



BLUPLAST INDUSTRIES LIMITED

Our Company was incorporated as 'Thermoplast Industries Private Limited' under the Companies Act, pursuant to a Certificate of Incorporation dated January 14, 1999 issued by the Assistant Registrar of Companies, Maharashtra at Mumbai. The name of our Company was further changed to Bluplast Industries Private Limited vide fresh certificate of incorporation dated March 11, 2005 issued by Registrar of Companies, Maharashtra. Subsequently our Company was converted into a Public Limited Company on July 14, 2005 and the name was changed to Bluplast Industries Limited. Our corporate identification number is U25200MH1999PLC117874. For further details of our Company, please refer to the chapters titled 'General Information' and 'History and Certain Corporate Matters' beginning on pages 37 and 104 respectively, of the Draft Red Herring Prospectus

Registered Office: 113/114, Vivek Industrial Estate, Uswala Road, Cama Estate, Goregaon (East), Mumbai – 400 063.

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PROMOTERS: MR. KAMLESH L. JAIN, MR. INDERMAL P. JAIN, MRS. REKHA K. JAIN, MRS. NAYANA I. JAIN	
PUBLIC ISSUE OF [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH OF BLUPLAST INDUSTRIES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UPTO ₹ 6,000 LACS (THE "ISSUE"). THE ISSUE WILL CONSTITUTE [●]% OF THE FULLY DILUTED POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.	
THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND ADVERTISED AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.	
In case of any revision in the Price Band, the Bid / Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the Self Certified Syndicate Banks ("SCSBs"), The National Stock Exchange of India Limited ("NSE") and the Bombay Stock Exchange Limited ("BSE"), by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager ("BRLM") and at the terminals of the other members of the Syndicate.	
This being an Issue for Equity Shares representing more than 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"). The Issue is being made pursuant to Regulation 26(1) of the SEBI ICDR Regulations through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"). 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 QIB Bidders, 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. All non-retail Bidders, shall participate in this Issue through the Application Supported by Blocked Amount ("ASBA") process. Retail Bidders participating in this Issue may also utilize the ASBA process to submit their Bids. For details, please refer to the chapter titled 'Issue Procedure' beginning on page 185 of the Draft Red Herring Prospectus.	
RISKS IN RELATION TO FIRST ISSUE	
This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is ₹ 10. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Issue Price (as determined by our Company in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and as stated in the chapter titled 'Basis for the Issue Price' beginning on page 70 the Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
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 the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 15 of the Draft Red Herring Prospectus.	
IPO GRADING	
The Issue has been graded by [●], as [●] indicating [●]. The IPO grading is assigned on a scale of 1 to 5, with 'IPO Grade 5' indicating strong fundamentals and 'IPO Grade 1' indicating poor fundamentals. The Issue has not been graded by any other rating agency. For details regarding the grading of the Issue, please refer to the chapter titled 'General Information' beginning on page 37 of the Draft Red Herring Prospectus.	
ISSUER'S ABSOLUTE RESPONSIBILITY	
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft Red Herring Prospectus contains all information with regard to the Issuer and this Issue, which is material in the context of this Issue, that the information contained in the 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 the 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 of our Company offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. The Company has received in-principle approval from the BSE pursuant to letter dated [●] and from the NSE pursuant to letter dated [●] for the listing of our Equity Shares. BSE shall be the Designated Stock Exchange for this Issue.	
BOOK RUNNING LEAD MANAGER	
 <p>Unicon Capital Services Private Limited 3rd Floor, 'A' wing, Vilco Center 8, Subhash Road, Vile Parle (East) Mumbai – 400 057. Tel No: +91 22 3390 1234 Fax No: +91 22 3390 1547 Website: www.uniconindia.in Email: mb@unicon.in Investor Grievance ID: investors@unicon.in Contact Person: Mr. Pritam Pandya/ Mr. Ganesh Hadvale SEBI Registration No: INM000011609</p>	REGISTRAR TO THE ISSUE
	 <p>Bigshare Services Private Limited E-2, Ansa Industrial Estate Sakivihar Road, Saki Naka Andheri (East) Mumbai – 400 072. Tel No: +91 22 4043 0200 Fax No: +91 22 2847 5207 Website: www.bigshareonline.com Email: ipo@bigshareonline.com Contact Person: Mr. Ashok Shetty SEBI Registration No: INR000001385</p>
BID / ISSUE PROGRAMME	
FOR ALL BIDDERS	BID / ISSUE OPENS ON [●]
FOR QIBS*	BID / ISSUE CLOSES ON [●]
FOR NON- INSTITUTIONAL AND RETAIL BIDDERS	BID / ISSUE CLOSES ON [●]

* Our Company may consider closing the Bidding by QIBs one day prior to the Bid / Issue Closing Date subject to the Bid / Issue Period being for a minimum of three Working days

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In the Draft Red Herring Prospectus, unless the context otherwise requires, the terms defined and abbreviations stated hereunder shall have the meanings as assigned therewith as stated in this Section.

Company Related Terms

Term	Description
“the Company”, “our Company”, “Issuer”, “Issuer Company”, “we”, “us”, “our”	Bluplast Industries Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered office at 113/114, Vivek Industrial Estate, Uswala Road, Cama Estate, Goregaon (East), Mumbai-400063.
Articles or Articles of Association or AoA or our Articles	The Articles of Association of our Company, as amended from time to time
Board, Board of Directors or our Board	The Board of Directors of our Company, duly constituted from time to time, including any committee thereof
Director(s)	The Director(s) of our Company
Memorandum, our Memorandum or Memorandum of Association or MoA	The Memorandum of Association of our Company, as amended from time to time
Our Group Entities	Such entities as are included in the chapter titled ‘ <i>Our Group Entities</i> ’ beginning on page 125 of the Draft Red Herring Prospectus
Our Promoters	Mr. Kamlesh L. Jain, Mr. Indermal P. Jain, Mrs. Rekha K. Jain, Mrs. Nayana I. Jain
Registered and Corporate Office/ Registered Office	The registered and corporate office of our Company, situated at A113/114, Vivek Industrial Estate, Uswala Road, Cama Estate, Goregaon (East), Mumbai-400063.
RoC / Registrar of Companies, Mumbai	The Registrar of Companies, Maharashtra at Mumbai
Statutory Auditors	The statutory auditors of our Company, being M/s. Singrodia Goyal & Co., Chartered Accountants

Issue Related Terms

Term	Description
“Issue” or “the Issue” or “this Issue”	Public Issue of [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating upto to ₹ 6,000 lacs
“you”, “your” or “yours”	All such references are to the Bidders to the Issue, unless the context otherwise specifies
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allocation of Equity Shares pursuant to this Issue to the successful Bidders
Allot / Allotted / Allotment/ Allotment of Equity Shares	Unless the context otherwise requires, means the allotment of Equity Shares pursuant to this Issue to successful Bidders
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
Allottee	A successful Bidder to whom the Equity Shares are Allotted pursuant to this Issue
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by all Bidders to make a Bid authorising a SCSBs to block the Bid Amount in a specified bank account maintained with the SCSBs
ASBA Account	Account maintained with a 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)	Any prospective investor(s) in this Issue who Bid/ apply through the ASBA

Term	Description
	process
	Pursuant to SEBI circular number 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 Bid cum Application Form / ASBA Form	The form, whether physical or electronic, used by an ASBA Bidder to submit a Bid, which contains an authorisation to block the Bid Amount in an ASBA Account and would be considered as an application for Allotment to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus
	Pursuant to SEBI circular number CIR/CFD/DIL/7/2010 dated July 13, 2010, ASBA Bid cum Application Forms shall be made available for download from the respective websites of the Stock Exchange(s)
ASBA Revision Form	The form, whether physical or electronic, used by an ASBA Bidder to modify the quantity of Equity Shares or the Bid Amount in any of his/her ASBA Bid cum Application Form or any previous ASBA Revision Form(s)
	Pursuant to SEBI circular number CIR/CFD/DIL/7/2010 dated July 13, 2010, ASBA Revision Forms shall be made available for download from the respective websites of the Stock Exchange(s)
Banker(s) to the Issue/ Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account will be opened, in this case being [●]
Bankers to our Company	Such entities which are disclosed as Bankers to our Company in the chapter titled ' <i>General Information</i> ' beginning on page 37 of the Draft Red Herring Prospectus
Basis of Allotment / Basis of Allocation	The basis on which Equity Shares will be Allotted / Allocated to successful Bidders pursuant to the Issue and which is described under chapter titled ' <i>Issue Procedure</i> ' beginning on page 185 of the Draft Red Herring Prospectus
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by a Bidder on submission of a Bid in the Issue and in case of ASBA Bidders, the amount mentioned in the ASBA Bid cum Application Form
Bid cum Application Form/ ASBA Bid cum Application Form / ASBA Form	The form used by a Bidder including ASBA Bidder to make a Bid, which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus
Bid(s)	An indication to make an offer during the Bid / Issue Period by the Bidders, pursuant to submission of the Bid cum Application Form or ASBA Form as the case may be, to subscribe to the Equity Shares of our Company in this Issue at a price within the Price Band, including all revisions and modifications if any, made to such Bid(s)
Bid / Issue Closing Date	The date after which the members of the Syndicate and the designated branches of the SCSBs shall not accept any Bids for the Issue, which shall be a date notified in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated. Our Company may consider closing the Bidding by QIB Bidders one Working Day prior to the Bid / Issue Closing Date, which shall also be notified in the said advertisement in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated
Bid / Issue Opening Date	The date on which the members of the Syndicate and the SCSBs shall start accepting Bids for the Issue, which shall be a date notified in two national daily newspapers (one each in English and in Hindi) of wide circulation and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated
Bid / Issue Period	The period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, both days inclusive, during which prospective Bidders and the ASBA

Term	Description
Bidder	Bidders can submit their Bids, including any revisions thereof Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form including an ASBA Bidder who Bids through an ASBA Bid cum Application Form
Book Building Process / Book Building Method	The book building route as provided under Schedule XI of the SEBI ICDR Regulations, in terms of which this Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Unicon Capital Services Private Limited
Business Day	Any day on which commercial banks in Mumbai are open for business
Cap Price	The higher end of the Price Band above which the Issue Price will not be finalised and above which no Bids will be accepted
Compliance Officer	Mr. Martin Godinho, Manager - Accounts
Controlling Branches	Such branches of the SCSBs which coordinate under this Issue by the ASBA Bidders with the BRLM, the Registrar to the Issue and the Stock Exchanges, a list of which is available at http://www.sebi.gov.in/pmd/scsb/html
Cut-off Price	Any price within the Price Band finalised by our Company in consultation with the Book Running Lead Manager. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price, for a Bid Amount not exceeding ₹ 2 lacs. No other category of Bidders are 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	Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Designated Branch	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders, a list of which is available at 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 Refund Account, as appropriate, or the amount blocked by the SCSBs is transferred from the ASBA Account specified by the ASBA Bidder to the Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Bidders
Designated Stock Exchange	Bombay Stock Exchange Limited
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated September 28, 2011 issued in accordance with Section 60B of the Companies Act and SEBI ICDR Regulations, filed with SEBI and which does not contain complete particulars of the price at which the Equity Shares would be issued and the size of the Issue
Eligible NRIs	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 offered herein
Equity Shares	Equity shares of our Company of face value of ₹ 10 each, fully paid up, unless otherwise specified in the context thereof
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected from the Bidders (excluding ASBA Bidders) on the terms and conditions thereof
First / Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form or the ASBA Bid cum Application Form or ASBA Revision Form
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalised and below which no Bids will be accepted
Issue Agreement	The agreement dated December 16, 2011, entered into by our Company and the BRLM, pursuant to which certain arrangements are agreed to, in relation

Term	Description
	to the Issue
Issue Price	The final price at which the Equity Shares will be issued and allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being ₹ 6,000 lacs
Listing Agreement	Equity listing agreements to be entered into by our Company with the Stock Exchange(s)
Mutual Fund Portion	5% of the QIB Portion or [●] Equity Shares available for allocation to Mutual Funds, out of the QIB Portion
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further information about use of the Issue Proceeds and the Issue related expenses, please refer to the chapter titled ' <i>Objects of the Issue</i> ' beginning on page 58 of the Draft Red Herring Prospectus
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non-Institutional Bidders	As defined in the SEBI ICDR Regulations and includes all Bidders including sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for a cumulative amount more than ₹ 2 lacs (but not including NRIs other than eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of [●] Equity Shares, available for Allocation to Non Institutional Bidders on a proportionate basis, subject to receipt of valid Bids at or above the Issue Price
NR / Non-Resident	A person resident outside India, as defined under FEMA including eligible NRIs and FIIs
NRI(s) / Non Resident Indian	A "person resident outside India", as defined under FEMA and who is a citizen of India or is a person of Indian origin (as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended)
OCB(s) / 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 the Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Pay-in-Period / Pay-in Period	The period commencing on the Bid / Issue Opening Date and continuing till the Bid / Issue Closing Date
Payment through electronic transfer of funds	Payment made through NECS, Direct Credit or NEFT, as applicable
Price Band	Price band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised at least two Working Days prior to the Bid / Issue Opening Date, in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper, of wide circulation, where the Registered Office of our Company is situated
Pricing Date	The date on which our Company in consultation with the BRLM, finalises the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building process, the size of the Issue and certain other additional information
Public Issue Account	Account opened with the Bankers to the Issue by our Company to receive monies 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 than [●] Equity Shares, available for Allocation to QIBs, subject to

Term	Description
	receipt of valid Bids at or above the Issue Price.
Qualified Institutional Buyers or QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 lacs, pension fund with minimum corpus of ₹ 2,500 lacs, NIF and 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
Red Herring Prospectus / RHP	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	No-lien account maintained by the Refund Bank(s) to which the surplus money shall be transferred and from which refunds of the whole or part of the Bid Amount (excluding that of the ASBA Bidders), if any, shall be made.
Refund Bank (s) / Refund Banker(s)	The bank(s) which have been appointed / designated for the purpose of refunding the amount to investors either through the electronic mode as prescribed by SEBI and / or physical mode in accordance with the procedure contained in the chapter titled 'Issue Procedure' beginning on page 185 of the Draft Red Herring Prospectus
Refunds through electronic transfer of funds	Refunds made through ECS / NECS, Direct Credit, NEFT or the ASBA process, as applicable
Registrar to the Issue	Registrar to this Issue, being Bigshare Services Private Limited
Resident Retail Individual Bidder / Resident Retail Individual Investor	A Retail Individual Bidder who is a "person resident in India" (as defined in FEMA).
Retail Individual Bidder(s)	Individual Bidders who have Bid for Equity Shares for an amount not more than ₹ 2 lacs in any of the bidding options in the Issue (includes HUFs applying through their Karta and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Issue being not less than 35% of the Issue, consisting of 17,99,000 Equity Shares, available for Allocation to Retail Individual Bidders on a proportionate basis.
Revision Form	The form used by the 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 BRLM, 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	Self Certified Syndicate Bank is a Banker to an Issue registered with SEBI which offers the facility of making a Applications Supported by Blocked Amount and recognised as such by SEBI, a list of which is available at http://www.sebi.gov.in/pmd/scsb/html
Stock Exchanges	The BSE and the NSE
Sub Syndicate Member	A SEBI registered member of BSE and / or NSE appointed by the BRLM and / or Syndicate Member to act as a Sub Syndicate Member in the Issue
Syndicate	Jointly, the BRLM, the Syndicate Members and the Sub Syndicate Members
Syndicate Agreement	The agreement to be entered into between the BRLM along with the Syndicate Members and our Company in relation to the collection of Bids (excluding Bids by ASBA Bidders) in this Issue
Syndicate Member(s)	An intermediary registered with the SEBI to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [•]

Term	Description
Transaction Registration Slip / TRS	The slip or document issued by member of the Syndicate or the SCSBs (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriters	The Book Running Lead Manager and the Syndicate Members
Underwriting Agreement	The agreement among the Underwriters and our Company to be entered into, on or after the Pricing Date
Working Day	Unless the context otherwise requires: (i) Till the Bid / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post the 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 in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

Technical / Industry Related

Term	Description
CESTAT	Customs, Excise and Service Tax Appellate Tribunal.
KVA	Kilovolt Amperes
MOU	Memorandum of Understanding
MTPA	Metric Tone Per Annum
MM	Millimetres
MTS	Metres
NAV	Net Asset Value
NRIs	Non Resident Indians
O.I.A	Order In Appeal
O.I.O	Order In Original
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PLA	Personal Ledger Account
PVC	Polyvinyl Chloride
RCC	Reinforced concrete cement
RONW	Return on Net Worth
Sq. ft.	Square feet
WPC	Wood Plastic Composite

Conventional/General Terms / Abbreviations

Abbreviation/Acronym	Description
A/c	Account
AGM	Annual General Meeting.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year; the period of twelve months commencing from the 1 st day of April every year
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited.
CENVAT	Central Value Added Tax
CIN	Corporate Identity Number
Companies Act	The Companies Act, 1956, as amended from time to time
CRR	Cash Reserve Ratio
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director's identification number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.
DP	A Depository Participant as defined under the Depositories Act
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortisation and extraordinary items
ECB	External Commercial Borrowings

Abbreviation/Acronym	Description
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings per Share
ESIC	Employee State Insurance Corporation
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations framed thereunder, as amended
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
Financial Year / Fiscal / Fiscal Year / FY	Period of twelve months ended March 31 of that particular year, unless specifically stated otherwise
FIPB	Foreign Investment Promotion Board
FVCI	Foreign venture capital investor as defined in and registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
GER	Gross Enrolment Ratio
GIR Number	General Index Registry Number
GoI/ Government	Government of India
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended from time to time
I. T. Rules	The Income Tax Rules, 1962, as amended from time to time
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO	Initial Public Offer
IT	Information technology
Key Managerial Personnel / KMP	The officers vested with executive powers and the officers at the level immediately below the Board of Directors of the Issuer Company and other persons whom the Issuer has declared as a Key Managerial Personnel and as mentioned in the chapter titled ' <i>Our Management</i> ' beginning on page 108 of the Draft Red Herring Prospectus
Ltd.	Limited
MCX	Multi Commodity Exchange of India Limited
MCX-SX	MCX Stock Exchange Limited, a subsidiary of MCX
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended from time to time
MICR	Magnetic Ink Character Recognition
MNC	Multi National Company
MOU	Memorandum of Understanding
N.A.	Not Applicable
NAV	Net Asset Value being paid-up equity share capital plus free reserves (excluding reserves created out of revaluation, preference share capital and share application money) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of 'profit and loss account', divided by number of issued Equity Shares outstanding at the end of the Fiscal.
NBFC	Non-Banking Finance Company
NCDEX	National Commodity & Derivatives Exchange Limited
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NMCE	National Multi-Commodity Exchange of India Limited
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited

Abbreviation/Acronym	Description
NSEL	National Spot Exchange Limited
NSSO	National Sample Survey Office
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
RoNW	Return on Net Worth
Rs./ ₹ / INR/Rupees	Indian Rupees, the legal currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, read with rules and regulations thereunder and amendments thereto and as amended from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
SEBI Takeover Regulations/ Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
Sq.ft.	Square feet
sq.mtrs.	Square meters
Sub-account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, as amended.
TDS	Tax Deducted at Source
U.S. or US or U. S. A.	The United States of America
UIN	Unique Identification Number issued in terms of SEBI (Central Database of Market Participants) Regulations, 2003, as amended from time to time.
UoI	Union of India
VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time
VCFs	Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations

Notwithstanding the foregoing:

1. In the section titled ‘*Main Provisions of the Articles of Association*’ beginning on page 221 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled ‘*Summary of Business*’ and ‘*Our Business*’ beginning on pages 31 and 84 respectively, of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

3. In the section titled '*Risk Factors*' beginning on page 15 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
4. In the chapter titled '*Statement of Tax Benefits*' beginning on page 72 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
5. In the chapter titled '*Management's Discussion and Analysis of Financial Conditions and Results of Operation*' beginning on page 151 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

Financial Data

Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our audited financial statements for the Fiscals 2007, 2008, 2009, 2010, 2011 and for the seven months period ended October 31, 2010 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in the Draft Red Herring Prospectus, and set out in the section titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus. Our Fiscal commences on April 1 and ends on March 31 of the following year, so all references to a particular Fiscal are to the twelve-month period ended March 31 of that year. In the Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 15, 84 and 151 respectively, of the Draft Red Herring Prospectus and elsewhere in the Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP.

Currency and units of presentation

In the Draft Red Herring Prospectus, unless the context otherwise requires, all references to;

- 'Rupees' or '₹' or 'Rs.' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America.

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten Lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Red Herring Prospectus has been obtained from industry publications and publicly available government documents. 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. Similarly while information contained in the publicly available government documents that is relied upon for the purposes of the Draft Red Herring Prospectus is believed to be complete and reliable, there can be no assurance of the same. Accordingly, no investment decisions should be made based on such information. The extent to which the market and industry data used in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Further, the extent to which the industry and market data presented in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

FORWARD LOOKING STATEMENTS

All statements contained in the Draft Red Herring Prospectus that are not statements of historical fact constitute 'forward-looking statements'. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Red Herring Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'may', 'might', 'will', 'will continue', 'will pursue' or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, 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 and property valuations to differ materially from those contemplated by the relevant statement.

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry.

Important factors that could cause actual results to differ materially from our expectations include, among others:

1. Implementation risks involved in our projects;
2. Significant changes in the exchange rates;
3. Increase in freight, interest rates, etc.;
4. Competition from existing players;
5. Working capital arrangements;
6. Growth of unorganized sector and threat from national/regional players;
7. Changes in laws and regulations relating to the industry in which we operate;
8. Disruption in supply of raw materials;
9. Changes in political and social conditions in India, the monetary and interest rate policies in India and / or other countries, inflation, deflation, anticipated turbulence in interest rates, equity prices or other rates or prices;
10. Imposition of any anti- dumping duties in the Industry in which we operate;
11. Our ability to successfully implement our strategy, growth and expansion plans;
12. The outcome of legal or regulatory proceedings that we are or might become involved in;
13. Contingent liabilities, environmental problems and uninsured losses;
14. Changes in government policies and regulatory actions that apply to or affect our business;
15. Developments affecting the Indian economy;

16. Ability to retain appropriate personnel;
17. Uncertainty in global financial markets; and
18. Occurrence of natural disasters or calamities affecting the areas in which our Company has its operations.

