Subject to such sanction as may be necessary under the Act or the Articles, to give to any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company;
	To provide for welfare of employees
	(xxii) To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trust and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;
	To subscribe to charitable and other funds
	(xxiii) To subscribe, or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, object or purposes for any exhibition;
	To maintain pension fund
	(xxiv) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or super-annuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such Subsidiary Company, or who are or were at any time Directors or Officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidise and subscribe to any institutions, associations, clubs or funds collected to be for the benefit or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;
	To allocate expenditure
	(xxv) To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.
	To create reserve fund
	(xxvi) Before recommending any dividend, to set aside out of profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or Reserve Fund or Sinking Fund or any other special fund 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 as the Directors may, in their absolute discretion, think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by Section 292 and 293 and other provisions of the Act) as the directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they may 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 Reserve Fund into such special funds as the Directors think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in repayment or redemption of redeemable preference shares, debentures or debenture-stock and that without being bound to keep the same separate from other

	assets or to pay interest on the same, with power, however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.
	To appoint managers etc.
	(xxvii) To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, 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 fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause
	To authorise by power of attorney
	(xxviii) At any time and from time to time by power of attorney 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 Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretions for the time being vested in them.
	To authorise, delegate
	(xxix) Subject to the provisions of the Act, generally and from time to time and at any time to authorise, empower or delegate to (with or without powers of sub-delegation) any Director, Officer or Officers or Employee for the time being of the Company and/or any other person, firm or Company all or any of the Powers, authorities and discretions for the time being vested in the Directors by these presents, subject to such restrictions and conditions, if any as the Directors may think proper.
	To negotiate
	(xxx) To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.
MANAGING DIRECTORS	
	Power to appoint Managing or Wholetime Directors
177.	(a) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Wholetime Directors and/or Special Directors like Technical Director, Finance Director etc. of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s), Wholetime Director(s), Technical Director(s), Finance Director(s) and Special Director(s) such of the powers 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. Unless otherwise determined by the Company in General Meeting, the number of Managing Directors shall not be more than 2 (two). The remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.
	APPOINTMENT OF MORE THAN ONE MANAGING DIRECTOR
	(b) The Directors, whenever they appoint more than one Managing Director may designate one or more of them as Managing Directors, Joint Managing Directors or Deputy Managing Directors, as the case may be.
	PAYMENT OF REMUNERATION TO MANAGING OR WHOLETIME DIRECTOR
	(c) Subject to the provisions of Sections 198, 269, 309, 310 and 311 of the Act, the payment of remuneration to the above Director shall be as contract between him and the company from time to time.
THE SECRETARY	
	Secretary
178.	Subject to the provisions of Section 383A of the Act, the Directors may, from time to time, appoint and, at their discretion remove any individual (hereinafter called 'the Secretary') who shall have such qualifications as the authority under the Act may prescribe to perform any functions, which by the act or these Articles are to be performed, by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Director. The Directors may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company.

	INTEREST OUT OF CAPITAL
	Interest may be paid out of capital
180.	Where any shares in the Company are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant, which cannot be made profitable for a 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 and 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, of the provisions of plant.
	DIVIDENDS
	Division of profits
181.	The profits of the Company subject to any special rights relating thereto created or authorised to be created by these presents shall be divisible among the members in proportion to the amount of Capital paid-up or credited as paid-up on the shares held by them respectively.
	Dividend payable to registered holder
182.	No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his banker.
	Time of payment of dividend
183.	Where a dividend has been declared by the Company it shall be paid within the period provided in Section 207 of the Act.
	capital paid up in advance and interest not to earn dividend
184.	Where the Capital is paid-up in advance of 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
185.	<p>(a) The Company shall pay dividends in proportion to the amount paid-up or credited as paid-up on each share, when a larger amount is paid-up or credited as paid-up on some shares than on others. Nothing in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.</p> <p>(b) Provided always that any Capital paid-up on a share during the period in respect of which a dividend is declared, shall, unless the terms of issue otherwise provide, only entitle the holder of such share to an apportioned amount of such dividend proportionate to the capital from time to time paid during such period on such share.</p>
	Company in General meeting may declare dividends
186.	The Company in general meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits and may fix the time for payment.
	Power of Directors to limit dividends
187.	No larger dividend shall be declared than is recommended by the Directors but the Company in general meeting may declare a smaller dividend.
	Dividends only to be paid out of profits
188.	<p>No dividend shall be declared or paid by the Company otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Sub- Section (2) of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both or out of moneys provided by the Central Government or a State Government for the payment of dividend in pursuance of the guarantee given by that Government provided that:</p> <p>(a) If the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of that financial year or out of the profits of any other previous financial year or years;</p> <p>(b) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub- section (2) of Section 205 of the Act or against both.</p> <p>Provided further that, no dividend shall be declared or paid for any financial year out of the profits of the Company for that year arrived at after providing for depreciation as above, except after the transfer to the reserves of the Company of such percentage of its profits for that year as may be prescribed in accordance with Section 205 of the Act or such higher percentage of its profits as may be allowed in accordance with that Section</p> <p>Nothing contained in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.</p>
	Directors' declaration as to net profits conclusive