For further discussion of factors that could cause our actual results to differ from our expectations, please refer sections / chapter titled '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 15, 84 and 151 respectively, of the Draft Red Herring Prospectus. 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.

Forward looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. Neither our Company, our Directors and officers and the BRLM nor any of the Syndicate Members nor any of their respective affiliates has any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until the time of the grant of listing and trading approvals by the Stock Exchanges.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on pages 84 and 151 respectively, of the Draft Red Herring Prospectus as well as the other financial and statistical information contained in the Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled 'Financial Information' beginning on page 129 of the Draft Red Herring Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

The 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 many factors, including the considerations described below and elsewhere in the Draft Red Herring Prospectus.

These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Materiality

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

- 1. Some events may not be material individually but may be material when considered collectively.*
- 2. Some events may have an impact which is qualitative though not quantitative.*
- 3. Some events may not be material at present but may have a material impact in the future.*

Internal risks

- 1. Our Company and our Promoters are involved in certain legal proceedings. Any adverse decision in such proceedings may render us / them liable to liabilities / penalties and may adversely affect our / their business and results of operations.***

Our Company and our Promoters are involved in certain legal proceedings and claims in relation to certain civil and tax matters. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us / them liable to liabilities / penalties and may adversely affect our / their business and results of operations. A classification of these legal and other proceedings are given in the following table:

Particulars	No. of cases	Financial implications (₹ in lacs)*
Cases involving our Company		
Labour Matter	1	Not Ascertainable
Income Tax Matters	1	1.16
Excise Matters	6	79.65
Sales Tax	6	3.42
Cases Involving our Promoter, Mr. Kamlesh L. Jain		
Section 138 of Negotiable Instruments Act	1	2.23

**The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court / Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the tribunal where the case(s) is / are pending.*

For further details regarding the same, please refer to the chapter titled 'Outstanding Litigations and Material Developments' beginning on page 161 of the Draft Red Herring Prospectus.

2. *There was a search in our Company on December 2, 2011 and December 3, 2011 at our registered office and both of our Units by the Directorate General of Central Excise Intelligence. Any adverse outcome out of the search proceedings may adversely affect our business.*

There has been search on December 2, 2011 and December 3, 2011 at our registered office and both of our Units by Directorate General of Central Excise Intelligence to ascertain evasion of Central Excise Duty. The officials have carried copies of our last three years financial statements from our registered office. At our unit I, 16000 kgs of Polypropylene was found short and at our unit II 14,457.82 kgs of Polypropylene was found short. Our records related to sales, purchase and excise were also seized. On the day of the search itself, the Company has reversed the CENVAT amount of ₹ 30.90 Lacs in its CENVAT account and paid ₹ 10.00 Lacs in Personal Ledger Account (PLA) of the Company. However, the Central Excise department has not served any show cause notice to the Company for the search carried out on December 2, 2011 and December 3, 2011.

3. *The Company does not own the trademark/ brandname "Bluplast".*

The Company does not own the brandname "Bluplast" under which the products of the Company are being marketed. However, the trademark "Bluplast" is owned by Bluplast Corporation, a Promoter Group Entity. Our Company has been given an exclusive license to use the brandname "Bluplast" for a period of Five year commencing from April 01, 2011. Our Company has given an interest free deposit of ₹ 360 lacs to Bluplast Corporation, for using the brandname "Bluplast". In case we are unable to renew the same, and are not permitted to use the the brandname "Bluplast" after the expiry of the period, our brand image may suffer, which may adversely affect our business, financial condition and results of operations.

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

The principal manufacturing facilities at Daman 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, strikes, lock-outs continued inavailability of services of our external contractors, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Though we have not experienced any such event in the past. The occurrence of any of these risks could significantly affect our operating results.

5. *Fluctuations in the availability and quality of raw materials could cause delay and increase costs.*

The main raw materials used by the company are Polypropylene (PP) Granules and Isocynate, Polyol. Other raw materials used in the manufacturing plant are HDPE, Polycarbonate, Polysterene, ABS, Stainless Steel, Packing Materials, Stickers, Foils, Nuts, Adhesives, PP Belts etc. The availability of these raw materials may fluctuate significantly, depending on many factors including transportation and weather patterns. Though we cover purchases on a monthly basis, we are still exposed to and will have to absorb any fluctuations in the prices including that of crude oil. We do not and will not have control over the factors affecting prices for crude oil. Historically, international prices for crude oil have been volatile and have fluctuated widely in response to changes in many external factors. Such fluctuations in the prices of crude oil may result in fluctuations in the cost of our raw materials which intum may have a material adverse effect on our results of operations.

Any material shortage or interruption in the supply or decrease in the quality of raw materials due to natural causes or other factors could result in increased production costs that we may not be able to pass on to our customers, which in turn would have a material adverse effect on our margins and results of operations.

Further, our suppliers of other raw materials may allocate their resources to service other clients ahead of us. While we believe that we could find additional vendors to procure other raw materials, any failure of our suppliers to deliver such raw materials in the necessary quantities or to adhere to delivery schedules or specified

quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers, which could have a material adverse effect on our business, financial condition and results of operations.

6. *Raw materials constitute a significant percentage of our Company's total expenses. Any increase in prices of the raw material would materially adversely affect our Company's business*

Raw materials constitute a significant percentage of the total expenses of our Company. The cost of total raw materials accounted for 79.87%, 83.51%, 81.35% and 81.22% of total expenditure in each of the Financial Years 2009, 2010 and 2011 and for the seven months period ended October, 2011, respectively. Any increase in the price of the raw materials which our Company is unable to pass on the impact of, would have a material adverse effect on our Company's business. Any material shortage or interruption in the domestic and international supply or decrease in the quality of raw materials due to natural causes or other factors could result in increased production costs that our Company may not successfully be able to pass on to customers, which in turn would have a material adverse effect on our Company's business.

7. *We are dependent upon few suppliers for our raw material for our current manufacturing facilities. In an eventuality where our suppliers are unable to deliver us the required materials in a time-bound manner it may have a material adverse effect on our business operations and profitability.*

About 69.83% of our purchases depend upon our top 3 suppliers while 84.61% of our purchases depend on our top 5 suppliers for the 7 months period ended October 31, 2011. Any problems faced by our suppliers in their manufacturing facilities resulting in delays or non-adherence to quality requirements could adversely impact our ability to meet our customer's requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers.

8. *Any recall by us of our products due to any defect in our products may result in adverse publicity and we may have to incur substantial costs to rectify/replace the products, which could adversely affect our business, financial condition and results of operations. This could in turn affect the value of our brand, and our sales could diminish if we are associated with negative publicity.*

Defects, if any, in our products could require us to undertake product recalls and/or sales being returned, which would require us to expend considerable resources in rectifying the problems/replacing the products and could also adversely affect our reputation and the demand for our products. Any recall of our products may have a material adverse effect on our business, financial condition and results of operations. Although, we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could diminish. Further, our business is dependent on trust our distributors/customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including those arising from a drop in quality of products, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

9. *We are a labour intensive industry and hence may face labour disruptions and other planned and unplanned outages that would interfere with our operations.*

Our Company's activities are labour intensive. Strikes and other labour action may have an adverse impact on our operations. Though we have not experienced any such labour disruption in the past, we cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Also, the third-party suppliers of raw materials, which we use may experience strikes or other industrial/labour problems. Any such event could disrupt our operations, possibly for a significant period of time, result in increased wages and other costs and otherwise have a material adverse effect on our business, results of operations or financial condition.

10. *Our business is dependent on our manufacturing facilities, both of which are geographically located in one area, Daman. Any loss or shutdown of operations at any of our manufacturing facilities in Daman may have an adverse effect on our business and results of operations.*

All our manufacturing facilities are based in Daman. As a result, if there is any localised social unrest, natural disaster or breakdown of services and utilities in Daman, it may affect our business adversely. Further our manufacturing activities are subject to operating risks, such as breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, continued availability of services of our external contractors, earthquakes and other natural disasters,

industrial accidents etc. We have not experienced any of these operating risks in the past, we cannot assure you that such instances will not occur in future.

11. Our Company is dependent on third party transportation providers for the supply of raw materials and delivery of our products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations

Our Company uses third party transportation providers for the supply of most of our raw materials and delivery of our products to our domestic customers. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse affect on the supplies from our suppliers and deliveries to our customers. These transportation facilities may not be adequate to support our existing and future operations. In addition, raw materials and products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our products to our customers may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair our ability to supply our products to our customers. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

12. Our Company may not be able to maintain or further develop its distribution network; the same can adversely affect our revenues.

We sell our products with help of 81 distributors, who have more than 5,000 dealers under their distribution network throughout the Country. Our Company also has about 100 corporate distributors. We also work with modern trade businesses i.e. Bigbazaar , Carrefour, Max Hyper etc. In addition to catering to the retail segment, our Company has a separate department to handle Corporate Clients. In case we are not able to maintain our existing distribution network or to expand it further, it may adversely affect our growth and revenues. In case we are not able to market our products or cater to our customers' requirements in a timely manner, it may affect our results of operation and financial condition adversely.

13. Our business and profitability will suffer if we fail to anticipate and develop new products and enhance existing products in order to keep pace with rapid changes in customer preferences and the industry on which we focus.

Our business is characterized by constant product innovation due to rapid technological change, evolving industry standards. Creativity is one of the key attributes for success in our industry. To compete successfully in the industry, we must be able to identify and respond to changing demands and preferences, as well as operate within substantial production and delivery constraints. Changes in product mix impacts our operating results and our margins. We cannot assure you that our products will always gain buyer acceptance and we will always be able to achieve internationally competitive products to meet customer expectations. Failure to identify and respond to changes in consumer preferences could, among other things, limit our ability to differentiate our products, adversely affect consumer acceptance of our products, and lower sales and gross margins. Further, products, that are developed by our competitors may render our offerings non-competitive or force us to reduce prices, thereby adversely affecting our margins. Any of these factors could have a material adverse effect on our business and results of operations.

14. Our Company had negative cash flows in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.

(₹ in lacs)						
Cash flow from	March 31, 2007	March 31, 2008	March 31, 2009	March 31, 2010	March 31, 2011	October 31, 2011
Operating activities	(222.54)	(326.84)	453.57	191.18	978.00	(139.19)
Investing activities	(288.65)	(109.53)	(279.71)	(132.73)	(376.12)	(81.66)
Financing activities	473.36	458.49	(171.97)	(49.97)	(559.23)	245.03

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial

operations. For further details please refer to the section titled 'Financial Information' and chapter titled 'Management's Discussion and Analysis of Financial Condition and Results of Operations as reflected in the Financial Statements' beginning on pages 129 and 151 respectively, of the Draft Red Herring Prospectus.

15. *The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our project expenditure and may have a bearing on our expected revenues and earnings.*

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time and consequently our funding requirements may also change. Our estimates for the project may exceed the value that would have been determined by third party appraisals and may require us to reschedule our project expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the objects of the Issue is entirely at the discretion of our management and is not subject to monitoring by any external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

16. *Our Company proposes to set up a new facility for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers. While we have prior experience in Plastic Injection Moulding, manufacturing of Non Stick Cookware and Pressure Cookers is a diversification and neither our company nor the Promoters have any experience or background in manufacturing of Non Stick Cookware and Pressure Cookers. Further, we may not be able to estimate our future performance and our expansion and diversification plans may not yield the benefits actually intended.*

Our company is currently into manufacturing of Plastic Thermoware, Vacuumware, Insulatedware, Kitchenware, Utilities, PET Products and other household products. Our Company proposes to set up a new facility for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers. Neither our company nor its Promoters have any experience or background in manufacturing of Non Stick Cookware and Pressure Cookers. Therefore our prospects must be considered in light of the risks and uncertainties encountered in evolving markets and changing trends where demand and supply for our products manufactured may vary. As a result we cannot give any assurance about our business strategy being successful. Our expansion plans are based on internal Company/Management estimates. Actual market conditions may vary from these estimates and therefore may not yield the returns intended.

17. *Our inability to develop and promote our brands may impede our growth rate and our profitability.*

We believe that brand building is an essential component of business growth particularly in the industry in which we operate. Our brands enable our customer to distinguish our products from competitors' and other players in the unorganized sector. We intend to expand and diversify our operations into manufacturing Non Stick Cookware and Pressure Cookers as well. Our existing business operations alongwith our proposed expansion and diversification would require additional investments towards brand promotion and an amount of ₹ 553.48 lacs has been earmarked for branding activities from the IPO proceeds. Our inability to successfully develop, promote and market our brands may adversely affect our business and results of operations.

18. *We have not acquired land for our proposed project for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers till date. Our inability to acquire the land at the right time and at the estimated price may delay the project or result in an increase in the cost of acquisition.*

We envisage a Land requirement of approximately 7 acres at the estimated cost of ₹ 308 Lacs in and around Vapi, Bhilad and Pradi, Distt. Valsad, Gujarat. Since we have not acquired the land till now, our inability to acquire the land at the right time and at the above mentioned price may delay the project or result in an increase in the cost of acquisition; thereby resulting in an increase in the project cost or time overrun thus affecting our operations and profitability.

For further details refer to the Chapter titled "Objects of the Issue" beginning on page 58 of the Draft Red Herring Prospectus.

19. Our Company have not yet placed orders for plant and machinery aggregating ₹2,340.07 lacs required by us for the proposed project. Any delay in placing the orders / or supply of plant and machinery may result in time and cost overruns, and may affect our profitability.

Our Company propose to acquire plant and machinery aggregating ₹ 2,340.07 lacs for our proposed project which is approximately 31.92 % of the Issue Proceeds. Our Company have not yet placed orders for plant and machinery aggregating ₹ 2,340.07 lacs required by us which constitutes 100 % of the total plant and machinery propose to be acquired for our proposed project. Our Company is further subject to risks on account of inflation in the price of plant and machinery.

Our Company has received quotations for these machineries, and negotiations with the vendors have commenced. The details of quotations received appear in paragraph titled 'Plant and Machinery' under the section titled 'Objects of the Issue' beginning on page 58 of the Draft Red Herring Prospectus. Since the funding for the plant and machinery is solely from the IPO proceeds, any delay in access to IPO proceeds would eventually delay the process of placing the orders. The purchase of plant and machinery would require us to consider factors including but not limited to pricing, delivery schedule and after-sales maintenance. There may also be a possibility of delay at the suppliers' end in providing timely delivery of these machineries, which in turn may delay the implementation of our project.

20. We have not made firm arrangements with any bank or financial institution for funding of our balance working capital requirements for the proposed project. The failure to obtain additional financing may adversely affect our ability to grow and our future profitability.

Additional working capital requirement has been estimated at ₹ 1372.41 lacs for the proposed project, of which ₹ 1,000.00 lacs would be funded out of the Issue Proceeds, whereas the balance amount i.e. ₹ 372.41 lacs would be arranged by way of borrowings from banks. However, as on date of the Draft Red Herring Prospectus our Company has not made firm arrangements with any bank or financial institution for funding of our balance working capital requirements. Our Company cannot assure you that we will be able to raise such additional financing on acceptable terms in a timely manner or at all. Our failure to renew existing funding or to obtain additional financing on acceptable terms and in a timely manner could materially and adversely impact our planned capital expenditure, which, in turn, could materially and adversely affect our business, financial condition and results of operations.

21. Our proposed expansion plans are financially dependent on the Issue proceeds any delay in raising of the same may result in escalation of project cost thereby impacting the operations and financials of our Company.

Our proposed expansion plans are dependent on the proceeds of this Issue. We have not arranged for any alternate source of funding the major part of the project. Any delay in the proposed Issue may increase the project cost and also result in delay in project implementation. This may adversely affect our operations and profitability.

22. The statutory / regulatory approvals for the proposed project for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers are yet to be applied and any delay or non-receipt of such approvals may delay the proposed project / expansion plans.

As on date of the Draft Red Herring Prospectus, we have not applied for the licenses in relation to the Objects of the Issue. 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 166 of the Draft Red Herring Prospectus.

23. Our expansion plans are subject to the risk of cost and time overruns

Our plan for setting up a new facility as referred to in the chapter titled 'Objects of the Issue', contains project costs and implementation schedules. We intend to utilize the Net Proceeds of the Issue for setting up a new facility for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers and for meeting the working capital margin requirements for the new facility. Our plans are subject to a number of contingencies, including changes in laws and regulations, government action, delays in obtaining approvals,

delays in getting requisite land, inability to obtain machinery and other supplies at quoted or at acceptable terms, accidents, natural calamities, terrorist activity and other factors, many of which may be beyond our control. We, therefore, cannot assure you that the costs incurred or time taken for implementation of these plans will not vary from our estimated parameters.

24. *The property used by our Company for our registered office is not owned by us and we have only rights as a licensee over the same. Any adverse impact on the title / ownership rights of the owner or breach of the terms / non renewal of the license agreement may impede our effective operations and thus adversely affect our profitability.*

Our registered office situated at Mumbai, is not owned by our Company and is taken on a license basis from Mr. Ajay P. Deshlahra and the same is valid till March 31, 2012. Any adverse impact on the title / ownership rights of the owner, from whose premises we operate our registered office or breach of the terms / non renewal of the license agreement may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our profitability. Upon the termination of the license, we are required to return the said office premises to the Licensor. The term of the agreements may or may not be renewed. In the event the Licensor terminates or does not renew the license on commercially acceptable terms, or at all, and we are required to vacate our registered office, we may be required to identify alternative premises and enter into fresh lease or leave and licence agreement. Such a situation could result in loss of business and may adversely affect our operations and profitability.

25. *Some of the Group Companies promoted by our Promoters have incurred losses in the last three years. Sustained financial losses by our Group Companies may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations.*

The following Group Companies promoted by the Promoters has incurred losses in one or more of the last three years:

	(₹ Lacs)		
Name of the Company	FY 2009	FY 2010	FY 2011
Bluplast Moulders Private Limited	(0.03)	(0.03)	(0.03)
M/s Neelam Plastic Industries (Partnership Firm)	(0.28)	(0.25)	(0.25)

26. *We have certain contingent liabilities that have not been provided for in our Company's financials, which if realised, could adversely affect our financial condition.*

Our contingent liabilities as at October 31, 2011, were as follows:

	(₹ in lacs.)
Contingent Liabilities	As at October 31, 2011
EPCG – Pending Export Obligation	1,901.00
Bank Guarantees	13.50
Capital Contracts remaining to be executed and not provided	32.63
IT demand disputed in appeal	1.15
Total	1,948.28

We cannot assure you that any or all of these contingent liabilities will not become direct liabilities. In the event any or all of these contingent liabilities become direct liabilities, it may have an adverse effect on our financial condition and results of operations.

27. *We do not have long-term contracts with our buyers or distributors, which may adversely affect our business and financial conditions.*

Purchases by our customers and distributors are mainly through individual orders or on a fixed delivery basis. We do not have any long term contracts with any of our customers/distributors and there is no assured guarantee that our present customers/distributors will continue to procure supplies from us. Any loss of our major customers/distributors arising out of competition or from cheaper sources can lead to reduced margins and our results of operations may be affected.

28. *Our success depends largely on our senior management and key personnel and our ability to attract and retain them.*

We are highly dependent on the senior management of our Company. Our future performance will be affected by the lack of continued service of these persons. Competition for senior management in our industry is intense, and we may not be able to retain such senior management personnel or attract and retain new senior management personnel in the future. The loss of any of the members of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. For further details on all of our key managerial personnel please refer to paragraph titled “*Our Key Managerial Personnel*” in the chapter titled “*Our Management*” beginning on page 132 of this Draft Red Herring Prospectus.

29. *Our Company have in the past entered into related party transactions with our Promoters and Promoter Group Entities and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.*

Our Company has entered into related party transactions with our Promoters and Promoter Group Entities in the past. While our Company believe that all such transactions have been conducted on an arm’s length basis and are accounted as per Accounting Standard 18, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may 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 financial condition and results of operations.

For further details please refer to the section titled ‘*Financial Information*’ beginning on page 129 of the Draft Red Herring Prospectus.

30. *We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of any or all of our business development plans and this may have an adverse effect on our business and results of operations.*

We may require additional funds in connection with future business expansion and development initiatives. In addition to the net proceeds of this offering and our internally generated cash flow, we may need other sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions or raising additional debt in the capital markets. If we decide to raise additional funds through the issuance of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financing could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of any or all of our business development plans and this may have an adverse effect on our business and results of operations.

31. *Covenants with institutional lenders may restrict our operations and expansion ability, which may affect our business and results of operations and financial condition.*

As per our current financing arrangements with banks, we are subject to certain restrictive covenants which require us to obtain the prior consent of the respective lenders before undertaking certain actions such as:

- effect any change in the capital structure
- formulate any scheme of amalgamation or reconstruction.
- implement any scheme of expansion or acquire fixed assets.
- make investments/ advances or deposit amounts with any other concern.
- enter into borrowing arrangements with any bank/FI/company.
- undertake guarantee obligations on behalf of any other company.
- declare dividends for any year except out of profits relating to that year

Although we have received the NoC cum Consent from our lenders for this issue, we can not assure you that we will be able to receive such consents in future.

32. *Our Company has unsecured loans, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and financial condition of our Company.*

As on October 31, 2011, our Company has unsecured loans aggregating to ₹ 992.11 lacs which are repayable on demand. For further details of these unsecured loans, please refer to chapter titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus. In case of any demand from lenders for repayment of such unsecured loans, the resultant cash outgo, may adversely affect our business operations and financial position of our Company.

33. *Increasing employee compensation in India may reduce our Company's profit margins.*

Increase in compensation levels in India may negatively affect our profit margins. Employee compensation in India is currently increasing which could result in increased costs of production. Our Company may need to continue to increase levels of employee compensation to manage attrition. Any increases in the amount of compensation paid to our Company's employees could have a significant effect on our costs, which may affect our position in our industry and have a material adverse effect on our business and financial operations.

34. *Our insurance cover may not adequately protect us against all material hazards.*

Our Company have various insurance policies covering stocks, building, furniture, plant and machinery, etc. We believe that we have insured ourselves against the majority of the risks associated with our business. Our significant insurance policies provide cover for risks relating to physical loss, theft or damage to our assets, as well as business interruption losses. While we believe that the 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. To the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate, the loss would have to be borne by us, and, as a result, our results of operations and financial condition could be adversely affected.

35. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements.*

Our Company has not paid annual dividends in the last five years and under our current financial arrangements, we cannot pay dividends without the consent of our lenders. The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

36. *Any changes in regulations or applicable government incentives would materially adversely affect our Company's operations and growth prospects*

Our Company is subject to regulations in India. Our Company's business and prospects could be adversely affected by changes in any of these regulations and policies, or if any or all of the incentives currently available cease to be, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which would have a material adverse affect on our Company's operations and financial results. For further details, please refer to the chapter titled '*Key Industry Regulations and Policies*' beginning on page 99 of the Draft Red Herring Prospectus.

External Risk

37. *We are subject to risks arising from foreign exchange rate fluctuations, which could adversely affect our financial condition.*

Our Company intends to import some new plant & machineries costing approximately ₹ 462.90 lacs. Since the cost of these plants & machineries are denominated in foreign currency, any adverse fluctuations in the exchange rate of foreign currency for Indian Rupee could adversely affect our financial condition and operations. We have not hedged our risks against foreign exchange fluctuations in this regard. For details please refer to the section, 'Objects of the Issue', beginning on page 58 of the Draft Red Herring Prospectus.

38. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the financial services and Plastic sector contained in the Draft Red Herring Prospectus.*

While facts and other statistics in the Draft Red Herring Prospectus relating to India, the Indian economy and the financial services and education sector has been based on various publications and reports from agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisers and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled ‘*Industry Overview*’ beginning on page 79 of the Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

39. *After this Issue, the Equity Shares may experience price and volume fluctuations or an active trading market for the Equity Shares may not develop.*

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including, among other things, volatility in the Indian and global securities markets, the results of our operations and performance, the performance of our competitors, developments in the Indian Plastic industry and changing perceptions in the market about participation in these sectors, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalization and deregulation policies and significant developments in India’s fiscal regulations. There has been no public market for our Equity Shares and an active trading market for the Equity Shares may not develop or be sustained after this Issue. Further, the price at which the Equity Shares are initially traded may not correspond to the Issue Price. The share prices of companies participating in business assets can fluctuate significantly, which subjects an investment in the Equity Shares to substantial volatility.

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

The price of the Equity Shares will be subject to a daily circuit breaker imposed by Stock Exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders’ ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

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

The Indian securities markets are smaller than securities markets in more developed economies and 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 more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on, the BSE or the NSE also could adversely affect the trading price of the Equity Shares.

42. *Fluctuations in operating results and other factors may result in decreases in our Equity Share price.*

Stock markets have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our Equity

Shares. There may be significant volatility in the market price of our Equity Shares. If we are unable to operate profitably or as profitably as we have in the past, investors could sell our Equity Shares when it becomes apparent that the expectations of the market may not be realized, resulting in a decrease in the market price of our Equity Shares. In addition to our operating results, the operating results of other competitor companies, changes in financial estimates or recommendations by analysts, governmental investigations and litigation, speculation in the press or investment community, changes in general conditions in the economy or the financial markets, or other developments affecting the industry in which we operate, could cause the market price of our Equity Shares to be issued to fluctuate substantially.

43. *Additional issuances of equity may dilute your holdings.*

Any future issuance of our Equity Shares or securities linked to our Equity Shares may dilute your shareholding in our Company. Any issuance of Equity Shares may dilute the holdings of our existing shareholders. After the completion of the Issue, our Promoters will own, directly and indirectly, approximately [●]% of our outstanding Equity Shares. Sales of a large number of our Equity Shares by our Promoter could adversely affect the market price of our Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of our Equity Shares.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

45. *The Equity Shares issued pursuant to the Issue may not be listed on the BSE and the NSE in a timely manner, or at all, and any trading closures at the BSE and the NSE may adversely affect the trading price of our Equity Shares.*

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted and there could therefore be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares. The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including our Equity Shares. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares.

46. *A slowdown in economic growth in India could cause our business to suffer.*

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- variations in exchange rates;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions, including in India's principal export markets; and

- other significant regulatory or economic developments in or affecting India.

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

47. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the takeover regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its shareholders, such a takeover may not be attempted or consummated because of Indian takeover regulations.

48. Political instability or changes in the government could delay the liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact our financial results and prospects.

Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant. The leadership of India has changed many times since 1996. The current central government, which came to power in May 2009, is headed by the Indian National Congress and is a coalition of several political parties. Although the current government has announced policies and taken initiatives that support the economic liberalization policies that have been pursued by previous governments, the rate of economic liberalization could change, and specific laws and policies affecting foreign investment and other matters affecting investment in our securities could change as well. Additionally, any change in these policies could have a significant impact on infrastructure development, business and economic conditions in India.

49. Instability in financial markets could materially and adversely affect our results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the U.S. or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reaction to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

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

India has experienced significant natural disasters such as earthquakes, a tsunami, floods, drought, fires and spread of pandemic diseases such as the H5N1 avian flu and the H1N1 swine flu, in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy and infrastructure. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy in which we operate, which could adversely affect our business and the price of our Equity Shares.

Prominent Notes

1. This is a Public Issue of [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating upto ₹ 6000 Lacs. The Issue will constitute [●]% of the post Issue paid-up capital of our Company.
2. Our Company was incorporated as 'Thermoplast Industries Private Limited' under the Companies Act, pursuant to a Certificate of Incorporation dated January 14, 1999 issued by the Assistant Registrar of Companies Maharashtra at Mumbai. The name of our Company was further changed to Bluplast Industries Private Limited vide fresh certificate of incorporation dated March 11, 2005 issued by Registrar of Companies, Maharashtra. Subsequently our Company was converted into a Public Limited Company on July 14, 2005 and the name was changed to Bluplast Industries Limited. Our corporate identification number is U25200MH1999PLC117874.
3. This being an Issue for Equity Shares representing more than 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), and the SEBI ICDR Regulations. The Issue is being made pursuant to Regulation 26(1) of the SEBI ICDR Regulations through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"). 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 QIB Bidders, 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. All potential non-retail Bidders, shall participate in this Issue through the Application Supported by Blocked Amount ("ASBA") process. Retail Bidders participating in this Issue may also utilize the ASBA process to submit their Bids. For details, please refer to the chapter titled 'Issue Procedure' beginning on page 185 of the Draft Red Herring Prospectus.
4. Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Bidder, number of Equity Shares for which the Bidder applied, Bid Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Bidder. For contact details of the BRLM and the compliance officer, please refer to chapter titled 'General Information' beginning on page 37 of the Draft Red Herring Prospectus.
5. Our Net Worth as at March 31, 2011 and October 31, 2011 was ₹ 1,833.05 and ₹ 2,034.16 lacs respectively as per our restated audited financial statements, under Indian GAAP included in the Draft Red Herring Prospectus.
6. The Net Asset Value per Equity Share as at March 31, 2011, and October 31, 2011 was ₹ 23.76 and ₹ 26.36, as per our restated audited financial statements, under Indian GAAP included in the Draft Red Herring Prospectus. For further details, please refer to chapter titled 'Financial Information' beginning on page 129 of the Draft Red Herring Prospectus.
7. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	Average cost of acquisition (in ₹)
Mr. Kamlesh L. Jain	10.58
Mr. Indermal P. Jain	11.06
Mrs. Rekha K. Jain	18.31
Mrs. Nayana I. Jain	21.35

8. Our Company has not issued any Equity Shares for consideration other than cash.
9. Except as disclosed in Annexure - XV under chapter titled 'Financial Information', 'Our Promoters and Promoter Group', 'Group Entities' and 'Capital Structure' on pages 129, 121, 125 and 46 respectively, of the Draft Red Herring Prospectus, none of our Promoters, Directors, Key Managerial

Personnel or Group Entities have any business or other interest, other than to the extent of Equity Shares held by them and to the extent of the benefits arising out of such shareholding.

10. There has been no financing arrangement whereby the Promoter Group, our Directors and 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 the Draft Red Herring Prospectus.
11. No part of the Issue proceeds will be paid as consideration to Promoters, Directors, Key Managerial Personnel or persons forming part of Promoter Group.
12. Our Company and the BRLM shall update the Draft Red Herring Prospectus in accordance with the Companies Act, 1956. All information shall be made available by our Company and the BRLM 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 shows, presentations, in research or sales reports, at bidding centres etc.
13. Investors may note that in case of over-subscription in the Issue, allotment to Qualified Institutional Bidders, Non-Institutional Bidders and Retail Individual Bidders and shall be on a proportionate basis, in consultation with BSE, the Designated Stock Exchange.
14. Trading in Equity Shares of our Company shall be in dematerialized form only for all investors.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

Indian Plastic Industry

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made and the industry has grown and diversified rapidly.

India is one of the most promising exporters of plastics among developing countries. The Indian plastics industry produces and exports a wide range of raw materials, plastic moulded extruded goods, polyester films, laminates, moulded/soft luggage items, writing instruments, plastic woven sacks and bags, PVC leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/medical surgical ware and travel ware, among other products.

In recent years, significant aspect of plastics material growth globally has been the innovation of newer application areas for plastics such as increasing plastics applications in automotive field, rail, transport, defence & aerospace, medical and healthcare, electrical & electronics, telecommunication, building & infrastructure, furniture, etc.

As manufacturers increasingly focus on customising products in accordance with end-user needs, the Indian plastics industry has also started developing specific items to suit customer requirements, including supplies to original equipment manufacturers (OEMS). The design, style, as well as the pattern, is decided according to the requirement of the customer in the export market.

The entire chain in the Plastic industry can be classified into (A) manufacturing of Polymers and is called “upstream” and (B) conversion of polymers into plastic articles and is known as “downstream”. The upstream Polymer manufacturers have commissioned globally competitive size plants with imported state-of-art technology from the world leaders. The upstream petrochemicals industries have also witnessed consolidation to remain globally competitive. The downstream plastic processing industry is highly fragmented and consists of micro, small and medium units. Presently there are about 26,000 registered plastic processing units of which about 75% are in the small-scale sector. The small-scale sector, however, accounts for only about 25% of polymer consumption. The industry also consumes recycled plastic, which constitutes about 30% of total consumption.

The top 100 players account for just 20% of the industry turnover. The total number of players in the sector is more than 25,000. However, the degree of fragmentation, worldwide, is a large and despite the small size of operations of the players, they are able to operate profitably. Further, the high growth in demand ensures that the market is able to absorb the excess capacity in quick time. Overall, the degree of competition can be considered high in the Indian plastic processing industry.

The sector has a significant presence of the unorganised sector, which accounts for more than 70% of the industry turnover. More than 95% of the firms in the industry are partnership, proprietorship or private limited companies. Further, these small companies get significant advantages in taxes. These firms thus provide significant level of competition to the organised sector companies, which combined together are making losses. The organised sector companies thus need to build up significant brand image to survive against the competition from the unorganised sector. The key organised sector players include Nilkamal Plastics Limited and Supreme Industries Limited.

Despite the industry’s high growth spanning over a period of over 2 decades and crossing several milestones, Indian plastics industry is yet to realize its full potential. The low level of per capita plastics consumption in India is indicative of the massive growth potential of the plastic industry.

Source: *Growth of Plastic Industries and Plastic Industry Statistics Reports by Central Institute of Plastics Engineering & Technology, Department of Chemicals and Petrochemicals, Ministry of Chemicals and Fertilizers, Government of India*

Indian Kitchenware & Appliances Industry

Kitchenware, simply put, refers to items that are used in the kitchen space. The market is highly fragmented in terms of the number of manufacturers and also in terms of the number of products. It includes a wide range of

products like kitchen tongs, mixing bowls, chopping boards, hanging rack and pot stands, kitchen bins, kitchen scales, kitchen storage units, bread bins, kitchen tool sets, kitchen trolleys, knife blocks, mug trees and roll holders as well as plate stands. It also includes drainage-spice-wine racks, water filters, bottle pourers, bottle openers, kitchen machines like vegetable cutting machine, coconut scrapper, weight grinder, flour kneading machines, potato peeler and oil shaking machines.

Kitchen utensils like pots and frying pans, woks, saucepans, pressure cookers and glass items such as heat-resistant casseroles and vitro-ceramic pans also form part of the products found in the kitchenware segment. However, according to an industry analyst, these products form a different product category called cookware. A third group of items such as plates, bowls, serving dishes, dinner sets, serving ware placemats and coasters also form part of the overall kitchenware market—although according to a few industry analysts they form a separate product category called tableware and crockery.

Apart from the above, there are cutlery items (like cutting tools and instruments, knives forks and spoons, etc.) and glassware items (like tumblers, stemware, bottles, jugs). Euromonitor classifies these, i.e. cookware, kitchenware, tableware and crockery, cutlery and glassware, as different segments of the housewares market.

Kitchenware market in India is still very much driven by purely functional requirements; hence there is a huge scope for market expansion. The future trends in this market can be seen in the form of kitchenware products and kitchenware retail formats.

In terms of product range, the popularity of non-stick cookware, interest in healthy eating, usage of wider range of cutlery, demand for storage containers are some of the areas where we should see interesting developments in the near future.

Source: <http://www.thehindubusinessline.com/features/investment-world/stock-insight/article2037869.ece>
<http://www.thehindubusinessline.com/companies/article2004326.ece>

SUMMARY OF OUR BUSINESS

Our Company is engaged in the manufacturing and marketing of Plastic Thermoware, Vacuumware, Insulatedware, Kitchenware, Household, Utility and PET products. For example, Casseroles with the capacity of 500 ml - 12,500 ml, Lunch Packs with 2-5 containers, Flasks with the capacity of 350 ml - 2000 ml, Water Jugs with the capacity of 2000 ml - 25000 ml, Water Bottles with the capacity of 500 ml - 2500 ml and Pet Jars with the capacity of 500 ml - 2500 ml.

We also manufacture products like Buckets, Bath Stools, Bath Tubs, Baskets, Dust Bins, Gifts, Novelty Items, Pens and other household products. Our Company sells its products under the brand name “Bluplast”. Our Company has a current installed capacity of 12,100 MTPA.

Our Company was incorporated in the year 1999. The manufacturing plant of our Company was set up at Daman (in Union Territory of Daman and Diu) with an initial capacity of 1,940 MTPA, which has, over a period of time, been increased upto 4,500 MTPA. In July 2005, the Company acquired the business of Alaska Industries, a group concern, having manufacturing capacity of upto 900 MTPA. Currently, our Company has an installed capacity of 12,100 MTPA.

Our Company is also engaged in trading of certain articles and products which are complementary to our existing range of products.

Our Company is setting up additional manufacturing facility for the manufacturing of plastic injection moulding products with an installed capacity of 7,900 MTPA in and around Vapi, Bhilad and Pradi, Distt. Valsad, Gujarat. Our Company is also diversifying by setting up a manufacturing facility for the production of non-stick cookware and pressure cookers. The proposed capacity is 6,000 units per day for non-stick cookware and 1,500 units per day for pressure cookers.

SUMMARY OF OUR FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES (AS RESTATED)

(₹ in Lacs)

Particulars	As At					
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
A. Fixed Assets						
Gross Fixed Assets	1,228.32	1,340.88	1,613.81	1,748.66	2,129.83	2,199.48
Less : Accumulated Depreciation	502.99	632.77	760.81	923.08	1,107.51	1,207.96
Net Fixed Assets	725.33	708.11	853.00	825.58	1,022.32	991.52
Less:- Revaluation Reserves	-	-	-	-	-	-
Net Fixed Assets After Revaluation Reserves	725.33	708.11	853.00	825.58	1,022.32	991.52
Capital Work in Progress	-	-	-	-	-	-
Total (A)	725.33	708.11	853.00	825.58	1,022.32	991.52
B. Investments (Total B)	-	-	-	0.08	0.08	0.08
C. Current Assets, Loans & Advances						
Inventories	1,175.71	1,283.69	1,548.75	2,152.12	2,573.83	3,014.05
Sundry Debtors	1,846.17	2,826.24	3,122.84	2,877.03	2,986.64	4,034.26
Cash and Bank Balances	51.24	73.36	75.25	83.73	126.38	150.56
Loans and Advances	365.50	361.33	324.80	397.09	291.67	604.26
Total (C)	3,438.62	4,544.62	5,071.64	5,509.97	5,978.52	7,803.13
D. Liabilities & Provisions						
Secured Loans	1,551.46	2,248.23	2,606.26	2,938.79	3,104.33	3,400.50
Unsecured Loans	398.88	556.52	527.28	673.17	592.76	992.11
Deferred Tax Liability/(Asset)	7.12	14.19	25.99	35.01	51.22	69.61
Sundry Creditors	671.10	851.97	957.93	832.65	1,323.26	2,131.73
Other Current Liabilities	35.92	20.92	124.56	43.69	56.36	88.13
Provisions	85.21	28.68	52.84	64.43	39.93	78.48
Total (D)	2,749.69	3,720.51	4,294.86	4,587.74	5,167.86	6,760.56
E. Net Worth (A + B+C-D)	1,414.25	1,532.21	1,629.77	1,747.88	1,833.05	2,034.16
F. Represented by						
Equity Share Capital	771.62	771.62	771.62	771.62	771.62	771.62
Share Application Money	-	-	-	-	-	-
Reserve & Surplus (Excl. Revaluation Reserves)						
Profit & Loss Account	517.76	635.72	733.28	851.39	936.56	1,137.67
General Reserve	-	-	-	-	-	-
Capital Reserve	-	-	-	-	-	-
Securities Premium	124.87	124.87	124.87	124.87	124.87	124.87
G. Net Worth	1,414.25	1,532.21	1,629.77	1,747.88	1,833.05	2,034.16

Note: The above statement should be read with the Notes on Adjustment and Significant Accounting Policies for Restated Financial Statements as represented in Annexure – VI to the Report.

SUMMARY STATEMENT OF PROFIT AND LOSS, AS RESTATED**(₹ in Lacs)**

Particulars	For the year ended					For the Period ended
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Income						
Gross Sales	7,921.48	9,155.05	9,390.54	12,098.60	13,806.71	10,563.65
- Products Manufactured	7,731.96	9,044.27	8,980.63	11,703.71	13,727.21	10,525.39
- Products Traded	189.52	110.78	409.91	394.89	79.50	38.26
Less: Excise Duty & Cess	424.16	504.09	450.40	453.80	623.85	413.95
Net Sales	7,497.32	8,650.96	8,940.14	11,644.80	13,182.86	10,149.70
Other Income	5.27	12.66	8.48	6.69	8.55	8.31
Increase/(Decrease) in Inventory	51.92	99.25	246.81	579.17	221.90	130.27
Total Income	7,554.51	8,762.87	9,195.43	12,230.66	13,413.31	10,288.27
Expenditure						
Raw Material Consumed/Cost of Goods Sold	6,443.67	7,247.10	7,500.10	10,102.94	11,231.18	8579.72
Other Manufacturing Expenses	317.69	420.23	491.12	794.69	780.74	510.32
Staff Cost (Include Wages)	137.01	190.43	192.06	215.42	239.17	190.30
Administrative, Selling and Other Expenses	183.38	212.29	226.39	256.33	201.40	141.63
Interest and Other Financial Charges	229.01	395.92	500.76	528.39	644.36	450.50
Depreciation & Amortisation	98.70	130.14	139.36	163.94	184.43	117.39
Total Expenditure	7,409.46	8,596.11	9,049.79	12,061.71	13,281.28	9,989.86
Net Profit /(Loss) before tax	145.05	166.76	145.64	168.95	132.03	298.41
Add / (Less) : Provision for Tax						
Current Tax	26.25	37.94	32.77	41.82	30.65	78.91
Fringe Benefit Tax	3.75	3.80	3.52	-	-	-
Deferred Tax Liability/(Assets)	5.02	7.06	11.80	9.02	16.21	18.39
Net Profit After Tax	110.03	117.96	97.55	118.11	85.17	201.11
Balance brought forward from previous year	407.73	517.76	635.72	733.28	851.39	936.56
Balance carried forward as restated	517.76	635.72	733.28	851.39	936.56	1,137.67

SUMMARY STATEMENT OF CASH FLOW:**Cash Flow Statement, as restated****(₹ in lakhs)**

Particulars		31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
A	Cash Flow from Operating Activities						
	Profit before tax	145.05	166.76	145.64	168.95	132.03	298.41
	Adjustments for						
	Depreciation	98.70	130.14	139.36	163.94	184.43	117.39
	Interest & Financial Charges	229.01	395.92	500.76	528.39	644.36	450.50
	Interest Received	(2.33)	(3.37)	(4.15)	(3.87)	(5.05)	(4.80)
	(Profit) on Sale of Fixed Assets		(0.01)	(0.39)			(0.13)
	Dividend Received	-	-	-	-	-	(0.01)
	Operating Income before working capital changes	470.43	689.45	781.22	857.41	955.77	861.36
	Adjustments for:						
	Decrease/(Increase) in Debtors	(329.68)	(980.07)	(296.60)	245.81	(109.61)	(1,047.62)
	Decrease/(Increase) in Inventories	(400.17)	(107.98)	(265.06)	(603.37)	(421.71)	(440.22)
	Decrease/(Increase) in Loans & Advances	(72.95)	4.17	36.53	(72.29)	105.42	(312.59)
	Increase/(decrease) in Sundry Creditors	168.75	180.87	105.96	(125.28)	490.61	808.47
	Increase/(decrease) in Provisions	(11.70)	(56.53)	24.17	11.59	(24.50)	38.55
	Increase/(decrease) in Other Liabilities	(17.23)	(15.00)	103.64	(80.87)	12.67	31.77
	Cash Generated from Operations	(192.55)	(285.10)	489.86	233.00	1,008.65	(60.28)
	Direct Taxes (Net)	30.00	41.74	36.29	41.82	30.65	78.91
	Net Cash Flow from Operating Activities	(222.54)	(326.84)	453.57	191.18	978.00	(139.19)
B	Cash Flow from Investing Activities						
	Purchase of Fixed Assets (Excluding Revaluation Reserves)	(298.37)	(112.91)	(284.25)	(136.52)	(381.17)	(86.59)
	Decrease /(Increase) in Capital WIP	7.39	-	-	-	-	
	Decrease /(Increase) in Investments	-	-	-	(0.08)	-	-
	Profit on Sale of Fixed Assets	-	0.01	0.39	-	-	-
	Interest Received	2.33	3.37	4.15	3.87	5.05	4.80
	Profit on sale of fixed assets						0.13
	Net Cash used from Investing Activities	(288.65)	(109.53)	(279.71)	(132.73)	(376.12)	(81.66)
C	Cash Flow from Financing Activities						
	Public Issue Expenses	(49.03)	-	-	-	-	-
	Change in the Borrowings						
	- Secured	532.50	696.77	358.03	332.53	165.54	296.17
	- Unsecured	218.90	157.64	(29.24)	145.89	(80.41)	399.35

	Interest Paid	(229.01)	(395.92)	(500.76)	(528.39)	(644.36)	(450.50)
	Dividend Received	-	-	-	-	-	0.01
	Net Cash Flow from Financing Activities	473.36	458.49	(171.97)	(49.97)	(559.23)	245.03
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(37.83)	22.12	1.89	8.48	42.65	24.18
	Cash & Cash Equivalents at Beginning of the Year	89.07	51.24	73.36	75.25	83.73	126.38
	Cash & Cash Equivalents at End of the Year	51.24	73.36	75.25	83.73	126.38	150.56

THE ISSUE

Equity Shares offered:	
Public Issue of Equity Shares by our Company	[●] Equity Shares face value of ₹ 10 each aggregating upto ₹ 6,000.00 Lacs
<i>Of which¹</i>	
1. 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 Portion	[●] Equity Shares
2. Non-Institutional Portion	[●] Equity Shares constituting not less than 15% of the Issue
3. Retail Portion	[●] Equity Shares constituting not less than 35% of the Issue
Equity Shares outstanding prior to the Issue	77,16,242 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Issue proceeds	Please refer to the chapter titled ' <i>Objects of the Issue</i> ' beginning on page 58 of the Draft Red Herring Prospectus.