189.	The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive
	Interim Dividends
190.	The Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.
	Retention of dividend until completion of transfer under Article
191.	The Directors may retain the Dividends payable upon shares in respect of which any person is under the Transmission clause of these articles entitled to become a member or which any person under that clause is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.
	No member to receive dividend whilst indebted to the company and company's right to re-imbursement therefrom
192.	Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share(s) whilst any money may be due or owing from him to the Company in respect of such share(s) or debenture(s) or otherwise however either alone or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any member, all sums of moneys so due from him to the Company.
	Transferred shares must be registered
193.	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
	Dividend how remitted
194.	Unless otherwise directed any dividend may be paid by cheque or warrant or a pay-slip or receipt having the force of a cheque or warrant sent through ordinary post to the registered address of the member or person entitled or in the case of joint-holders to that one of them first named in the Register of Members in respect of the joint holding. Every such cheque or warrant so sent shall be made payable to the registered holder of shares or to his order or to his bankers. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost, to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.
	Unpaid dividend or dividend warrant posted
195.	(a) 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 30 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 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend Account of UIC Udyog 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.
	Transfer to general revenue account of the central government
	(b) 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 general revenue account of the Central Government. A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholders to whom the money is due.
	No interest on dividends
	(c) No unpaid dividend shall bear interest as against the Company..
	Dividend and call together
196.	Any general meeting declaring a dividend may on the recommendation of the Directors make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.
	Dividend to be payable in cash
197.	No dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalisation of 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 the members of the Company.
	Special provision in reference to Dividend
198.	Subject to the provisions of Section 205 of the Act and if and in so far as may not be prohibited by that section or any of the provisions of the Act, any general meeting sanctioning or declaring a dividend in terms of these articles may direct payment of such dividend, wholly or in part, by the distribution of partly or fully paid-up shares, and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient, and in particular may issue fractional certificates or that fractions of less value than Rupee one may be disregarded, in order to adjust the rights of the parties and may vest any such shares, in trustees upon such trusts for the person entitled to the dividend as may

	seem expedient to the Directors, where required the Directors shall comply with Section 75 of the Act and the Directors may appoint any person to sign any contract thereby required on behalf of the persons entitled to the dividend and such appointment shall be effective.
CAPITALISATION	
	Capitalisation
199.	<p>1). Subject to the provisions of the Act and regulations made there under or any other applicable law / guidelines, any Board Meeting may resolve that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account or any money, investments or other assets forming part of the undivided profits (including profits or surplus money arising from the realization and, where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve or Reserve Fund or any other Reserve or Fund of the Company or in the hands of the Company and available for dividend, be capitalized:-</p> <p>(a) by issue and distribution as fully paid up shares, of the Company as Bonus Shares; or</p> <p>(b) by crediting shares of the Company which may have been issued to and are not fully paid up with the whole or any part of the sum remaining unpaid thereon.</p> <p>Provided that any amount standing to the credit of the Share Premium Account Capital Redemption Reserve Account and free Reserves Only shall be applied in crediting the payment of capital on shares of the Company to be issued to members (as therein provided) as fully paid Bonus Shares.</p> <p>2) Such issue and distribution under sub-clause (1)(a) above and such payment to credit of unpaid capital under sub-clause (1)(b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under sub clause (1)(a) or payment under sub clause (1)(b) above, shall be made on the footing that such members become entitled thereto as capital.</p> <p>3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve or Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debentures stock, bonds or other obligations of the Company so distributed under sub-clause (1)(a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under sub-clause (1)(b) above; provided that no such distribution or payment shall be made unless recommended by the Directors and, if so recommended, such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.</p> <p>4) For the purpose of giving effect to any such resolution, the Directors may settle any difficulty may issue fractional certificates and they may fix the value for distribution of any specific assets and may determine that cash payment be made to any members on the footing of the value so fixed and may vest any such cash, shares, debentures, debenture stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the directors and generally may make such arrangements for the acceptance, allotment and sale of shares, debentures, debenture stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.</p> <p>5) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the company are fully paid and others are partly paid shares shall be so applied pro-rata in proportion to the amount then already paid or credited as paid on the existing fully paid or partly paid shares respectively.</p> <p>6) When deemed requisite, a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled, as aforesaid and such appointment shall be effective.</p> <p>7) The powers and provisions stated herein before shall not be in contradiction or violation of the provisions of Companies Act 1956 and Regulation made there under or any other applicable laws or guidelines for the time being in force.”</p>
200.	<p>1) Whenever such a resolution as aforesaid shall have been passed. the Board shall:</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares if any; and</p> <p>(b) Generally do all acts and things required to give effect thereto.</p> <p>2) The Board shall have full power:</p> <p>(a) to make such provisions by the issue of fractional certificated or by payment in cash or otherwise as it think fit, in the case of shares becoming distributable in fractions and also;</p> <p>(b) to authorise any person to enter, on behalf of 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</p>