¹ Allocation to all categories shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. Under-subscription, if any, in any category would be allowed to be met with spill over from any other category at the discretion of our Company, in consultation with the BRLM, 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 more information, please refer to chapter titled 'Issue Procedure' beginning on page 185 of the Draft Red Herring Prospectus.

GENERAL INFORMATION

Our Company was incorporated as ‘Thermoplast Industries Private Limited’ under the Companies Act, pursuant to a Certificate of Incorporation dated January 14, 1999 issued by the Assistant Registrar of Companies Maharashtra at Mumbai. The name of our Company was further changed to Bluplast Industries Private Limited vide fresh certificate of incorporation dated March 11, 2005 issued by Registrar of Companies, Maharashtra. Subsequently our Company was converted into a Public Limited Company on July 14, 2005 and the name was changed to Bluplast Industries Limited. Our corporate identification number is U25200MH1999PLC117874.

Our Company is promoted by Mr. Kamlesh L. Jain, Mr. Indermal P. Jain, Mrs. Rekha K. Jain and Mrs. Nayana I. Jain.

Registered Office of our Company:

Bluplast Industries Limited
113/114, Vivek Industrial Estate,
Uswala Road, Cama Estate,
Goregaon (East), Mumbai-400063
Tel No: +91 22 4099 1234
Fax No: +91 22 2685 1151
Email: ipo@bluplast.com
Website: www.bluplast.com

For details of changes in the address of our Registered Office please refer to the chapter titled ‘History and Certain Corporate Matters’ beginning on page 104 of the Draft Red Herring Prospectus.

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai with corporate identification number U25200MH1999PLC117874.

Registrar of Companies:

Registrar of Companies, Maharashtra, Mumbai
Everest Building,
100, Marine Drive,
Mumbai - 400 002,
Maharashtra,
India.

Our Board of Directors:

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

Sr. No.	Name, Designation and Occupation	Age (in years)	DIN	Address
1.	Mr. Kamlesh L. Jain <i>Designation:</i> Managing Director <i>(Executive and Non Independent)</i> <i>Occupation:</i> Business	52	01001335	102, Indra Puri S.V. Road Goregaon (West) Mumbai - 400 104 Maharashtra
2.	Mr. Indermal P. Jain <i>Designation:</i> Whole Time Director <i>(Executive and Non Independent)</i> <i>Occupation:</i> Business	48	00094566	Flat No. 402 Evershine Aangan CHSL Jawahar Nagar Opp. Cinemax, S.V. Road Goregaon (West) Mumbai – 400 062 Maharashtra

Sr. No.	Name, Designation and Occupation	Age (in years)	DIN	Address
3.	Mr. Prince H. Jain <i>Designation: Director (Non Executive)</i> <i>Occupation: Business</i>	36	01210731	1804, Gurukul Tower Jaywant Sawant Road Dahisar (West) Mumbai – 400 068 Maharashtra
4.	Mr. Shivram U. Choudhary <i>Designation: Director (Independent Director)</i> <i>Occupation: Tax Practitioner</i>	56	05138828	DU-8, Shri Apartment Jayprakash Nagar Road No. 3 Goregaon (East) Mumbai – 400 063.
5.	Mr. Anandilal Jailal Oza <i>Designation: Director (Independent Director)</i> <i>Occupation: Business</i>	62	05150093	A/19, Valmiki Sadan Rani Sati Marg Malad (East) Mumbai – 400 097.
6.	Mr. Jitendra K. Gala <i>Designation: Director (Independent Director)</i> <i>Occupation: Business</i>	55	05151648	1001, 10 th Floor Sea Legend Building Juhu Versova Link Road Seven Bungalows Andheri (West) Mumbai – 400 061.

For detailed profile of our Directors, please refer to the chapter titled ‘Our Management’ beginning on page 108 of the Draft Red Herring Prospectus.

Compliance Officer

Mr. Martin Godinho,
Bluplast Industries Limited
 113/114, Vivek Industrial Estate,
 Uswala Road, Cama Estate,
 Goregaon (East), Mumbai-400063
Tel No: +91 22 4099 1234
Fax No: +91 22 2685 1151
Email: ipo@bluplast.com
Website: www.bluplast.com

Company Secretary

Ms. Rakhi R Kabra
Bluplast Industries Limited
 113/114, Vivek Industrial Estate,
 Uswala Road, Cama Estate,
 Goregaon (East), Mumbai-400063
Tel No: +91 22 4099 1234
Fax No: +91 22 2685 1151
Email: ipo@bluplast.com
Website: www.bluplast.com

Investors may contact our Company Secretary and Compliance Officer or the Registrar to the Issue, in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refunds.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager. All complaints, queries or comments received by SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the 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 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.

Book Running Lead Manager:

Unicon Capital Services Private Limited

3rd Floor, 'A' wing, Vilco Center
8, Subhash Road, Vile Parle (East)
Mumbai – 400 057
Maharashtra

Tel No: +91 22 3390 1234

Fax No: +91 22 3390 1547

Website: www.uniconindia.in

Email: mb@unicon.in

Investor Grievance ID: investors@unicon.in

Contact Person: Mr. Pritam Pandya/ Mr. Ganesh Hadvale

SEBI Registration No: INM000011609

Registrar to the Issue:

Bigshare Services Private Limited

E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai – 400 072

Tel No: +91 22 4043 0200

Fax No: +91 22 2847 5207

Website: www.bigshareonline.com

Email: ipo@bigshareonline.com

Contact Person: Ashok Shetty

SEBI Registration No: INR000001385

Legal Advisor to the Issue:

S. Ayyappan

Advocate

C-402, Rajshree Apartments,
Off Sahar Road,
Chakala Andheri East,
Mumbai -400099

Tel No: +91 22 2884 4639

Email: legalworld@gmail.com

Contact Person: Mr. S. Ayyappan

Bankers to our Company:

ICICI Bank Limited

SMEAG Dept.
Zenith House,
Keshavrao Khade Marg,
Mahalakshmi
Mumbai – 400 034

Tel No: +91 22 2492 4100

Fax No: +91 22 2492 4667

Contact Person: Mr. Piyush Khurana
Email: piyush.khurana@icicibank.com
Website: www.icicibank.com

The Shamrao Vithal Co-Operative Bank Limited

SVC Tower, Nehru Road,
Vakola, Santacruz East,
Mumbai – 400055
Tel No: +91 22 2874 0578
Fax No: +91 22 2875 4174
Contact Person: Mr. Nitin V Kaikini
Email: kaikininv@svcbank.com
Website: www.svcbank.com

HDFC Bank Limited

Trade Star, 3rd Floor,
Andheri Kurla Road,
Opposite J.B. Nagar,
Mumbai – 400 059
Tel No: +91 22 4080 0959
Fax No: +91 22 2822 9998
Contact Person: Mr. Raghavendra Pugalia
Email: raghavendra.pugalia@hdfcbank.com
Website: www.hdfcbank.com

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.

Syndicate Member(s):

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

Self Certified Syndicate Banks:

The SCSBs are as per the updated list available on SEBI's website <http://www.sebi.gov.in/pmd/scsb.html>

Refund Banker(s):

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

Statutory Auditors to our Company:

Singrodia Goyal & Co.

Chartered Accountants

4A, 2nd Floor
Kaledonia – HDIL,
Sahar Road,
Near Andheri Station,
Andheri (E), Mumbai – 400069
Tel No: 022 – 6625 6363
Fax No: 022 – 6625 6364
Website: www.singrodiagoyal.com
E-mail: info@singrodiagoyal.com
Firm Registration Number: 112081W

Statement of responsibilities:

Unicon Capital Services Private Limited is the sole BRLM to the Issue and shall be responsible for the following activities:

Sr. No.	Activity
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1.	Capital structuring with the relative components and formalities such composition of debt and equity, type of instruments, etc.
2.	Conducting a Due diligence of our Company's operations / management / business plans / legal, etc. Drafting and designing the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus. Ensuring compliance with the SEBI (ICDR) Regulations, 2009 and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges (pre-issue), RoC and SEBI.
3.	Primary co-ordination with SEBI, RoC and Stock Exchanges up to bidding and coordinating interface with lawyers for agreements.
4.	Appointment of the Registrar, Bankers to the issue and appointment of other intermediaries viz. printers and advertising agency
5.	Primary coordination of drafting/proofing of the design of the Prospectus, bid forms including memorandum containing salient features of the Prospectus with the printers. Primary coordination of the drafting and approving the statutory advertisement.
6.	Drafting and approving all publicity material other than statutory advertisement as mentioned in (4) above including corporate advertisement, brochure, etc.
7.	Retail and HNI segment Marketing, Which will cover <i>inter alia</i> : <ul style="list-style-type: none"> ▪ Preparation of road show presentation. ▪ Finalising centres for holding Brokers' conference ▪ Finalising media, marketing and PR Strategy ▪ Follow up on distribution of publicity and issue material including application form, brochure and deciding on quantum of issue material ▪ Finalising collection centres as per schedule III of SEBI (ICDR) Regulations, 2009
8.	Institutional Marketing, which will cover <i>inter alia</i> : <ul style="list-style-type: none"> ▪ Finalisation of list of investors. ▪ Finalisation of one to one meetings and allocation of institutions. ▪ Finalisation of presentation material
9.	Managing Book and co-ordination with stock Exchanges for bidding terminals, mock trading etc
10.	Pricing and QIB allocation
11.	Follow – up with the bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.
12.	The post-Issue activities for the Issue will involve essential follow up steps, which include finalizing basis of allotment / weeding out of multiple applications, the listing of instruments and dispatch of certificates/demat credits or refunds and dematerialized delivery of shares with the various agencies connected with the work such as the Registrars to the Issue and Bankers to the Issue, Self Certified Syndicate Banks, the bank handling refund business. The Lead Manager shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with our Company.

Credit Rating:

This being an issue of Equity Shares, there is no requirement of credit rating for the Issue.

IPO Grading

[●]

This Issue has been graded by [●], and has been assigned the “IPO Grade [●]” indicating [●] through its letter dated [●], which is valid for a period of [●] months. The IPO grading is assigned on a five point scale from 1 to 5 wherein an “IPO Grade 5” indicates strong fundamentals and “IPO Grade 1” indicates poor fundamentals.

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.

Expert Opinion:

Except for the report of [●] in respect of the IPO Grading of this Issue and the reports of the Auditor of our Company on the Statement of Tax Benefits, included in the Draft Red Herring Prospectus, our Company has not obtained any expert opinions.

Trustees:

As this is an Issue of Equity Shares, the appointment of Trustees is not required.

Appraisal and Monitoring Agency:

The objects of the Issue have not been appraised by any agency. The Objects of the Issue and means of finance, therefore, are based on internal estimates of our Company. As the net proceeds of the Issue will be less than ₹ 50,000 lacs, under the sub-regulation (1) of Regulation 16 of SEBI (ICDR) Regulations, 2009 it is not required that a monitoring agency be appointed by our Company.

However, as per the Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges upon listing of the Equity Shares and in accordance with the corporate governance requirements, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

Book Building Process:

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

1. Our Company;
2. BRLM, in this case being Unicon Capital Services Private Limited;
3. Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with the Stock Exchange(s) and eligible to act as underwriters. Syndicate members are appointed by the BRLM;
4. Registrar to the issue, in this case being Bigshare Services Private Limited;
5. Banker(s) to the issue, Refund Bank(s); and
6. Self Certified Syndicate Banks.

This Issue is being made in compliance with Regulation 26(1) of the SEBI ICDR Regulations and through the Book Building Process. 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.

This being an Issue for Equity Shares representing more than 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with Rule 19(2)(b)(i) of the SCRR and SEBI ICDR Regulations. The Issue is being made pursuant to Regulation 26(1) of the SEBI ICDR Regulations through the 100% Book Building Process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"). 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 QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allotment to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allotment to Retail Individual Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price. 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 Book Running Lead Manager and the Designated Stock Exchange.

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 BRLM 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 185 of the 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 185 of the 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. In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Portion are not allowed to withdraw their Bids after the QIB Bid Closing Date. Further, allocation to QIBs will be on a proportionate basis. For further details, please refer to the chapter titled '*Terms of the Issue*' and '*Issue Procedure*' beginning on pages 179 and 185 respectively, of the Draft Red Herring Prospectus.

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

The Book Building Process is subject to change from time to time and investors are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Issue.

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

1. Check eligibility for making a bid (for further details, please refer to the chapter titled '*Issue Procedure*' beginning on page 185 of the Draft Red Herring Prospectus). Specific attention of ASBA Bidders is invited to the chapter titled '*Issue Procedure*' beginning on page 185 of the Draft Red Herring Prospectus;
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form, as the case may be;
3. Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;
4. Ensure that you have mentioned your PAN in the Bid cum Application Form or ASBA Form (for further details, please refer to the chapter titled '*Issue Procedure*' beginning on page 185 of the 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;
5. Ensure the correctness of your Demographic Details (as defined under the paragraph titled '*Bidder's Depository Account Details*', in chapter titled '*Issue Procedure*' beginning on page 185 of the Draft Red Herring Prospectus), given in the Bid cum Application Form, and the details recorded with your Depository Participant; and
6. Bids by ASBA Bidders have to be submitted to the SCSBs at the Designated Branches 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 their ASBA Form is not rejected.

Illustration of Book Building and Price Discovery Process

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

Bidders (including ASBA Bidders) can bid at any price within the price band. For instance, assuming a price band of ₹ 200 to ₹ 240 per share, an issue size of 3,000 equity shares and receipt of five bids from Bidders details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the website of the BSE (www.bseindia.com) and the NSE (www.nseindia.com) during the bidding period. The illustrative book shown below shows the demand for the shares at various prices and is collated from bids from various investors.

Number of equity shares Bid for	Bid Price (₹)	Cumulative Equity Shares Bid for	Subscription
500	240	500	16.67%
1,000	230	1,500	50.00%
1,500	220	3,000	100.00%
2,000	210	5,000	166.67%
2,500	200	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired quantum of shares is the price at which the book cuts off, *i.e.*, ₹ 220 in the above example. The Issuer, in consultation with the BRLM will finalize the issue price at or below such cut off price, *i.e.* at or below ₹ 220. All bids at or above this issue price and cut off bids by Retail Individual Bidders are valid bids and are considered for allocation in the respective categories.

Bid/Issue Program:

Bidding /Issue Period:

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

**Our Company may consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/Issue Closing Date subject to the Bid/Issue period being for a minimum of three Working Days.*

Bids and any revision in Bids shall be accepted only between 10 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid / Issue Period as mentioned above at the Bidding Centres mentioned on the Bid cum Application Form or in case of Bids submitted through ASBA Form, the Designated Branches or the Syndicate/Sub-syndicate members (at ASBA Bidding Locations) except that on the Bid / Issue Closing Date (which for the QIBs may be a day prior to that of the other Bidders), the Bids shall be accepted only between 10 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded till (i) 4.00 p.m. in case of Bids by QIBs, (ii) until 4.00 p.m. in case of Bids by Non Institutional Bidders, and (iii) until 5.00 p.m. in case of Bids by Retail Individual Bidders, which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLM to the Stock Exchanges within half an hour of such closure.

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 Working 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 requested to note 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. Bids not uploaded in the book would be rejected. If such Bids are not uploaded, our Company, BRLM, Syndicate Members, Sub-syndicate members and the SCSBs will not be responsible. Bids will be accepted only on Working Days. Bids by ASBA Bidders shall be uploaded by the SCSBs 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 BRLM to the Stock Exchanges within half an hour of such closure.

All times mentioned in this Draft Red Herring Prospectus are Indian Standard Time.

Our Company in consultation with the BRLM 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 and the Floor Price shall not be less than the face value of the Equity Shares. The Floor Price can be revised up or down to a maximum of 20% of the Floor Price advertised at least two Working Days before the Bid /Issue Opening Date.

In case of revision of the Price Band, the Bid / Issue Period will be extended for a minimum of three additional working days, subject to the total Bid / Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid / Issue, 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 websites of the BRLM and at the terminals of the Syndicate.

Withdrawal of the Issue:

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Bid / Issue Opening Date, but prior to allotment, without assigning any reason thereof. In such an event, it shall issue a public notice, within 2 days of the Bid / Issue Closing Date. The public notice shall be issued in the same newspapers where, the pre-Issue advertisement had appeared. The Stock Exchanges where the specified securities were proposed to be listed shall also be informed promptly.

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.

If our Company withdraws the Issue and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus with SEBI.

Underwriting Agreement:

After the determination of the Issue Price but prior to filing of the Prospectus with RoC, we intend to 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 BRLM shall be responsible for bringing in the amount devolved in the event that the Syndicate Member(s) do not fulfil their underwriting obligations. The underwriting shall be to the extent of the bids procured by each Underwriter, including through its respective syndicates/sub-syndicates. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions, as specified therein.

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

Name and address of the Underwriter(s)	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (₹ lacs)
Unicon Capital Services Private Limited 3 rd Floor, 'A' wing, Vilco Center 8, Subhash Road, Vile Parle (East) Mumbai – 400 057 Maharashtra Tel No: +91–22–3390 1234 Fax No: +91–22–3390 1547 Website: www.uniconindia.in Email: mb@unicon.in Investor Grievance ID: investors@unicon.in Contact Person: Mr. Pritam Pandya/ Mr. Ganesh Hadvale SEBI Registration No: INM000011609	[•]	[•]
[•]	[•]	[•]
[•]	[•]	[•]
Total	[•]	6,000.00

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

The above mentioned amount is an indicative underwriting and would be finalised after the determination of the Issue Price and actual Allocation of the Equity Shares. The above underwriting agreement is dated [•] and has been approved by the Board of Directors on [•].

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 Underwriter(s) are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriter(s) are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

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

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in the Issue. The underwriting agreement shall list out the role and obligations of each Syndicate Member.

CAPITAL STRUCTURE

The share capital of our Company as on the date of the Draft Red Herring Prospectus and after giving effect to the Issue, is set forth below:

No.	Particulars	Aggregate Nominal Value (₹)	Aggregate value at Issue Price (₹)
A	Authorised Share Capital		
	2,00,00,000 Equity Shares	20,00,00,000	
B	Issued, Subscribed and Paid Up Share Capital before the Issue		
	77,16,242 Equity Shares	7,71,62,420	
C	Present Issue to the Public in terms of the Draft Red Herring Prospectus^(a)		
	[●] Equity Shares ^(b)	[●]	60,00,00,000
D	Issued, Subscribed and Paid Up Share Capital after the Issue		
	[●] Equity Shares	[●]	[●]
E	Share Premium Account		
	Before the Issue	1,24,86,993	
	After the Issue		[●]

a) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on November 5, 2011 and by the shareholders of our Company vide a special resolution passed pursuant to section 81(1A) of the Companies Act at the EGM held on December 5, 2011.

b) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any portion would be met with spillover from other categories, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders and Retail Bidders shall be on a proportionate basis.

NOTES TO CAPITAL STRUCTURE

1. Details of Increase in Authorized Share Capital

Since the incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Particulars of Increase/Modification	Cumulative No. of Equity Shares	Cumulative Authorised Capital (₹)	Date of Meeting	Whether AGM / EGM
Incorporation	2,50,000	25,00,000	--	--
Increase from ₹ 25 Lacs to ₹ 175 Lacs	17,50,000	1,75,00,000	4.10.1999	EGM
Increase from ₹ 175 Lacs to ₹ 500 Lacs	50,00,000	5,00,00,000	07.02.2005	EGM
Increase from ₹ 500 Lacs to ₹ 1,000 Lacs	1,00,00,000	10,00,00,000	25.07.2005	EGM
Increase from ₹ 1000 Lacs to ₹ 2,000 Lacs	2,00,00,000	20,00,00,000	12.09.2005	EGM

2. History of Equity Share Capital of our Company:

Date of Allotment/ Fully Paid	Number of Equity Shares	Face Value	Issue Price	Consideration	Remarks	Cumulative No. of Equity	Cumulative Paid up Share Capital	Cumulative Share Premium
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up	allotted	(₹)	(₹)			Shares	(₹)	(₹)
15.01.1999	310	10	10	Cash	Subscribers to Memorandum (1)	310	3,100	0
27.10.1999	6,00,000	10	10	Cash	Further Allotment ⁽²⁾	6,00,310	60,03,100	0
10.03.2001	7,70,000	10	10	Cash	Further Allotment ⁽³⁾	13,70,310	1,37,03,100	0
05.02.2002	3,65,000	10	17	Cash	Further Allotment ⁽⁴⁾	17,35,310	1,73,53,100	25,55,000
08.03.2005	17,35,310	10	Nil	Bonus	Further Allotment ⁽⁵⁾	34,70,620	3,47,06,200	0
25.03.2005	13,87,690	10	10	Cash	Further Allotment ⁽⁶⁾	48,58,310	4,85,83,100	0
31.03.2005	14,690	10	10	Cash	Further Allotment ⁽⁷⁾	48,73,000	4,87,30,000	0
25.07.2005	13,02,500	10	10	Cash	Further Allotment ⁽⁸⁾	61,75,500	6,17,55,000	0
29.10.2005	7,47,250	10	25	Cash	Further Allotment ⁽⁹⁾	69,22,750	6,92,27,500	1,12,08,750
31.10.2005	5,95,992	10	25	Cash	Further Allotment ⁽¹⁰⁾	75,18,742	7,51,87,420	2,01,48,630
28.12.2005	1,97,500	10	25	Cash	Further Allotment ⁽¹¹⁾	77,16,242	7,71,62,420	2,31,11,130

1. Initial allotment of 100 Equity Shares to Mr. Indermal P. Jain, 100 Equity Shares to Mrs. Rekha K. Jain, 100 Equity Shares to Mrs. Nayana I Jain and 10 Equity Shares to Mr. Pakanaj Kumar Gaggar all being the subscribers to the MoA of the Company.
2. Further allotment of 3,00,000 Equity Shares to Mr. Indermal P. Jain and 3,00,000 Equity Shares to Mr. Kamlesh L. Jain.
3. Further allotment of 2,76,300 Equity Shares to Mr. Indermal P. Jain; 2,86,300 Equity Shares to Mr. Kamlesh L. Jain; 1,18,800 Equity Shares to Kamlesh L. Jain A/c Alaska Industries and 88,600 Equity Shares to Kamlesh L. Jain A/c Bluplast Corporation.
4. Further allotment of 2,50,000 Equity Shares to Kamlesh L. Jain A/c Alaska Industries and 1,15,000 Equity Shares to Kamlesh L. Jain A/c Bluplast Corporation.
5. Further allotment of 5,76,400 Equity Shares to Mr. Indermal P. Jain, 100 Equity Shares to Mrs. Rekha K. Jain, 62 Equity Shares to Mrs. Nayana I. Jain; 5,86,310 Equity Shares to Mr. Kamlesh L Jain; 3,68,800 Equity Shares to Kamlesh L. Jain A/c Alaska Industries, 2,03,600 Equity Shares to Kamlesh L. Jain A/c Bluplast Corporation and one share each to 38 entities consisting of individuals and HUFs.
6. Further allotment of 7,42,000 Equity Shares to Mr. Indermal P. Jain; 5,78,510 Equity Shares to Mr. Kamlesh L. Jain and 48,700 Equity Shares to Kamlesh L. Jain A/c Bluplast Utility Products.
7. Further Allotment of 14,690 equity shares to Mr. Kamlesh L. Jain.
8. Further allotment of 2,50,000 Equity Shares to Mr. Indermal P. Jain, 1,40,000 Equity Shares to Mrs. Rekha K. Jain, 10,000 Equity Shares to Mrs. Nayana I. Jain and 9,02,500 Equity Shares to Mr. Kamlesh L Jain.
9. Further allotment of 2,56,080 Equity Shares to Mr. Indermal P. Jain, 1,36,068 Equity Shares to Mrs. Rekha K. Jain, 1,96,138 Equity Shares to Mrs. Nayana I. Jain and 1,58,964 Equity Shares to Mr. Kamlesh L Jain.
10. Further allotment to following persons:

Sr. No.	Name of Allottee	No. of Shares
1	Mr. Indermal P. Jain	1,65,000
2	Mr. Kamlesh L. Jain	1,65,000
3	Sunita Rajgarhia & Paras Rajgarhia	40,000

4	Mahendra Kumar Mulchand Shah (HUF)	27,000
5	Madhu M. Shah	54,000
6	M. Raju Jain	2,000
7	Sumangala Nathmal Jain	4,000
8	Balkishanji Lakhotia	11,000
9	Kusum Daga	1,000
10	Rajendra Mehta	2,000
11	Narinder Mehta	2,000
12	Vimla Devi	4,000
13	Pradeep Kumar	2,000
14	Rajesh Kumar	2,000
15	M. D. Oswal	4,000
16	Mangalchand A. Jain	5,000
17	Manjula Jain	5,000
18	Vardhichandra R. Shah	2,000
19	Ajay Gupta	4,000
20	Shailesh Babulal Porwal	1,996
21	Dimple Vilas Porwal	1,996
22	Pravin D. Oswal	4,000
23	Ritu Deepak Agarwal	6,000
24	Ramswarup R. Shah	2,000
25	Prahlad R. Sukheja	4,000
26	Uttam M. Hiran	2,000
27	Madhu Tolani	2,000
28	Harsha Tolani	2,000
29	Prakash Kumar Nanchand	10,000
30	Sanjay Rathi	12,000
31	D. B. Jain	4,000
32	Surekha Vilas Oswal	16,000
33	Sushil Vilas Jain	11,000
34	Ruchi Lakhotia	4,000
35	Dwarka Lakhotia	6,000
36	Asha Lakhotia	6,000

11. Further allotment of 20,000 Equity Shares to Mr. Indermal P. Jain, 78,250 Equity Shares to Mrs. Rekha K. Jain, 78,250 Equity Shares to Mrs. Nayana I. Jain and 21,000 Equity Shares to Mr. Kamlesh L Jain.

3. **Equity Shares issued for consideration other than cash**

Other than the issue of bonus shares as detailed above, our Company has not issued any Equity Shares for consideration other than cash.

4. **Details of Promoters' contribution and Lock-in**

The Equity Shares held by the Promoters were acquired / allotted in the following manner:

Details of build-up of shareholding of the Promoters and lock-in

Date of Allotment / Transfer and made fully paid	Nature of Allotment (Bonus, Rights etc.)	No. of Shares	Face Value	Issue / Transfer Price	Consideration	% of Pre-Issue Capital	% of Post Issue Capital	Lock in Period (Years)*
Mr. Indermal P. Jain								
15.01.1999	Subscription to Memorandum	100	10	10	Cash	0.00%	[●]	[●]
27.10.1999	Further Allotment	3,00,000	10	10	Cash	3.89%	[●]	[●]
10.03.2001	Further Allotment	2,76,300	10	10	Cash	3.58%	[●]	[●]
08.03.2005	Further Allotment	5,76,400	10	Nil	Bonus	7.47%	[●]	[●]
25.03.2005	Further Allotment	7,42,000	10	10	Cash	9.62%	[●]	[●]
25.07.2005	Transfer (Purchase)	3,68,800	10	17	Cash	4.78%	[●]	[●]
25.07.2005	Transfer (Purchase)	9,240	10	10	Cash	0.12%	[●]	[●]
25.07.2005	Further Allotment	2,50,000	10	10	Cash	3.24%	[●]	[●]
29.10.2005	Further Allotment	2,56,080	10	25	Cash	3.32%	[●]	[●]
31.10.2005	Further Allotment	1,65,000	10	25	Cash	2.14%	[●]	[●]
28.12.2005	Further Allotment	20,000	10	25	Cash	0.26%	[●]	[●]
11.11.2006	Transfer (Purchase)	2,000	10	10	Cash	0.03%	[●]	[●]
25.11.2006	Transfer (Purchase)	1,55,000	10	10	Cash	2.01%	[●]	[●]
05.01.2007	Transfer (Purchase)	1,08,992	10	10	Cash	1.41%	[●]	[●]
15.02.2007	Transfer (sale)	-20	10	10	Cash	0.00%	[●]	[●]
31.12.2007	Transfer (Purchase)	18	10	10	Cash	0.00%	[●]	[●]
	Sub-Total (A)	32,29,910				41.86%	[●]	[●]
Mr. Kamlesh L. Jain								
27.02.1999	Transfer (Purchase)	10	10	10	Cash	0.00%	[●]	[●]
27.10.1999	Further Allotment	3,00,000	10	10	Cash	3.89%	[●]	[●]
10.03.2001	Further Allotment	2,86,300	10	10	Cash	3.71%	[●]	[●]
08.03.2005	Further Allotment	5,86,310	10	Nil	Bonus	7.60%	[●]	[●]
25.03.2005	Further Allotment	5,78,510	10	10	Cash	7.50%	[●]	[●]
31.03.2005	Further Allotment	14,690	10	10	Cash	0.19%	[●]	[●]
25.07.2005	Transfer (Purchase)	3,68,800	10	17	Cash	4.78%	[●]	[●]
25.07.2005	Transfer (Purchase)	9,240	10	10	Cash	0.12%	[●]	[●]
25.07.2005	Further Allotment	9,02,500	10	10	Cash	11.70%	[●]	[●]

29.10.2005	Further Allotment	1,58,964	10	25	Cash	2.06%	[●]	[●]
31.10.2005	Further Allotment	1,65,000	10	25	Cash	2.14%	[●]	[●]
28.12.2005	Further Allotment	21,000	10	25	Cash	0.27%	[●]	[●]
01.12.2011	Transfer (sale)	-1,00,000	10	10	Cash	-1.30%		
	Sub-Total (B)	32,91,324				42.65%	[●]	[●]
Mrs. Rekha K. Jain								[
15.01.1999	Subscription to Memorandum	100	10	10	Cash	0.00%	[●]	[●]
08.03.2005	Further Allotment	100	10	Nil	Bonus	0.00%	[●]	[●]
25.07.2005	Transfer (Purchase)	2,03,600	10	17	Cash	2.64%	[●]	[●]
25.07.2005	Transfer (Purchase)	64	10	10	Cash	0.00%	[●]	[●]
25.07.2005	Further Allotment	1,40,000	10	10	Cash	1.81%	[●]	[●]
29.10.2005	Further Allotment	1,36,068	10	25	Cash	1.76%	[●]	[●]
01.12.2005	Further Allotment	78,250	10	25	Cash	1.01%	[●]	[●]
	Sub-Total (C)	5,58,182				7.23%	[●]	[●]
Mrs. Nayana I Jain								
15.01.1999	Subscription to Memorandum	62	10	10	Cash	0.00%	[●]	[●]
08.03.2005	Further Allotment	62	10	Nil	Bonus	0.00%	[●]	[●]
25.07.2005	Transfer (Purchase)	2,03,600	10	17	Cash	2.64%	[●]	[●]
25.07.2005	Further Allotment	10,000	10	10	Cash	0.13%	[●]	[●]
29.10.2005	Further Allotment	1,96,138	10	25	Cash	2.54%	[●]	[●]
28.12.2005	Further Allotment	78,250	10	25	Cash	1.01%	[●]	[●]
	Sub-Total (C)	4,88,112				6.33%	[●]	[●]
Grand Total (A+B+C+D)		75,67,528				98.07%	[●]	
No. of Equity Shares Locked in for 3 years		[●]				[●]	[●]	[●]
No. of Equity Shares Locked in for 1 year		[●]				[●]	[●]	[●]

As per clause (a) sub-regulation (1) Regulation 32 of the SEBI ICDR Regulations and in terms of the aforesaid table, an aggregate of 20% of the post-Issue Equity Share Capital of our Company shall be locked in by our Promoters for a period of three (3) years from the date of Allotment (“minimum Promoters’ contribution”).

The Promoter’s contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained consents from our Promoters for the lock-in of [●] Equity Shares, held by them, for a period of three years from the date of Allotment in the Issue and for lock in of the balance pre-Issue Equity Share capital of our Company, held by them, for a period of one year from the date of Allotment in the Issue. Equity Shares offered by the Promoters for the minimum Promoter’s contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Issue.

We confirm that the minimum Promoters' contribution of 20% which is subject to lock-in for three years does not consist of:

- a) equity shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- b) equity shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- c) equity shares acquired by Promoter during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue; or equity shares pledged with any creditor.

The share certificates for the Equity Shares in physical form, which are subject to lock-in, shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories. The details of lock-in shall be included in the Prospectus to be filed with the RoC.

Further, our Company has not been formed by the conversion of a partnership firm into a company.

5. *Equity Shares locked-in for one year*

In addition to 20% of the post-Issue shareholding of our Company locked-in for three years as the minimum Promoters contribution, the balance Pre-Issue Paid-up Equity Share Capital, would be locked-in for a period of one year from the date of Allotment. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories. Pursuant to proviso (b) to Regulation 37 of the SEBI ICDR Regulations, Equity Shares held by VCFs or FVCIs for at least one year prior to filing of the Draft Red Herring Prospectus with SEBI would not be subject to the above lock-in.

6. *Other requirements in respect of 'lock-in'*

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI ICDR Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 36 of the SEBI ICDR Regulations, 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 the pledge of specified securities is one of the terms of sanction of the loan;
- If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

7. *Our shareholding pattern*

Shareholding Pattern of our Company as per clause 35 of the listing agreement is as under:

Category Code	Category of Shareholders	No. of Shareholders	Total No. of Shares	No. of Shares held in	Total shareholding as a percentage of total number of shares
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				demat form	As a %age of (A+B)	As a %age of (A+B+C)
A	Shareholding of Promoter and Promoter Group					
1	Indian					
a	Individuals/Hindu Undivided Family					
	<u>Promoter</u>					
	Mr. Indermal P. Jain	1	32,29,910		41.86%	41.86%
	Mr. Kamlesh L. Jain	1	32,91,324		42.65%	42.65%
	Mrs. Rekha K. Jain	1	5,58,182		7.23%	7.23%
	Mrs. Nayana I Jain	1	4,88,112		6.33%	6.33%
	<u>Promoter Group</u>		75,67,528		98.07%	98.07%
	Bluplast Moulders Private Limited	1	48,700		0.63%	0.63%
	Khushboo Jain	1	1,00,000		1.30%	1.30%
B	Central Government /State Governments					
C	Bodies Corporate					
D	Financial Institutions/Banks					
E	Any Other					
	Sub-Total (A)(1)	6	77,16,228	Nil	99.9998%	99.9998%
2	Foreign					
A	Individuals (Non-Resident Individuals /Foreign Individuals)					
B	Bodies Corporate					
C	Institutions					
D	Any Other (Specify)					
	Sub-Total (A)(2)					
	Total Shareholding of Promoter and Promoter Group A = (A)(1)+(A)(2)	6	77,16,228	Nil	99.9998%	99.9998%
B	Public Shareholding					
1	Institutions					
a	Mutual Funds/UTI					
b	Financial Institutions /Banks					
c	Central Government /State Governments					
d	Venture Capital Funds					
e	Insurance Companies					
e	Foreign Institutional Investors					
g	Foreign Venture Capital Investors					

h	Any Other (Specify)					
	Sub-Total (B)(1)	0	0	Nil	0	0
2	Non-Institutions					
a	Bodies Corporate	0	0	Nil	0	0
b	Individuals					
	i. Individual Shareholders holding nominal share capital up to ₹ 1 lac	7	14	Nil	Negligible	Negligible
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lac	0	0	Nil	0	0
C	Any Other					
	Foreign Nationals					
	Hindu Undivided Families	0	0	Nil	0	0
	Non Resident Indians					
	Overseas Corporate Bodies					
	Sub-Total (B)(2)					
	Total Public Shareholding					
	B = (B)(1)+(B)(2)	7	14	Nil	Negligible	Negligible
	Total (A)+(B)	13	77,16,242	Nil	100.00%	100.00%
	Shares held by Custodian and against which Depository Receipts have been issued	--	--	--	--	--
	Grand Total (A)+(B)+(C)	13	77,16,242	Nil	100.00%	100.00%

In compliance of SEBI circular no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the promoter/promoter group shall be dematerialised prior to filing the Red Herring Prospectus with the RoC.

8. Shareholding pattern of our Company before and after the Issue is as under:

Category	Pre-Issue		Post-Issue*	
	No. of Shares	% Holding	No. of Shares	% Holding
Promoters	75,67,528	98.07%	75,67,528	58.86%
Promoter Group	1,48,700	1.93%	1,48,700	1.16%
Others	14	Negligible	14	Negligible
Public Issue	--	--	[●]	[●]%
Total	77,16,242	100.00%	[●]	[●]%

* The above shareholding pattern is indicative, and is based on the fact that all shareholders in their respective categories will subscribe to 100% of the shares offered in their respective categories. The final Post- Issue shareholding Pattern will be determined after the Book-Building Process.

9. The details of the shareholding of the Promoters and the Promoter Group as on the date of the Draft Red Herring Prospectus:

(Equity Shares of Face Value of ₹10 each)

Name of the Shareholders	Number of Equity Shares	Percentage of Pre-Issue Equity Capital	Percentage of Post – Issue Equity Capital
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(A) Promoters

Mr. Indermal P. Jain	32,29,910	41.86%	[●]
Mr. Kamlesh L. Jain	32,91,324	42.65%	[●]
Mrs. Rekha K. Jain	5,58,182	7.23%	[●]
Mrs. Nayana I. Jain	4,88,112	6.33%	[●]
Total (A)	75,67,528	98.07%	[●]
(B) Immediate Relatives of the Promoter			
Khushboo Jain	1,00,000	1.30%	[●]
(C) Companies in which 10% or more of the share capital is held by the promoter/ an immediate relative of the promoter / a firm or HUF in which the promoter or any one of their immediate relatives is a member			
Bluplast Moulders Private Limited	48,700	0.63%	[●]
(E) Companies in which Company mentioned in c. above holds 10% or more of the share capital			
(F) HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 10% of the total			
Total (A) + (B)	77,16,228	99.9998%	[●]

10. Particulars of the top ten shareholders

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

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Kamlesh L. Jain	32,91,324	42.65%
2	Indermal P. Jain	32,29,910	41.86%
3	Rekha K. Jain	5,58,182	7.23%
4	Nayana I. Jain	4,88,112	6.33%
5	Khushboo Jain	1,00,000	1.30%
6	Bluplast Moulders Pvt. Ltd.	48,700	0.63%
7	a) Mr. Ramchandra A. Nagpal	2	0.00%
	b) Mrs. Sangeeta N. Jain	2	0.00%
	c) Mr. Janpriya Jain	2	0.00%
	d) Mr. Atmaram K Nagpal	2	0.00%
	e) Mr. Dilipkumar A. Nagpal	2	0.00%
	f) Mr. Jokhiram K Gopal	2	0.00%
	g) Mr. Suresh A. Nagpal	2	0.00%
	Total	77,16,242	100.00%

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

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Kamlesh L. Jain	32,91,324	42.65%
2	Indermal P. Jain	32,29,910	41.86%
3	Rekha K. Jain	5,58,182	7.23%
4	Nayana I. Jain	4,88,112	6.33%
5	Khushboo Jain	1,00,000	1.30%
6	Bluplast Moulders Pvt. Ltd.	48,700	0.63%
7	h) Mr. Ramchandra A. Nagpal	2	0.00%
	i) Mrs. Sangeeta N. Jain	2	0.00%

j) Mr. Janpriya Jain	2	0.00%
k) Mr. Atmaram K Nagpal	2	0.00%
l) Mr. Dilipkumar A. Nagpal	2	0.00%
m) Mr. Jokhiram K Gopal	2	0.00%
n) Mr. Suresh A. Nagpal	2	0.00%
Total	77,16,242	100.00%

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

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage Shareholding (%)
1	Kamlesh L. Jain	33,91,324	43.95%
2	Indermal P. Jain	32,29,910	41.86%
3	Rekha K. Jain	5,58,182	7.23%
4	Nayana I. Jain	4,88,112	6.33%
5	Bluplast Moulders Pvt. Ltd.	48,700	0.63%
6	a) Mr. Ramchandra A. Nagpal	2	0.00%
	b) Mrs. Sangeeta N. Jain	2	0.00%
	c) Mr. Janpriya Jain	2	0.00%
	d) Mr. Atmaram K Nagpal	2	0.00%
	e) Mr. Dilipkumar A. Nagpal	2	0.00%
	f) Mr. Jokhiram K Gopal	2	0.00%
	g) Mr. Suresh A. Nagpal	2	0.00%
Total		77,16,242	100.00%

11. None of our Key Managerial Personnel hold Equity Shares in the Company.

12. Our Promoters, our Promoter Group, the Directors of our Company and their immediate relatives, as defined under the SEBI ICDR Regulations, have not purchased or financed the purchase by any other person, or sold any Equity Shares, during a period of six months preceding the date of filing the Draft Red Herring Prospectus with SEBI, other than as mentioned below:

Sr. No	Date of transaction	Name of Seller	Name of Purchaser	No. of shares transacted	Transaction price per share (₹)
1	December 01, 2011	Kamlesh L. Jain	Khushboo Jain (Daughter of Kamlesh L. Jain)	1,00,000	10

13. Our Company, our Promoters, our Directors and the BRLM have not entered into any buy back, standby or similar arrangements for the purchase of Equity Shares from any person.

14. None of the BRLM or their associates hold any equity shares as on the date of the Draft Red Herring Prospectus.

15. For the details of transactions by our Company with our Promoter Group, Group Companies during the last five Fiscals i.e. 2007, 2008, 2009, 2010 and 2011 and for the seven month period ended October 31, 2011, please refer to paragraph titled “Statement of Transactions with Related Parties, as Restated” in the chapter titled ‘Financial Information’ beginning on page 129 of the Draft Red Herring Prospectus

16. As on the date of the Draft Red Herring Prospectus with the Registrar of Companies there are no outstanding Warrants, options or rights to convert debentures, loans or other financial instrument into Equity Shares.

17. As per RBI regulations, OCBs are not allowed to participate in this Issue.
18. All the Equity Shares of our Company are fully paid up as on the date of the Draft Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
19. In terms of Rule 19(2)(b)(i) of the SCRR, this Issue is for 25% of the post-Issue capital of our Company. Pursuant to the SEBI ICDR Regulations not more than 50% of the Issue shall be available for allocation to QIBs. If the minimum public shareholding requirements of Rule 19(2)(b) (i) of the SCRR cannot be met, the entire application money will be refunded by our Company forthwith.
20. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of the Company, in consultation with the BRLM and the Designated Stock Exchange.
21. Oversubscription, if any, to the extent of 10% of the Issue, can be retained for the purpose of rounding off and making allotments in minimum lots, while finalising the 'Basis of Allotment'. Consequently, the Allotment may increase by a maximum of 10% of the Issue, as a result of which the post-Issue paid-up capital would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares to be locked-in towards the Promoter's Contribution shall be suitably increased, so as to ensure that 20% of the post-Issue paid-up capital is locked in.
22. The total number of members of our Company as on the date of the Draft Red Herring Prospectus is 13.
23. Our Company has not raised any bridge loan against the proceeds of this Issue.
24. There will 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 the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
25. There shall be only one denomination of Equity Shares, unless otherwise permitted by law.
26. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
27. An investor cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
28. Our Company has not revalued its assets since its incorporation and has not issued any Equity Shares out of revaluation reserves.
29. Our Company has not made any public issue since its incorporation.
30. The shares locked in by our Promoters are not pledged to any party.
31. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters or Directors to the persons who receive allotments, if any, in this Issue.
32. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees.
33. Our Promoters and the members of our Promoter Group will not participate in this Issue.
34. There has been no allotment of Equity Shares that in the last 12 months from the date of the Draft Red Herring Prospectus.