	<p>payment by the company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalize of the amount or any part of the amount remaining unpaid on their existing shares.</p> <p>(c) an agreement made under such authority shall be effective and binding on all such members.</p>
	BOOKS AND ACCOUNTS
	Books of accounts to be kept
201.	Subject to the provisions of Section 209 of the Companies Act, 1956, the Books of Accounts shall be kept at the Registered Office or at such other place as the Board of Directors think fit, and shall be open to inspection by any Director or Directors during business hours.
	Inspection by members
202.	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 or books or documents of the Company or any of them shall be open for inspection for members not being Directors, and no members (not being Director) shall have right of inspection to any books of accounts or documents of the Company except as conferred by law or authorized by the Board of Directors or by the Company in the General Meeting.
	Balance sheet and profit & loss account
203.	Balance Sheet and Profit and Loss Account will be audited once in a year by a qualified auditor for correctness as per the provisions of the Act.
	Audit
204.	The First Auditors of the Company shall be appointed by the Board of Directors within one month after its incorporation who shall hold office till the conclusion of first Annual General Meeting.
205.	The directors may fill up any casual vacancy in the office of the Auditors.
206.	The remuneration of the Auditors shall be fixed by the Company in the Annual General Meeting except as otherwise decided and that remuneration of the first or any Auditors appointed by the Directors may be fixed by the Directors.
	AUDIT
	Accounts to be audited
207.	Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
	Appointment and qualification of auditors
208.	The Company at the annual general meeting each year shall 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 thereof to every auditor so appointed.
	Remuneration of Auditors
210.	The remuneration of the Auditors shall be fixed by the Company in general meeting in such manner as the Company may in general meeting determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.
	DOCUMENTS AND NOTICES
	Service of notice by member
212.	<p>A notice may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by Post under a Certificate of posting or by registered post or by leaving it at its registered office.</p> <p>The term 'Notice' in this and the following clauses shall include summons, notice, requisition, order, judgement or other legal papers and any document.</p>
	Service of notice on register
213.	A notice may be served on the Registrar by sending it to him at his office by post under a certificate of posting or by registered post, or by delivering it to, or leaving it for him at his office.
	Service of notice on member by the company
214.	A notice may be served by the Company on any member either personally or by sending it by post to him to his registered address or if he has no registered address in India to the address, if any, within India supplied by him to the Company for giving Notice to him.
	By Advertisement
215.	A notice advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the

	giving of Notices to him.
	Authentication of documents and proceedings
216.	Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by the Director, the Managing Director, the Manager, the Secretary or other authorised Officer of the Company and need not be under its Common Seal.
	COMMENCEMENT OF BUSINESS
217.	Subject to the provision of section 149(2A) of the Act, the Company may, from time to time, by a special resolution commence any new business in relation to any of the objects set out in sub clauses (C) of clause III of its Memorandum of Association.
	WINDING UP
	Distribution of Assets
218.	Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such shall be less than sufficient 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 winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid-up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid-up on the shares held by them respectively.
	INDEMNITY AND RESPONSIBILITY
	Directors and others' rights to indemnity
221.	<p>(a) Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Wholetime Director, Manager, Secretary and other Officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, Manager, Secretary and Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Manager, Secretary, Officer or servant or in any way in the discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims.</p> <p>(b) Subject as aforesaid, every Director, Managing Director, Manager, Secretary or other Officer and employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company</p>
	Directors and other officers not responsible for the acts of others
222.	Subject to the provisions of Section 201 of the Act, no Director, Managing Director, Wholetime Director 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 insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, within whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

SECTION X: 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 filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which have been attached to the copy of the Red Herring Prospectus to be delivered to the Registrar of Companies, West Bengal, for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 11:00 am to 5:00 pm on working days from the date of filing this Draft Red Herring Prospectus until the Bid/Issue Closing date of this Issue.