35. The Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of registering the Red Herring Prospectus with the RoC and the Bid/Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transactions.

SECTION IV – OBJECTS OF THE ISSUE

OBJECTS OF THE ISSUE

The present issue is being made to raise the funds for the following purposes:

1. Setting up a new facility for manufacturing of Plastic Injection Moulding Products and Range of Non Stick Cookware & Pressure Cookers;
2. Brand Building
3. Meeting Additional Working Capital Requirements
4. Meeting Public Issue Expenses
5. General Corporate Purpose

The other objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on NSE and BSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

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 the present 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.

Cost of Project and Means of Finance

The Cost of Project and Means of Finance as estimated by our management are given below:

Cost of Project

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Setting up a new facility for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers	3973.68
B.	Brand Building	553.48
C.	Meeting Additional Working Capital Requirements	1,000.00
D.	Public Issue Expenses	[•]
E.	General Corporate Purposes	[•]
Total		[•]

Means of Finance

		(₹ in lacs)
Sr. No.	Particulars	Amount
A.	Proceeds from Initial Public Offer	[•]
B.	Internal Accruals	[•]
Total		[•]

[•] – The relevant figure will be updated on finalization of the issue price.

The entire requirements of the objects detailed above are intended to be funded from the Issue Proceeds and internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards seventy five per cent. of the stated means of finance, excluding the amount to be raised through the proposed public issue or through existing identifiable internal accruals.

In case the IPO does not go as planned, our Company will make alternative arrangements like availing of fresh loans from bank(s) and/or utilizing internal accruals. In case of excess funds remaining after deployment as per the Objects of the Issue, the same will be utilized for General Corporate Purposes, as detailed below.

The fund requirement and deployment are based on internal management estimates and quotations received from the third parties, and have not been appraised by any bank or financial institution or any independent organization. Our plans are subject to a number of variables, including possible cost overruns; receipt of critical governmental approvals; and changes in management's views of the desirability of current plans, among others.

In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity may be financed by surplus funds, if any available in any other project for which funds are being raised in the Issue. If surplus funds are unavailable, the required financing will be through internal accruals, and/ or the term loans/working capital loans that may be availed from the Banks/ Financial Institutions, as required.

Brief Details about the Project

Our Company is setting up additional manufacturing facility for the manufacturing of plastic injection moulding products with an installed capacity of 7,900 MTPA in and around Vapi, Bhilad and Pradi, Distt. Valsad, Gujarat. Our Company is also diversifying by setting up a manufacturing facility for the production of non-stick cookware and pressure cookers. The proposed capacity is 6,000 units per day for non-stick cookware and 1,500 units per day for pressure cookers.

DETAILED BREAK UP OF THE PROJECT COST

(A) Setting up a new facility for manufacturing of Plastic Injection Moulding Products and Range of Non Stick Cookware & Pressure Cookers

The cost of Setting up a new facility for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers is estimated as under:

		(₹ Lacs)
Sr. No.	Major Heads of Expenditure	Total
1.	Acquisition of Land	308.00
2.	Buildings & Other Civil Works	954.67
3.	Plant & Machinery	2340.07
4.	Miscellaneous Fixed Assets	370.94
Total		3973.68

1. Acquisition of Land

Our Company proposes to purchase a plot of land admeasuring approximately 7 Acres in and around Vapi, Bhilad and Pradi, Distt. Valsad, Gujarat for the proposed manufacturing facility for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers. As per the estimate dated December 13, 2011, received from Jinvastu, Vapi (www.jinvastu.com) (land brokers and developers) the cost of acquisition of land is estimated at ₹ 40 lacs per acre. We estimate that the land (approximately measuring 7 acres) would cost us ₹ 308 Lacs including registration and other charges. Our Company has not entered into any agreement for purchasing the land till the date of filing the Draft Red Herring Prospectus.

2. Buildings & Other Civil Works

The details of the buildings to be constructed are as follows:

Description	Type of Construction	Area in Sq. Mtrs.	Rate (₹ / Sq. Mtr.)	Total Amount (₹ Lacs)
FACTORY BUILDING				
GROUND FLOOR	R.C.C. FRAME STRUCTURE WITH EXCAVATION UP TO 2.50 MT., R.C.C. FOOTING, R.C.C. PLINTH BEAM, YELLOW EART FILLING IN PLINTH, RUBBLE SOLING PLINTH WITH 4” THK PCC, R.C.C. COLUMN IN SUPER STRUCTURE, R.C.C LINTELS, CHHAJJA, SLAB AT 6.00 MT. HT., 0.23 Mt. THK BRICK WALL, ALLUMINIUM WINDOWS, INSIDE CEMENT FINISH SMOOTH PLASTER WORK WITH WHITE WASH, OUT SIDE DOUBLE COAT SAND FACED PLASTER WITH SNOW CEM, KOTA STONE FLOORING, ETC. WITH COMPLETE FINISHING.	4434.55	7535.00	334.14

FIRST FLOOR	R.C.C. FRAME STRUCTURE WITH R.C.C. COLUMN,TIE BEAM, CHHAJJA, SLAB AT 4.88 MT. HT. 23 CM. THK BRICK WALL, AL WINDOWS, INSIDE CEMENT FINISH PLASTER WORK WITH COLOUR WASH, OUT SIDE DOUBLE COAT SAND FACED PLASTER WITH SNOW CEM, KOTA STONE FLOORING, WATER PROOFING ON TERRACE ETC. WITH COMPLETE FINISHING.	4434.55	6458.00	286.38
SECOND FLOOR	R.C.C. FRAME STRUCTURE WITH R.C.C. COLUMN,TIE BEAM, CHHAJJA, SLAB AT 4.88 MT. HT. 23 CM. THK BRICK WALL, AL WINDOWS, INSIDE CEMENT FINISH PLASTER WORK WITH COLOUR WASH, OUT SIDE DOUBLE COAT SAND FACED PLASTER WITH SNOW CEM, KOTA STONE FLOORING, WATER PROOFING ON TERRACE , PERAPET ETC. WITH COMPLETE FINISHING.	4434.55	7535.00	334.14
	Total			954.67

The above estimates are based on the quotation dated November 11, 2011 received from Mr. Jatin U. Desai, Civil Engineers and Contractors, Vapi.

3. Plant & Machinery

Our Company proposes to acquire following plant & machinery the details of which are as follows:

(₹ Lacs)

Description of Items	Name of Suppliers	Qty./ Set	Amount		Date of Quotations
Kitchenware and Pressure Cooker			Rate per unit	Total	
Imported					
Automated Coated Line	Nuofan/ Taizhou Nuofan Machinery Co. Ltd., China / Payment in RMB	1	411.83	411.83	November 12, 2011
Pressing Plant	Xiamen Taitian Machinery Manufacture Co. Ltd. / Payment in USD	1	19.60	19.60	November 7, 2011
Conveyer Belt - CYC-500	Foshan Chuanyi Precision Machinery Company Limited, China / Payment in RMB	5	6.29	31.47	October 11, 2011
Sub-Total				462.90	
<i>Exchange rates considered - 1 RMB = ₹ 8.07; 1 USD = ₹ 51.31</i>					
Indigeneous					
CNC Verticle Machining Centre with Mitsubishi M70 CNC System with accessories	Bharat Fritz Werner Limited, Mumbai	3	31.5	94.50	November 29, 2011
Products Mould	Rajasthan Plastic Mould, Mumbai	6		28.22	November 8, 2011
Products Mould	Sony Tools, Mumbai	8		30.18	November 9, 2011
Products Mould	M.I. Die Works, Mumbai	6		31.94	November 10, 2011
Circle Cutting Machine	Saraswati Trading Co., Mumbai	3	15.00	45.00	November 10, 2011
Material Handling - Goods Lift (Size 8x8x8 Feet), Capacity 2 Ton	MAA Fabrication Work, Vapi	5	10.54	52.69	November 25, 2011
Material Handling - EOT	MAA Fabrication Work,	5	16.13	80.67	November 25, 2011

Crane (Size 30x15 Mtrs), Capacity 6 Ton	Vapi				
4 Wheel Open Type Overhead Conveyor Chain	Holtzman Systems Limited, Kolkata	1	23.14	23.14	November 21, 2011
Mould Temperature Restoration & Control - GWK Water Cooled Compact Water Chiller	Prasad GWK Cooltech Private Limited, Ahmedabad	5	7.83	39.15	November 21, 2011
Air Compression & Collection	Bimpex Machines Private Limited, Mumbai	10	1.35	13.50	November 23, 2011
RO Plant of 675 LPH	Ahura Aqua Treat	1	2.37	2.37	November 30, 2011
Quality Check & Ancillary Equipment	Management Estimate	3		60.00	
Sub-total				501.36	
Plastic Injection Moulding					
L&T Injection molding machine Servo Model DTS100/420-430 LNC5 Control, 45 mm Dia screw	L&T Plastics Machinery Limited	7	29.33	205.31	November 10, 2011
L&T Injection molding machine Servo Model DTS150/510-600 LNC5 Control, 50 mm Dia screw	L&T Plastics Machinery Limited	6	33.33	199.98	November 10, 2011
L&T Injection molding machine Servo model DTS180/500-900 LNC5 Control, 60 mm Dia screw	L&T Plastics Machinery Limited	6	36.00	216.00	November 10, 2011
L&T Injection molding machine Servo model DTS350/720-2350 LNC5 Control, 80 mm Dia screw	L&T Plastics Machinery Limited	1	70.66	70.66	November 10, 2011
Products Mould - Plastic Injection and Blow Mould	Star Plast, Mumbai	18		72.25	November 04, 2011; November 18, 2011; November 22, 2011
Products Mould - Plastic Injection and Blow Mould	Aston Mould Solutions	18		85.27	November 10, 2011; November 15, 2011; November 18, 2011
Products Mould - Plastic Injection and Blow Mould	R P Die Works	28		101.34	November 05, 2011; November 11, 2011; November 13, 2011; November 15, 2011; November 16, 2011
Sub-Total				950.81	
Automated Storage and Retrieval System	Godrej Efacec Automation & Robotics Limited, Mumbai				December 6, 2011
Automated Stacker Crane		1	95.00	95.00	
Transfer Car		1	35.00	35.00	
AS/RS Racking System		4400	0.04	195.00	
Aisle Equipment		2	20.00	40.00	
Hardware and Software for Automation		1	40.00	40.00	
Installation Charges				20.00	
Sub- Total				425.00	
Grand Total				2340.07	

4. Miscellaneous Fixed Assets

(₹ Lacs)

Description of Items	Name of Suppliers	Qty./ Set	Amount		Date of Quotations
			Rate per unit	Total	
1000 KVA Transformer	Vikrant Transformers, Navsari	1	12.37	12.37	December 1, 2011
Electrical Cable and Electrical Items	Powertek Engineers, Daman			90.89	November 29, 2011
H.T./L.T. and Other Electric Installation work	Powertek Engineers, Daman			34.71	November 29, 2011
Electrical Fixing and Control Panel Board	Samor Industries, Vapi	7		51.20	November 24, 2011
Ashok Leyland Vehicle	Nanawati Automobiles Private Limited, Surat	5	11.16	55.80	November 22, 2011
Auto Screen Printing Machine	Print Link, Thane	2	2.71	5.41	December 12, 2011
Fixtures and Furniture	Furnitech Systems, Mumbai			28.39	July 12, 2011
Office Equipments					
Hardware					
Dell Latitude E 6240	Dell India Private Limited, Bangalore	3	1.08	3.25	November 30, 2011
Power Connect 2848-48 Port Gigabit Ethernet Switch	Dell India Private Limited, Bangalore	1	0.46	0.46	December 5, 2011
Power Vault TM LTO-5-140 External Tape Drive	Dell India Private Limited, Bangalore	1	4.32	4.32	December 5, 2011
Dell Precision T3500 Chassis	Dell India Private Limited, Bangalore	4	1.88	7.50	November 30, 2011
OptiPlex TM 790DT Base	Dell India Private Limited, Bangalore	25	0.69	17.17	November 30, 2011
Power Edge T310 Tower Chassis for UP to 4x3.5" Hot Plug HDDs with LCD Diagnostics	Dell India Private Limited, Bangalore	1	1.64	1.64	December 5, 2011
Power Edge T310 Tower Chassis for UP to 4x3.5" Hot Plug HDDs with LCD Diagnostics 8 GB	Dell India Private Limited, Bangalore	1	2.21	2.21	December 5, 2011
U541102IN8-L412Z, XPS L412Z Direct Base	Dell India Private Limited, Bangalore	2	0.96	1.91	November 30, 2011
Power Edge TM T410 Intel 2S Tower Server	Dell India Private Limited, Bangalore	1	2.60	2.6	December 5, 2011
Ricoatt MP-C-2051 20PPM Network Printer, Copier, Scanner	Karan Telecom, Mumbai	1	3.05	3.05	December 2, 2011
Softwares					
WinServer 2008 R2 SNGL OLP NL	PH Teknow, Mumbai	1	0.35	0.35	December 1, 2011
WinServer Cal 2008 R2 SNGL OLP NL DvcCal		15	0.01	0.22	
SQL Server STd 2008R2 SNGL OLP NL		1	0.43	0.43	
SQL Cal 2008R2 SNGL OLP NL Dvc CAL		1	0.08	0.08	
Office Std 2010 SNGL OLP NL		35	0.18	6.20	
Corel Draw Graphic Suite including maintenance		1	0.37	0.37	
SYMC Endpoint Protection		35	0.01	0.41	

Finished Goods QC Test	Management Estimate	Lumpsum		25.00	
Other Miscellaneous Fixed Assets	Management Estimate	Lumpsum		15.00	
Grand Total				370.94	

(B) Brand Building

We believe that the key constituents for any business to succeed in the market are (a) good quality product and services and (b) efficient marketing and promotion of the brand. We propose to use the business insight that we have acquired over the years in this sector in our proposed forays. We propose to go for strategic brand building exercise to position "Bluplast" as an end-to-end Kitchen & Housewares brand.

Brands are a means of differentiating an entity's products and services from those of its competitors. Our products are in the nature of consumer goods and a strong brand will help us to make our products distinct from competition. It will also increase awareness about the products of our company. In line with our Company's expansion plans, we propose to establish a recognized brand for our Company.

Branding is of paramount importance to the success of any company's business, especially for consumer driven companies like ours. We believe that building a strong brand will make it easier for consumers to make buying decisions in our favour. More importantly, branding will increase the likelihood that our Company's product or services will be chosen over another's.

We believe that brand building will go a long way in entrenching our brand in customers minds. Further, we perceive the following benefits will accrue to us from the proposed brand building exercise:

1. Brand Building enhances how consumer look at brand, if brand has strong consumer brand equity then new product/future launches would have high rate acceptance to further strengthen brand image.
2. If a corporate brand or product brand, known for quality and robustness introduces a new product then this product has more recognition in consumer as they are aware of credibility thereby reducing risk associated with new product.
3. If brand extension is due to great demand for the brand among consumers, then even distribution channel is more welcoming for the new product.
4. Cost associated with marketing communication and sales promotion for new product as brand extension is reduced as consumers are already aware of the parent brand.
5. Brand extension again helps eliminating cost associated with research and development of altogether new product and packaging of the new product.

The break up of our proposed utilization of funds in relation to the proposed brand building exercise is as under:

Sr. No.	Marketing Source	Amount (₹ Lacs)
	<u>Corporate Advertising</u>	
1	Print ads	215.04
2	Television	236.75
3	Radio	51.60
4	Out of Home (OOH) Media	25.09
5	Online Advertising	25.00
	Total	553.48

The above estimates are based on quotation of Concept Digital, Mumbai dated December 2, 2011.

(C) Meeting Additional Working Capital Requirements

We will need additional working capital for the new project. We have estimated our additional working capital requirements for fiscal 2013 for our Company which will be partly funded through the proposed public issue. The details of working capital margin requirements are as under:

(₹ Lacs)						
Particulars	No. of Days	Working Capital Requirement	No. of Days	Working Capital Requirement	No. of Days	Working Capital Requirement

		FY 2011 (Actual)		FY 2012 (Estimated)		FY 2013 (Projected)
Current Assets						
Sundry Debtors	78.96	2,986.64	76.85	3,526.00	76.85	4,492.40
Other Current Assets		291.67		292.08		433.67
Inventories	68.04	2,573.83	58.81	2,698.27	58.81	3,437.84
Total Current Assets		5,852.14		6,516.35		8,363.91
Current Liabilities						
Sundry Creditors	43.00	1,323.26	39.15	1,549.21	39.15	1,939.66
Other Liabilities		56.36		67.97		79.00
Provisions		39.93		145.00		218.67
Total Current Liabilities		1,419.55		1,762.18		2,237.33
Working Capital Gap		4,432.59		4,754.17		6,126.58
Less: Existing Bank Borrowings		3,260.00		3,260.00		3,260.00
Net Working Capital Requirement		1,172.59		1,494.17		2,866.58
Proposed Working Capital to be funded from IPO		0.00		0.00		1,000.00
Funding through Own Funds & Additional Bank Borrowings		1,172.59		1,494.17		1,866.58

(D) Public Issue Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. The estimated Issue expenses are as follows:

Activity	Expenses* (₹ Lacs)	% of Issue Size	% of Issue expenses
Lead management, underwriting and selling commission	[•]	[•]	[•]
IPO Grading Expenses	[•]	[•]	[•]
Advertisement and marketing expenses	[•]	[•]	[•]
Printing and stationery (including expenses on transportation of the material)	[•]	[•]	[•]
Others (Registrar's fees, legal fees, listing fees, etc.)	[•]	[•]	[•]
Total	[•]	[•]	[•]

* Will be incorporated after finalization of the Issue Price

(E) General Corporate Purposes

Our Company intends to deploy the balance of the Proceeds of the Issue aggregating ₹ [•] Lacs, towards general corporate purposes, including but not restricted to strategic initiatives, organic growth opportunities strengthening of our marketing capabilities, brand building exercises meeting exigencies and contingencies which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Proceeds of the Issue, our management may explore a range of options which include utilisation of our internal accruals and/or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall.

Schedule of implementation

Particulars		
	Month of Commencement	Month of Completion
Acquisition of Land	February 2012	April 2012
Buildings & Other Civil Works	April 2012	September 2012
Plastic Injection Moulding Products		
Plant & Machinery/ Miscellaneous Fixed Assets		
- Placement of Order – Indigenous	April 2012	June 2012
- Receipt of Plant & Machinery	June 2012	August 2012
- Erection and Commissioning	August 2012	September 2012
Trial Run Production	September 2012	
Commercial Production	October 2012	
Non Stick Cookware/Pressure Cookers		
Plant & Machinery/ Miscellaneous Fixed Assets		
- Placement of Order – Indigenous	April 2012	June 2012
- Placement of Order – Imported	April 2012	June 2012
- Receipt of Plant & Machinery	June 2012	September 2012
- Erection and Commissioning	September 2012	November 2012
Trial Run Production	November 2012	
Commercial Production	December 2012	
Brand Building		
	February 2012	December 2012

Deployment of Funds in the Project

The Company has not done any expenditure on the project till October 31, 2011. The same has been certified by our statutory auditors Singrodia Goyal & Co., Chartered Accountants *vide* their certificate dated December 19, 2011.

Details of balance fund deployment

(₹ in Lacs)					
Sr. No.	Particulars	Expenses Already Incurred	FY 2012	FY 2013	Total
1	Setting up a new facility for manufacturing of Plastic Injection Moulding Products and Range of Non Stick Cookware & Pressure Cookers				
	Acquisition of Land	0.00	50.00	258.00	308.00
	Buildings & Other Civil Works	0.00	0.00	954.67	954.67
	Plant & Machinery	0.00	0.00	2,340.07	2,340.07
	Miscellaneous Fixed Assets	0.00	0.00	370.94	370.94
2	Brand Building	0.00	10.00	543.48	553.48
3	Meeting Additional Working Capital Requirements	0.00	0.00	1,000.00	1,000.00
4	Meeting Public Issue Expenses	0.00	65.00	[●]	[●]
5	General Corporate Purpose	0.00	0.00	[●]	[●]
	Total	0.00	0.00	[●]	[●]

Appraisal Report

None of the projects for which the Net Proceeds will be utilised have been financially appraised by any financial institutions/banks.

Interim Use of Funds

The management, in accordance with the approval of the Board of Directors, will have the flexibility in deploying the Issue Proceeds received by us. Pending utilization for the purposes described above, we intend to invest the funds in high quality interest/dividend bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration or for reducing overdraft.

Monitoring of Issue proceeds

Our Audit Committee will also monitor the utilization of the Issue Proceeds. We will disclose the utilization of the Issue proceeds under separate head in our balance sheet for the Financial Year 2012 and 2013.

Further, on an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Draft Red Herring Prospectus and place it before the Audit Committee. The said disclosure shall be made till such time that the full money raised through the Issue has been fully spent. The statement shall be certified by the Statutory Auditors. Further, 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 Draft Red Herring Prospectus. Pursuant to Clause 49 of the listing agreement, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. We will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet till such time the Issue Proceeds have been utilized, clearly specifying the purpose for which such proceeds have been utilized. We will also, in our balance sheet till such time the Issue Proceeds have been utilized, provide details, if any, in relation to all such Issue Proceeds that have not been utilized thereby also indicating investments, if any, of such unutilized Issue Proceeds.

BASIC TERMS OF THE ISSUE

Principal Terms and Conditions of the Issue

The Equity Shares being offered are subject to the provisions of the Companies Act, the SCRR, the Memorandum and Articles of Association of our Company, conditions of RBI approval, if any, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus, Bid-cum-Application Form, the Revision Form, including ASBA forms the Confirmation of Allocation Note ('CAN'), Listing Agreements with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice, 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, Stock Exchanges, RBI, RoC, FIPB and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Memorandum and Articles of Association and shall rank *pari passu* in all respects with the other existing Equity Shares of our Company including in respect of the rights to receive dividends. The Allottees of the Equity Shares in this Issue shall be entitled to dividends and/or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page 221 of the Draft Red Herring Prospectus.

Mode of payment of dividend

We shall pay dividend, if declared, to our shareholders as per the provisions of the Companies Act, the Articles of Association of our Company and the Listing Agreements entered into with the Stock Exchanges.

Face Value and Issue Price per Share

The face value of each Equity Share is ₹ 10. The Issue Price is [●]. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. At any given point of time there shall be only one denomination of Equity Shares, subject to applicable law. The Price Band and Minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLM. These will be published by our Company at least two Working Days prior to the Issue/Bid opening date, in an English national daily newspaper and a Hindi national daily newspaper each with wide circulation.

Compliance with SEBI Rules and Regulations

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, 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 poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Right of free transferability subject to applicable foreign direct investment policy, foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreements executed with the Stock Exchanges, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of our Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page 221 of the Draft Red Herring Prospectus.

Market Lot and Trading Lot

Under Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, the trading in the Equity Shares shall only be in dematerialized form for all investors. Since trading of the Equity Shares is in dematerialized mode, the tradable lot is one Equity Share.

Allocation and allotment of Equity Shares through this Issue will be done only in electronic form, in multiple of one Equity Share, subject to a minimum allotment of [●] Equity Shares.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, the sole or first bidder, along with other joint bidders, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint bidders, death of all the Bidders, as the case may be, the Equity Shares that are 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 such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to 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. Fresh nomination can be made only on the prescribed form available on request at our Company's Registered Office or with the Registrar of our 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 the 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, the 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 ninety (90) days, the 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 respective depository participant of the applicant will prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Issue through the Red Herring Prospectus including devolvement of Underwriters within 60 days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 73 of the Companies Act and the rules formulated thereunder.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted shall not be less than 1,000.

Arrangement for disposal of odd lots

The Equity Shares will be traded in dematerialized form only and therefore the marketable lot is one (1) Equity Share. Hence, there is no possibility of any odd lots.

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 BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM 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 the 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.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares through the Book Building Process. The face value of the Equity Shares is ₹ 10 each. The financial data presented in this section are based on our Company's restated financial statements. Investors should also refer to the sections titled '*Risk Factors*' and '*Financial Information*' on pages 15 and 129 respectively, of the Draft Red Herring Prospectus to get a more informed view before making the investment decision.

Qualitative Factors

For details of Qualitative factors please refer to the heading 'Our Competitive Strengths' in the chapter titled "Our Business" beginning on page 84 of the Draft Red Herring Prospectus.

Quantitative Factors

1. Basic & Diluted Earnings Per Share (EPS):

Period	Basic and Diluted EPS (₹)*	Weightage
Fiscal 2011	1.10	3
Fiscal 2010	1.53	2
Fiscal 2009	1.26	1
Weighted Average	1.27	

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]:

- Based on the basic and diluted EPS of ₹ 1.10 as per restated financial statements for the year ended March 31, 2011, the P/E ratio is [●] *
- Based on the weighted average basic and diluted EPS of ₹ 1.27, as per restated financial statements the P/E ratio is [●]*

*P/E Ratio will be determined on conclusion of book building process.

c. Industry P/E

Industry P/E	
▪ Highest – EPC Industries	88.7
▪ Lowest – Poddar Pigments	4.6
▪ Average (Plastic Products)	13.0

Source: Capital Market, December 12 – December 25, 2011

3. Return on Net Worth

Period	Return on Net Worth (%)	Weightage
Year ended March 31, 2011	4.65	3
Year ended March 31, 2010	6.76	2
Year ended March 31, 2009	5.99	1
Weighted Average	5.58	

4. Minimum Return on increased Net Worth required to maintain pre-Issue EPS.

The minimum return on increased Net Worth required to maintain pre-Issue EPS:

A) Based on Basic and Diluted EPS of ₹ 1.10

- At the Floor Price – [●] % based on restated financial statements.

b. At the Cap Price – [●] % based on restated financial statements.

B) Based on Weighted Average EPS of ₹ 1.27

a. At the Floor Price – [●] % based on restated financial statements.

b. At the Cap Price – [●] % based on restated financial statements.

5. Net Asset Value per Equity Share

- As of March 31, 2011, ₹ 23.76
- NAV per Equity Share after the Issue is ₹ [●]
- Issue Price per Equity Share is ₹ [●]*

*Issue Price per Equity Share will be determined on conclusion of book building process.

6. Comparison of Accounting Ratios

Particulars	EPS – TTM	P/E	RONW	NAV	Face
	(₹)	Ratio	(%)	(₹)	Value
Nilkamal Limited	34.7	7.1	17.3	238.5	10
Supreme Industries	12.8	13.4	40.5	38.4	2
Wim Plast	29.4	5.9	24.0	139.2	10
Blueplast Industries Limited (FY 2011)	1.10	[●]	4.65	23.76	10

All the above figures are on Standalone basis

Source: Capital Market, December 12 – December 25, 2011

7. The face value of Equity Shares of our Company is ₹ 10 per Equity Share and the Issue price is [●] times the face value at the Floor Price and [●] times the face value at the Cap Price. The Issue Price of ₹ [●] is determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares through the Book Building Process and is justified based on the above accounting ratios. For further details, please refer to the section titled ‘Risk Factors’, and chapters titled ‘Our Business’ and ‘Financial Information’ beginning on pages 15, 84 and 129 of the Draft Red Herring Prospectus.

STATEMENT OF TAX BENEFITS

**The Board of Directors,
Bluplast Industries Limited**
113/114, Vivek Industrial Estate,
Uswala Road, Cama Estate,
Goregaon (East), Mumbai - 400 063

Dear Sirs,

Sub: Statement of Tax Benefits

We hereby report that the enclosed annexure states the possible tax benefits that may be available to Bluplast Industries Limited (the “Company”) and to the Shareholders of the Company under the provisions of current tax laws presently in force in India.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws and their interpretations. Hence, the ability of the Company or its Shareholders to derive 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 nor are they conclusive. This statement is only intended to provide general information and to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ their own tax consultant with respect to the tax implications of an investment in the equity shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been / would be met with;
- the revenue authorities/ courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretations, which are subject to change from time to time. We do not assume responsibility to up-date the views of such changes. The contents of this annexure 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. While all reasonable care has been taken in the preparation of this opinion, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

This report is intended solely for information and for the inclusion in the offer Document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Singrodia Goyal & Co.
Chartered Accountants
Firm Regn. No. 112081W

Sanjeev Lalan
Partner
Membership No. 045329

Date: December 19, 2011

Place: Mumbai

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

A. SPECIAL TAX BENEFITS TO THE COMPANY

There are no special tax benefits available to the Company.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS OF THE COMPANY

There are no special tax benefits available to the shareholders of the Company.

C. GENERAL TAX BENEFITS, AVAILABLE TO ALL CATEGORIES OF COMPANIES OR TO THE SHAREHOLDERS OF ANY COMPANY, SUBJECT TO FULFILLING CERTAIN CONDITIONS AS REQUIRED UNDER THE RESPECTIVE ACTS:

BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received by the Company from domestic companies is exempt from income tax.
2. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.
3. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India after 1st October 2004, and is liable to securities transaction tax.
4. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e. if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a 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 securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
 - a) National Highway Authority of India constituted under Section 3 of The National highway Authority of India Act88;
 - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

6. Deduction under Section 32: As per provisions of Section 32(1)(iia) of the Act, the company is entitled to claim additional depreciation of 20% of the actual cost of any new machinery or plant which has been acquired and installed after 31st March, 2005 subject to fulfilment of conditions prescribed therein.

7. The Company shall be eligible for amortisation of preliminary expenses as specified in Section 35D of the Act being expenditure on public issue of shares, subject to meeting to conditions and limits specified in that section.
8. The amount of Tax Paid under section 115JB by the Company for any assessment year beginning on or after April 1, 2010 will be available as credit to the extent specified in section 115JAA for ten years succeeding the assessment year in which the MAT credit becomes allowable in accordance with the provisions of section 115JAA.

BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961

1. Under Section 10 (34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.
2. Under Section 48 of the IT Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, as per second proviso to Section 48 of the IT Act, in respect of long term capital gains (i.e. shares held for a period exceeding 12 months) from transfer of shares of Indian Company, it permits substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index, as prescribed from time to time.
3. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company 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.
4. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.
5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
 - a) National Highway Authority of India constituted under Section 3 of The National highway Authority of India Act;
 - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

6. Under Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, 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.
7. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e. if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a 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 securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

8. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

BENEFITS AVAILABLE TO MUTUAL FUNDS

1. As per the provisions of Section 10(23D) of the IT Act, Mutual Funds registered under the Securities and Exchange Board of India or Mutual Funds set up by Public Sector Banks or Public Financial Institutions or authorized by the Reserve Bank of India would be eligible for exemption from income tax subject to conditions as the central government may notify.
2. However the mutual funds shall be liable to pay tax on distributed income to unit holders under section 115R of the act.

BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS')

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.
2. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company 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.
3. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
 - a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act;
 - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

4. Under Section 115AD(1)(ii) of the Act short term capital gains on transfer of securities shall be chargeable @ 30% (and 15% where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax). The above rates are to be increased by applicable surcharge and education cess.
5. Under Section 115AD(1)(iii) of the Act income by way of long term capital gain arising from the transfer of shares (in cases not covered under Section 10(38) of the Act) held in the company will be taxable @10% (plus applicable surcharge and education cess). It is to be noted that the benefits of indexation and foreign currency fluctuations are not available to FIIs.
6. As per Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the FII would prevail over the provisions of the IT Act to the extent they are more beneficial to the FII.

7. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES/ FUNDS

1. Under Section 10(23FB) of the IT Act, any income of Venture Capital companies/ Funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the IT Act, any income derived by a person from his investment in venture capital companies/ funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.
2. However income distributed by the Venture Capital Companies/Funds to its investors would be taxable in the hands of the investors.

BENEFITS AVAILABLE TO NON-RESIDENTS / NON-RESIDENT INDIAN SHAREHOLDERS (OTHER THAN MUTUAL FUNDS, FIIS AND FOREIGN VENTURE CAPITAL INVESTORS)

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.
2. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company 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.
3. Under the first proviso to Section 48 of the IT Act, in case of a non resident shareholder, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations) (in cases not covered by Section 115E of the IT Act-discussed hereunder), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The capital gains/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 in the purchase of the shares.
4. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.
5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
 - a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act;
 - b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this

Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

6. Under Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, 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.
7. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a 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 securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
8. Where shares of the Company have been subscribed in convertible foreign exchange, Non-Resident Indians (i.e. an individual being a citizen of India or person of Indian origin who is not a resident) have the option of being governed by the provisions of Chapter XII-A of the IT Act, which inter alia entitles them to the following benefits:
 - i. Under Section 115E, where the total income of a non-resident Indian includes any income from investment or income from capital gains of an asset other than a specified asset, such income shall be taxed at a concessional rate of 20 per cent (plus applicable surcharge and education cess). Also, where shares in the company are subscribed for in convertible foreign exchange by a Non-Resident India, long term capital gains arising to the non-resident Indian shall be taxed at a concessional rate of 10 percent (plus applicable surcharge and education cess). The benefit of indexation of cost and the protection against risk of foreign exchange fluctuation would not be available.
 - ii. Under provisions of Section 115F of the IT Act, long term capital gains (in cases not covered under Section 10(38) of the IT 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 IT Act) shall be exempt from Income tax, if the net consideration is reinvested in specified assets or in any savings certificates referred to in Section 10(4B), 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.
 - iii. Under provisions of Section 115G of the IT Act, it shall not be necessary for a Non-Resident Indian to furnish his return of income under Section 139(1) if his income chargeable under the Act consists of only 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 as per the provisions of Chapter XVII-B of the IT Act.
 - iv. In accordance with the provisions of Section 115H of the Act, a Non Resident Indian become assessable as a resident in India, he may furnish a declaration in writing to the assessing officer along with his return of income for that year under Section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.
9. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.
10. As per Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the Non-Resident/ Non- Resident India would prevail over the provisions of the IT Act to the extent they are more beneficial to the Non-Resident/ Non-Resident India.

11. Under the provisions of section 195 of the Income Tax Act, any income in (not being an income chargeable under the head 'salaries') which is chargeable under the provisions of the Act payable to non residents, is subject to withholding tax as per the prescribed rate in force. Accordingly, income tax may have to be deducted at source in case of non resident at the rate under the domestic tax laws or under the tax treaty, whichever is beneficial to the assessee unless a lower withholding tax certificate is obtained from the tax authorities.

BENEFITS AVAILABLE UNDER THE WEALTH TAX ACT, 1957

Asset as defined under Section 2(ea) of the Wealth tax Act, 1957 does not include shares in companies and hence, shares of the Company held by the shareholders would not be liable to wealth tax.

Notes:

1. The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity Shares;
2. The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws, including as laid down by the circular 4/2007 dated 15th June 2007 issued by CBDT concerning capital gain, for availing concessions in relation to capital gains tax;
3. 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, 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;
4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and
5. The stated benefits will be available only to the sole/first named holder in case the shares are held by joint share holders.
6. In view of the individual nature tax consequences, each investor is advised to consult his or her own tax advisor with respect to specific tax consequences of his or her participation in the scheme.
7. A shareholder is advised to consider his/her/its own case the tax implication of an investment in the equity shares, particularly in view of the fact that certain recently enacted legislations may not have direct legal precedent or may have a different interpretation on the benefits which an investor can avail.

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

***Disclaimer:** Pursuant to the requirements of the SEBI ICDR Regulations, the discussion on the business of Our Company in this Draft Red Herring Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain product/servicess described in the Draft Red Herring Prospectus could be trademarks, brand names and/ or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Draft Red Herring Prospectus is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications and from information available from the World Wide Web.*

The information in this section is derived from various government/Industry Association publications and other sources. Neither we, nor any other person connected with the issue has 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 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.

Indian Plastics Industry

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made and the industry has grown and diversified rapidly.

India is one of the most promising exporters of plastics among developing countries. The Indian plastics industry produces and exports a wide range of raw materials, plastic moulded extruded goods, polyester films, laminates, moulded/soft luggage items, writing instruments, plastic woven sacks and bags, PVC leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/medical surgical ware and travel ware, among other products.

In recent years, significant aspect of plastics material growth globally has been the innovation of newer application areas for plastics such as increasing plastics applications in automotive field, rail, transport, defence & aerospace, medical and healthcare, electrical & electronics, telecommunication, building & infrastructure, furniture, etc.

As manufacturers increasingly focus on customising products in accordance with end-user needs, the Indian plastics industry has also started developing specific items to suit customer requirements, including supplies to original equipment manufacturers (OEMS). The design, style, as well as the pattern, is decided according to the requirement of the customer in the export market.

The entire chain in the Plastic industry can be classified into (A) manufacturing of Polymers and is called “upstream” and (B) conversion of polymers into plastic articles and is known as “downstream”. The upstream Polymer manufacturers have commissioned globally competitive size plants with imported state-of-art technology from the world leaders. The upstream petrochemicals industries have also witnessed consolidation to remain globally competitive. The downstream plastic processing industry is highly fragmented and consists of micro, small and medium units. Presently there are about 26,000 registered plastic processing units of which about 75% are in the small-scale sector. The small-scale sector, however, accounts for only about 25% of polymer consumption. The industry also consumes recycled plastic, which constitutes about 30% of total consumption.

The top 100 players account for just 20% of the industry turnover. The total number of players in the sector is more than 25,000. However, the degree of fragmentation, worldwide, is a large and despite the small size of operations of the players, they are able to operate profitably. Further, the high growth in demand ensures that the market is able to absorb the excess capacity in quick time. Overall, the degree of competition can be considered high in the Indian plastic processing industry.

The sector has a significant presence of the unorganised sector, which accounts for more than 70% of the industry turnover. More than 95% of the firms in the industry are partnership, proprietorship or private limited companies. Further, these small companies get significant advantages in taxes. These firms thus provide

significant level of competition to the organised sector companies, which combined together are making losses. The organised sector companies thus need to build up significant brand image to survive against the competition from the unorganised sector. The key organised sector players include Nilkamal Plastics Limited and Supreme Industries Limited.

Despite the industry's high growth spanning over a period of over 2 decades and crossing several milestones, Indian plastics industry is yet to realize its full potential. The low level of per capita plastics consumption in India is indicative of the massive growth potential of the plastic industry.

Region-wise per capita consumption of Plastics (Kilograms)

Region	Consumption
World	26
North America	90
West Europe	65
East Europe	10
China	12
India	5
South East Asia	10
Latin America	18

World-wide, the plastics and polymer consumption will have an average growth rate of 5% and it will touch a figure of 227 million tons by 2015. Globally, it is projected that PET (Bottle grade) will have the highest growth rate of about 11% AAGR.

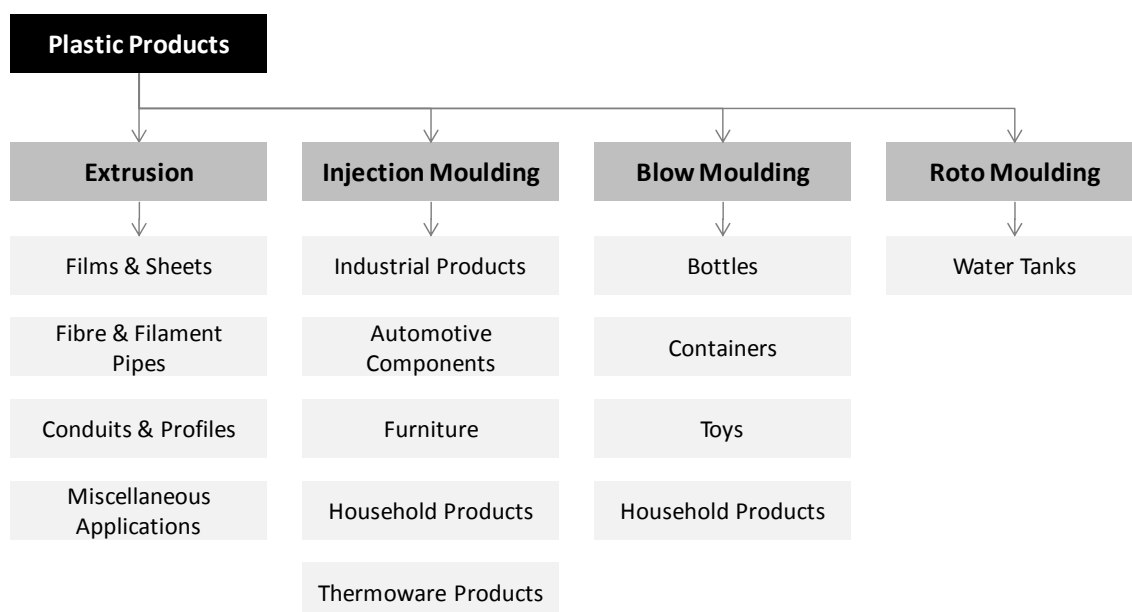
Source: *Growth of Plastic Industries and Plastic Industry Statistics Reports by Central Institute of Plastics Engineering & Technology, Department of Chemicals and Petrochemicals, Ministry of Chemicals and Fertilizers, Government of India*

Indian Plastics Industries - Perspective

Over the years, India has made significant progress in the industrial world with healthy economic growth. On purchase power parity basis, it is one of the top five global economies and is expected to be the third largest by the turn of this decade. Plastics, one of the fastest growing industries in India, have a vital role to play. Indian Plastics Industry is expanding at a phenomenal pace. Major international companies from various sectors such as automobiles, electronics, telecommunications, food processing, packing, healthcare etc. have set-up large manufacturing bases in India. Therefore, demand for plastics is rapidly increasing and soon India will emerge as one of the fastest growing markets in the world.

The next two decades are expected to offer unprecedented opportunities for the plastic industry in India. This would necessitate industry initiatives to foster investments, grow the market, upgrade quality standards, enhance global participation, encourage Indian industry, to adopt and adapt to world class technology and manufacturing practices.

Classification of Plastic Products by Process Type



Polymer Consumption Split in India by Process Type

Process	Share
Extrusion	60%
Injection Moulding	25%
Blow Moulding	6%
Rotomoulding	1%
Other Processes	8%

Statistics of Indian Plastics Industry

Current Status

Particulars	Units	Amount
Major Raw Material Producers	Nos.	15
Processing Units	Nos.	25,000
Turnover (Processing Industry)	INR Crores	85,000
Capital Asset (Polymer Industry)	INR Crores	55,000
Raw Material Produced approx.	MMT	5.30
Raw Material Consumed approx.	MMT	5.10
Employed Direct/Indirect	Million	3.30
Export Value approx.	US\$ Billion	1.90
Revenue to Government approx.	INR Crores	7,300

By 2011 – 12

Particulars	Units	Amount
Demand Potential	MMT	12.50
Additional Employment	Million	4.00
Investment Potential	INR Crores	84,000

VISION 2015 - Indian Plastics Industry

Particulars	Units	Amount
Consumption of Polymers @ 15% CAGR	MMT	18.90
Turnover of plastics Industries	INR Crores	133,245
Additional Employment Generation	Million	7.00
Requirement of Additional Machines	Nos.	68,113
Additional Capital Investment In Machines	INR Crores	45,000

Additional 40,800 plastic processing machines are expected to be installed by 2014-15 in the Indian Plastic processing Industry. The segment wise break-up is as follows.

Process	Units
Injection Moulding	26,700
Blow moulding	3,900
Extrusion	10,200
Total	40,800

***Source:** Growth of Plastic Industries and Plastic Industry Statistics Reports by Central Institute of Plastics Engineering & Technology, Department of Chemicals and Petrochemicals, Ministry of Chemicals and Fertilizers, Government of India*

Indian Kitchenware & Appliances Industry

Kitchenware, simply put, refers to items that are used in the kitchen space. The market is highly fragmented in terms of the number of manufacturers and also in terms of the number of products. It includes a wide range of products like kitchen tongs, mixing bowls, chopping boards, hanging rack and pot stands, kitchen bins, kitchen scales, kitchen storage units, bread bins, kitchen tool sets, kitchen trolleys, knife blocks, mug trees and roll holders as well as plate stands. It also includes drainage-spice-wine racks, water filters, bottle pourers, bottle openers, kitchen machines like vegetable cutting machine, coconut scrapper, weight grinder, flour kneading machines, potato peeler and oil shaking machines.

Kitchen utensils like pots and frying pans, woks, saucepans, pressure cookers and glass items such as heat-resistant casseroles and vitro-ceramic pans also form part of the products found in the kitchenware segment. However, according to an industry analyst, these products form a different product category called cookware. A third group of items such as plates, bowls, serving dishes, dinner sets, serving ware placemats and coasters also form part of the overall kitchenware market—although according to a few industry analysts they form a separate product category called tableware and crockery.