MATERIAL CONTRACTS

1. Issue Agreement dated March 03, 2012 entered into between our Company and the BRLMs;
2. Agreement dated August 26, 2011 between our Company and the Registrar to the Issue;
3. Escrow Agreement dated [●] between our Company, BRLMs, Registrars to the Issue and Escrow Collection Banks;
4. Syndicate Agreement dated [●] between our Company, BRLMs and the Syndicate Members;
5. Underwriting Agreement dated [●] between our Company, BRLMs and the Syndicate Members;

DOCUMENTS FOR INSPECTION

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time along with the certificates of incorporation and certificates of commencement of business;
2. Certified true copy of the Resolution passed at the meeting of the Board of Directors held on November 04, 2011 authorising this Issue;
3. Certified true copy of the Resolution passed u/s. 81(1A) of the Companies Act, 1956 at the Extraordinary General Meeting dated November 30, 2011 authorising this Issue;
4. Consents of all Directors, Company Secretary and Compliance Officer, Auditors, BRLMs to the Issue, Syndicate Members, Legal Advisors to the Issue, Bankers to our Company, Bankers to the Issue, Registrar to the Issue, to include their names in this Draft Red Herring Prospectus to act in their respective capacities;
5. Report of the Auditors, M/s. M/s Chhaparia & Associates, on the restated financial statements mentioned in this Draft Red Herring Prospectus;
6. Detailed project report prepared by LSI Financial Services Private Limited in relation to Proposed Steel Wire Project at Bharuch, Gujarat issued in August 2011 and letter dated February 15, 2012;
7. 2002 Master Agreement dated May 20, 2011 with DBS Bank Limited for a term loan of USD 10 million;
8. Sanction letter dated March 31, 2011 issued by DBS Bank Limited, letter dated December 10, 2011 issued by Bank of Baroda, letter dated December 16, 2011 issued by Axis Bank, letter dated February 03, 2012 issued by Dena Bank and letter dated February 04, 2012 issued by State Bank of Hyderabad;
9. Annual Reports of our Company for the Financial Years ended March 31, 2007; March 31, 2008; March 31, 2009; March 31, 2010 and March 31, 2011;
10. Report of the Auditors M/s Chhaparia & Associates, Chartered Accountants dated February 07, 2012 on the Tax Benefits available to our Company and its shareholders;

11. Statutory Auditors Certificate dated February 13, 2012 regarding sources and deployment of fund;
12. Consent of the Auditors, M/s. Chhaparia & Associates, Chartered Accountants for inclusion of their report on accounts and tax benefits in the form and context in which they appear in this Draft Red Herring Prospectus;
13. Tripartite agreement dated September 21, 2011 amongst our Company, Bigshare Services Private Limited and NSDL, for offering depository services;
14. Tripartite agreement dated September 20, 2011 amongst our Company, Bigshare Services Private Limited and CDSL, for offering depository services;
15. Certified true copy of Due Diligence Certificate dated March 03, 2012 to SEBI from BRLMs;
16. In-principle listing approvals from BSE and NSE dated [●] and [●] respectively;
17. Report of the IPO grading agency, [●] dated [●] furnishing the rationale for its grading, disclosed in this offer document;
18. Consent from [●] for inclusion of their name in this Draft Red Herring Prospectus as IPO Grading Agency and for inclusion of their report in the form and context in which they appear in the Red Herring Prospectus and the Prospectus;
19. Certified copy of resolution of Board of Directors dated March 03, 2012 approving this Draft Red Herring Prospectus;

Any of the contracts or documents mentioned in the DRHP may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, hereby declare that all relevant provisions of the Companies Act, 1956 and the guidelines issued by the Government of India or the regulations issued by the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 each as amended or the rules made there under or guidelines/regulations issued, as the case may be. We further certify that all disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Directors of our Company

Name of Director	Signature
Mr. Bhanwar Lal Jajodia <i>Chairman and Managing Director</i>	Sd/-
Mr. Ram Chandra Bajaj <i>Joint Managing Director</i>	Sd/-
Mr. Amit Bajaj <i>Whole Time Director</i>	Sd/-
Mr. Kishore Kanjee <i>Director</i>	Sd/-
Mr. Mandeep Mishra <i>Director</i>	Sd/-
Mr. Rabindra Nath Chakrabarty <i>Director</i>	Sd/-
Signed by our COMPANY SECRETARY & COMPLIANCE OFFICER Sd/- _____	Signed by our CHIEF FINANCIAL OFFICER Sd/- _____

Date: 03/03/2012

Place: Kolkata

Table 1: Price Information of Previous Issue (s) handled by BOB Capital Markets Limited

Table 2: Price Information of Previous Issue (s) handled by LSI Financials Services Private Limited

Sr. No	Issue Name	Issue Size (₹ Lakhs)	Issue Price (₹)	Listing Date	Opening Price on listing date (₹)	Closing Price on listing date (₹)	% Change in price on listing date (Closing vs Issue Price)	Benchmark Index Listing date (Closing)	Closing price as on 10 th calendar day from listing day	Benchmark Index on 10 th calendar days from listing day (Closing)	Closing price as on 20 th calendar days from listing day	Benchmark Index as on 20 th calendar days from listing day (closing)	Closing Price as on 30 th calendar days from listing day	Benchmark index as on 30 th calendar days from listing day (closing)
								Nil						

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