Apart from the above, there are cutlery items (like cutting tools and instruments, knives forks and spoons, etc.) and glassware items (like tumblers, stemware, bottles, jugs). Euromonitor classifies these, i.e. cookware, kitchenware, tableware and crockery, cutlery and glassware, as different segments of the housewares market.

Industry Characteristics

- High Fragmentation:** There is a high degree of fragmentation in terms of number of manufacturers and products. Market is shared between organized and unorganized players, with a split of about 40:60
- Wide range of products:** Product categories include non-stick cookware, pressure cookers, gas stoves, juicers and grinders, chopping boards and kitchen tools
- Inelastic demand:** This segment enjoys relatively inelastic demand, unlike big-ticket durable goods segment, where financing options and interest rates play a crucial role in the consumer's purchase decision. Strong demand trends have continued in this segment despite the inflationary scenario and rising interest rates

Trends

- a. Shift in demand from purpose-driven to convenience and fashion driven
- b. Growing importance to design and innovation by young homemakers
- c. Introduction of Kitchenware retail formats. Example: Prestige Retail

Demand Drivers

- a. Gradual shift in lifestyle and increasing mobility due to migration for work
- b. **Demographic Shift:** With the country's demography shifting towards a high percentage of floating population and nuclear families, the demand for pressure cookers and other kitchen appliances has been growing
- c. **Shift in Rural Demand:** Consumption pattern has changed over the last two years with increasing disposable income. Rural population has moved up the value chain and is showing a growing appetite for consumer products
- d. In developed markets, non-stick and enamel cookware account for about 60% of the cookware market. Hence, continuous growth in this market can be expected

Kitchenware market in India is still very much driven by purely functional requirements; hence there is a huge scope for market expansion. The future trends in this market can be seen in the form of kitchenware products and kitchenware retail formats.

In terms of product range, the popularity of non-stick cookware, interest in healthy eating, usage of wider range of cutlery, demand for storage containers are some of the areas where we should see interesting developments in the near future.

Source: <http://www.thehindubusinessline.com/features/investment-world/stock-insight/article2037869.ece>
<http://www.thehindubusinessline.com/companies/article2004326.ece>

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Red Herring Prospectus, including the information contained in the section titled 'Risk Factors', beginning on page 15 of the Draft Red Herring Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on pages 15, 129 and 151 respectively, of the Draft Red Herring Prospectus.

Unless the context otherwise requires, in relation to business operations, in this section of the Draft Red Herring Prospectus, all references to "we", "us", "our" and "our Company" are to Bluplast Industries Limited and Group Entities as the case may be.

Overview

Our Company is engaged in the manufacturing and marketing of Plastic Thermoware, Vacuumware, Insulatedware, Kitchenware, Household, Utility and PET products. For example, Casseroles with the capacity of 500 ml - 12,500 ml, Lunch Packs with 2-5 containers, Flasks with the capacity of 350 ml - 2000 ml, Water Jugs with the capacity of 2000 ml - 25000 ml, Water Bottles with the capacity of 500 ml - 2500 ml and Pet Jars with the capacity of 500 ml - 2500 ml.

We also manufacture products like Buckets, Bath Stools, Bath Tubs, Baskets, Dust Bins, Gifts, Novelty Items, Pens and other household products. Our Company sells its products under the brand name "Bluplast". Our Company has a current installed capacity of 12,100 MTPA.

We use virgin food grade raw material for our products. We provide Temperaproof guarantee, reflected by way of our Genuine Quality Hologram Sticker on each product. Our Modern & State of the Art Infrastructure, including two carefully Sited factories, geared and customised exclusively for high volume, high quality plastic production, along with our custom-made standard operating procedures, being monitored by our ERP System have helped us achieve ISO 9001:2008 Certification.

Our Company was incorporated in the year 1999. The manufacturing plant of our Company was set up at Daman (in Union Territory of Daman and Diu) with an initial capacity of 1940 MTPA, which has, over a period of time, been increased up to 4500 MTPA. In July 2005, the Company acquired the business of Alaska Industries, a group concern, having manufacturing capacity of up to 900 MTPA. Currently, our Company is having an installed capacity of 12,100 MTPA.

The brand "Bluplast" has been in existence in the market since 1985 and is registered in the name of Bluplast Corporation (a promoter group partnership firm). Our Company (as Licensee) has entered into a Mark License User Agreement dated April 1, 2011 with Bluplast Corporation (as Licensor) for license to use the name, trademarks, copyrights, logos and devices pertaining to "Bluplast" for a term of five years. Our Company has been given the exclusive license to use the brand name "Bluplast". For further details, please refer to the heading titled 'Other Agreements' under the section 'History and certain Corporate Matters, beginning on page 104 of the Draft Red Herring Prospectus.

Our Company is also engaged in trading of certain articles and products which are complementary to our existing range of products.

Our Company is setting up additional manufacturing facility for the manufacturing of plastic injection moulding products with an installed capacity of 7,900 MTPA in and around Vapi, Bhilad and Pradi, Distt. Valsad, Gujarat. Our Company is also diversifying by setting up a manufacturing facility for the production of non-stick cookware and pressure cookers. The proposed capacity is 6,000 units per day for non-stick cookware and 1,500 units per day for pressure cookers.

Particulars	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Income						
Gross Sales	7,921.48	9,155.05	9,390.54	12,098.60	13,806.71	10,563.65
▪ Sales of Products	7,731.96	9,044.27	8,980.63	11,703.71	13,727.21	10,525.39

Manufactured						
▪ Sales of Products Traded	189.52	110.78	409.91	394.89	79.50	38.26
Less: Excise Duty & Cess	424.16	504.09	450.40	453.80	623.85	413.95
Net Sales	7,497.32	8,650.96	8,940.14	11,644.80	13,182.86	10,149.70
PAT	110.03	117.96	97.55	118.11	85.17	206.54

Location

Existing

Currently, our Company is operating from following locations:

Type of Facility	Location	Capacity
Unit I	Survey No. 709/1 to 4 & 8, 9 & 710/13, Dabhel, Nani Daman, Daman – 396 210, Taluka: Daman (Union Territory of Daman and Dui)	7,000 MTPA
Unit II	679/9, Ground Floor, Maharani Industrial Estate, Somnath Road, Dabhel, Nani Daman, Daman – 396 210 Taluka: Daman (Union Territory of Daman and Dui)	5,100 MTPA
Depot for Distribution	Plot No. 74/1, 3, 4, 85/1-A, Village Ringanwada, Dabhel, Nani Daman, Daman	N.A.

Proposed

Type of Facility	Location	Capacity
Unit III	The new unit is proposed to be established in and around Vapi, Bhilad and Pradi, Distt. Valsad, Gujarat.	6,000 units per day for non-stick cookware and 1,500 units per day for pressure cookers Plastic injection moulding products with a capacity of 7,900 MTPA

Our Competitive Strengths

1. We manufacture wide range of products.

Our Company offers a wide range of products, including Plastic Thermoware, Vacuumware, Insulatedware, Kitchenware, Utilities, Pet Products, Gifts, Novelty, Pen and other household products, each in a wide variety and capacities.

2. Proven track record of our Company and our Promoters

We and our Promoters believe we have a proven track record in the industry and are experienced in managing the business. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner.

3. Quality Assurance

All products that leave the factory premise are inspected by the Quality Control Department and the inspection is also done at every stage of manufacturing to ensure the adherence to desired specifications. Since, our Company is dedicated towards quality of products, processes and inputs, it enables our Company to maintain their brand image.

4. Wide Marketing & Selling Network

We sell our products with help of 81 distributors, who have more than 5,000 dealers under their distribution network throughout the Country. Our Company also having about 100 corporate distributors we also work with modern trade businesses i.e. Bigbazaar, Carrfour, Max Hyper etc. In addition to catering to the retail

segment, our Company has a separate department to handle Corporate Clients. The company has also made institutional sales and export sales in Europe, US, Middle East and Africa.

5. ISO Certification

Our existing manufacturing units are ISO 9001:2008 certified from UKAS Quality Management. Our Company is dedicated towards quality of products, processes and inputs; we get repetitive orders from our buyers, as we are capable of meeting their quality standards.

Our Business Strategy

1. Expansion of Business:

To increase market share in the plastic utility household product range in Domestic Market and also increase the share in international market, the company is increasing its installed capacity in its existing product range from 12,100 MTPA to 20,000 MTPA. Further our Company is also entering into cookware range by setting up of a facility for the production of Non Stick Cookware range with the installed capacity of 6,000 units per day and Pressure Cookers with the installed capacity of 1,500 units per day.

2. Marketing & Brand Building:

The company will use advertisements through electronic media like, TV Channels, Cable TV, print media and hoarding to promote the product and the brand. The Company also intends to participate in trade fair and exhibitions in India as well as abroad to display its products.

3. Innovation and Product Development:

We believe that key factor to sustain, strengthen and succeed in our business, lies in our ability to innovate new products and improvise our existing products. Our continuous process and product improvement helps deliver value with topmost quality to our customers, which are not presently being satisfied by other manufacturers. This also helps us in broad basing our product range and consumer segment and it also helps in counter the threat of the un-organized sector by introducing new value added products which cannot be produced easily by the unorganized sector.

4. Competitive Pricing:

To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market.

Our products:

Our major product range is detailed below:

Product Range	Design/Sub-Products*
Products Manufactured by our Company	
Thermowares	
Casseroles	Aura, Chefmate, Chef Popular, Cuisine, Regalia, Servette
Gift Sets	Chef Hot Treat, Regalia Economy, Utsav, Arabian Nights
Lunch Packs	Classic, Flexi, Flexi Jr., Hot Deal, Noddy Big, Noddy Junior, Ranger, Sakura Diet, Twins, Charriot, Feast, Gharana, Passion, Big Diet, Meal Time, Delite Lunch Pack
Insulated Flasks	Pearl, Purser, Glory
Thermo-Steel Insulated Flask	Florina
Water Jugs & Ice Pail	Aqua Fresh, Arctic, Igloo Chiller, Jordan Ice Pail, Niagara, Oasis
Kids Water Bottles (Insulated)	Alice, Candy, Charlie, Doodle, Donald, Genie, Glacier, Jingle, Kool Spring, Minni, Naughty Boy, Rambo, Scooby, Sporty, Spring, Tango, Tuff, Yankee
Travelling Water Bottles	Kool Fighter, Kool Titan, Kool Rider

Housewares	
Pudding Set	Crystal, La Carte
Dinner Set	Nebula, La Carte, Porceleno
Soup Set	Nebula, La Carte, Porceleno
Dessert Set	Nebula, Porceleno
Dinner Plates	Nebula, La Carte, Porceleno
Full Plates	Nebula, La Carte, Porceleno
Half Plates	Nebula, La Carte, Porceleno
Salt & Pepper Set	La Carte
Bowls	Nebula, La Carte, Porceleno
Serving Bowl	La Carte
Serving Plate	La Carte
Serving Spoon	La Carte
Serving Sets	Porceleno
Kid Set	La Carte
Full Plates (Square)	La Carte
Half Plates (Square)	La Carte
Bowls (Square)	La Carte
Serving Bowl (Square)	La Carte
Butter Box (Square)	La Carte
2,3,4 & 5 Snack Sets	La Opel
See Through Jars	La Opel
Tea time Jars	La Opel
Icecream Set	La Opel
Storage Containers	Blossom Air Tight Jar
Lock & Seal Containers	LS PKG. Cont, Orchid, Lavender, Lilac, Shine, Dazzle, Glitter, Fresh Pack, Tit Bits
Lunch Box - Non Insulated	Brunch Lunch Box, Burger Lunch Box, Chick Junior, Enjoy, Sleek, Tiny Tots
Kids Water bottles (Non-Insulated)	Hanna, Barbera, Winnie
Bathroomwares - Bath Sets	Jumbo Bucket, Splash Bucket, Bubbly Soap Case, Dolcee Bucket, Deep Wash Tub, Easy Wash Tub, Nuluk Mug, Pedal Bin, Put In Dustbin, Sit On Stool, Luxor Dust Bin
Other Utility Items	Round Glass, Jug, Pencil Box, Oil Can, Basket etc.
Plastic Pen	Klips Bluplast
Products Traded by our Company	
Steelevac SS Bottle	
Steelevac SS Table Top	
Electric Cooker	
Melamineware - Serving Tray	
Glasswares - Dessert Set	
Non-Stick Cookware (Dosa Tawa, Kadai)	

*The products may differ on the on the basis of design, packaged quantity, shapes, sizes etc.

Proposed Products

1	Non-stick Cookware Range
a	Fry Pan
b	Deep Kadai
c	Dosa Tawa
d	Concave Tawa
e	Appachetty
f	Mini Pan
g	Appam
h	Vaghariya
i	Chinese Wok
j	Multi-purpose Tawa
k	Sandwich Toaster
l	Hard Anodised Utensils
2	Pressure Cooker Range
a	Aluminum Pressure Cookers
b	Hard Anodised Cookers
c	Pressure Handi
d	Inner Lid Cookers

Plant & Machinery

Our Company has the necessary plant and machineries to manufacture the above-mentioned products. A list of the major machineries installed at our units is illustrated below:

Unit I	No.	Use
Injection M/C	12	Moulding
Blow Machine	1	Moulding
Cranes	3	Moulding
Colour Mixing Machine	3	Moulding
Hoppers	1	Moulding
Colling Tower	2	Moulding
Chillers	4	Moulding
Compressor	1	Moulding
Grinding Machine	2	Grinding
Lathe Machines	4	Tool Room
Filling Machines	5	Fill
Compressor Fill	2	Fill(FF)
Drill machine	2	Fill
Lifts	3	Stores
Belt Conveyor	1	Packaging
Pen Plant Machines	Entire plant	Pen
Steel Plant Machines		Steel
Press Machine 200 Tns	1	Steel
Cutting Machines	4	Steel
Neck making machine	1	Steel
Threading machine	1	Steel
Press Machines	4	Steel
Welding Machines	6	Steel
Beading machine	1	Steel

Pipe making machine	1	Steel
PET Machine		
PET blow print link	1	Pet
PET blow sai pet	1	Pet
PET blow (auto)	1	Pet
Compressor	2	Pet
PET Blow	3	pet
Compressor dryer	2	Pet
Others		
Sealing machine (auto)	1	Pack (HH)
Hot stamping	1	Pack(FF)
Unit II		
Injection M/C	14	Moulding
Cranes	2	Moulding
Hoppers/ Dryers	10	Moulding
Colling Tower	6	Moulding
Chillers	2	Moulding
Compressor	1	Moulding
Grinding Machine	4	Moulding

Technology

Plastic Thermoware, Kitchenware & Household Products

We are equipped with the latest injection and blow moulding technology for plastic processing. These machines possess advanced features like proportional hydraulics, load sensing circuits and photo sensors for product confirmation. We also use the latest computer-aided design technology for product development.

Non-stick Cookware and Pressure Cooker

We plan to set-up a fully automated plant for the manufacture of non-stick cookware. We will use the latest Hydraulic Deep Draw Pressing Technology to process the work-piece. A fully-automated coating line will be used to complete the coating process. We will also use the latest screen printing technologies for external coating.

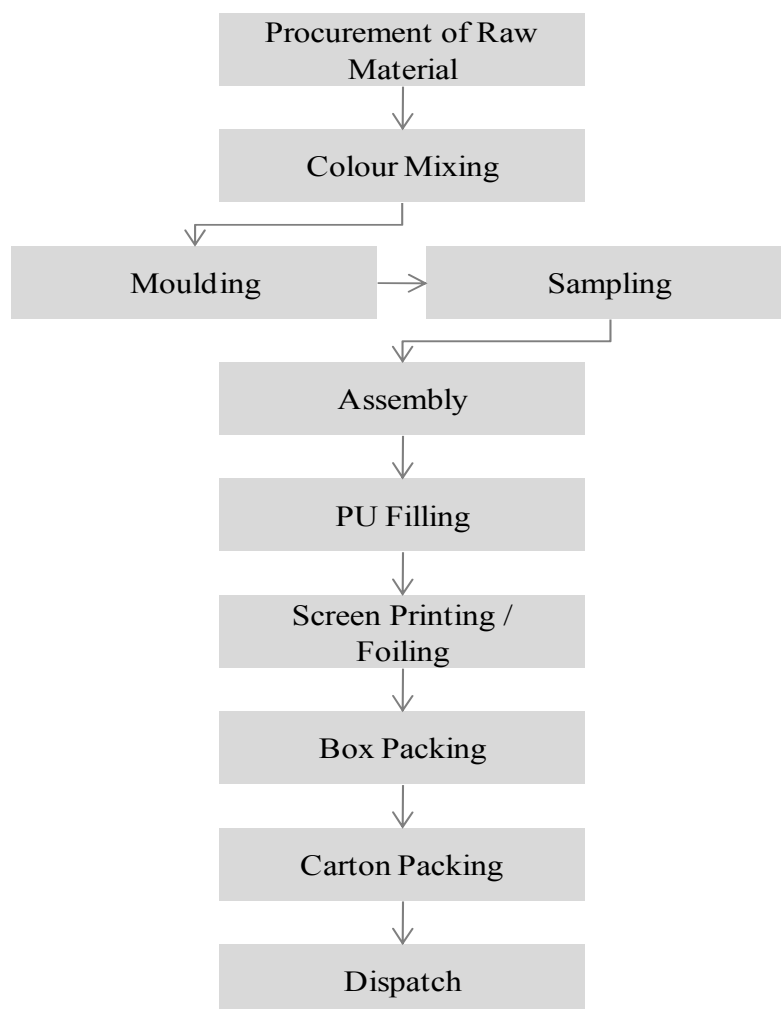
Collaborations

We have not entered into any technical or other collaboration.

Process

Process Flow of Manufacturing of Injection Moulded Plastic Products

The manufacturing process of injection moulded plastic products involves the following steps:-

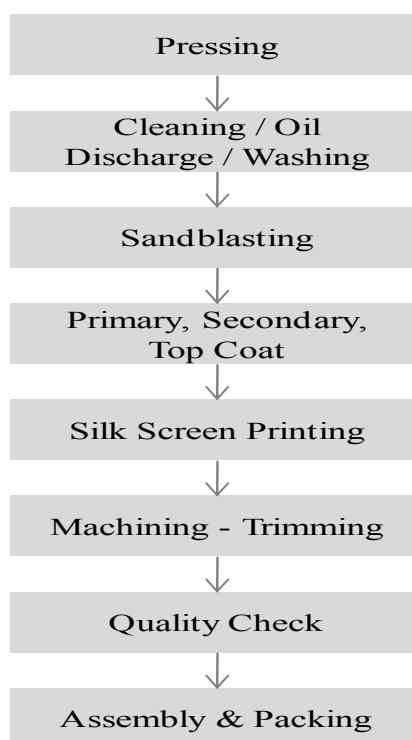


As explained in the process flow chart above, the main steps in the manufacturing process involves:

- **Raw Material and Procurement:** Main Raw materials are Poly Propylene, High Density Poly ethylene and Poly Ethylene Terephthalate etc., all are available in domestic market and also could be imported if needed be.
- **Colour Mixing:** In the first step, plastic granules are mixed with colour pigments in a mixer. This mixture is then fed into the injection moulding machine.
- **Moulding:** The required mould is identified and loaded on the machine depending upon the product to be manufactured. On the basis of the specifications for a given product, the parameters are set on the machine. Sampling of the product is done at this stage in order to keep a check on the quality of the product that is being manufactured. If the semi-finished (i.e. moulded) products meet with the required parameters the production is continued.
- **Assembling:** The product is then sent for manual assembly of various parts.

- **Filling:** The product that is manufactured is then treated with Polyol and Isocynate in specified proportion in order to impart insulation characteristics to Thermoware / Vacuum ware products. Simultaneously, the product is inspected for any visual defects.
- **Screening Printing and Foiling:** After the inspection for defects is over, designs if any are printed on the product. The manufacturing process gets completed at this stage.
- **Box Packing:** The product is then packed in inner boxes.
- **Cartons Packing:** The inner boxes are then packed in cartons in order to minimize the possibility of damage during transportation. Once the packing of the products is complete in all respects, the products are sent to Finish Goods Godown for dispatch.
- **Dispatch:** The products are dispatched from the Finished Goods Godown as per the orders received from clients.

Process for Non Stick Cookware



As explained in the process flow chart above, the main steps in the manufacturing process involves:

1. **Pressing:** Flat type hydraulic press, which uses a hydraulic system that presses a flat head straight down onto a metal object. The system uses the power of hydraulic compression. That is, the hydraulic fluid is pumped into a chamber that pushes and "arm" or piston downwards. That force creates pressure and exerts it onto a piece of metal. The press is operated using a lever, when it is pulled down, the press lowers onto an object.
2. **Cleaning / Oil Discharge / Washing:** Washing of the work piece in order to erase finger-prints and facilitate oil discharge.
3. **Sand Blasting:** Process of smoothing, shaping and cleaning the hard surface of work-piece by forcing solid particles across that surface at high speeds; the effect is similar to that of using sandpaper, but provides a more even finish with no problems at corners or crannies.
4. **Coating:** Primary, secondary and top coats will be applied on the work-piece through an automated spray coating line.

5. **Silk Screen Printing:** Stencil method of print making in which a design is imposed on a screen of silk or other fine mesh, with blank areas coated with an impermeable substance, and ink is forced through the mesh onto the printing surface. This is known as a silkscreen.
6. **Machining:** Rigid machine tool to remove material from a rotating work-piece via the (typically linear) movements of various cutting tools, such as tool bits and drill bits.
7. **Quality Check:** Checking production quality through rigorous quality check tests.
8. **Assembly & Packing:** Finished Goods Packing: Assembly and packing of individual products. Master Carton Packing: Packing of batches of products.

Competition

The Plastic Industry is highly fragmented in nature with lot of organized and unorganized players. The competition is fierce with large number of organized sector players. Like any other company, our Company also faces competition from both multinationals, having a big image in the industry and domestic corporate and other fragmented/marginal players. Some of our competitor companies include Milton, Cello, Supreme Industries, Nayasa, Princeware etc amongst others.

In non-stick cookware and pressure cooker range, there is a high degree of fragmentation in terms of manufacturers and products. The market is divided between organized and unorganized players with a split of about 40:60.

In the domestic organized market, Prestige has a pan-India presence, with competition from Premier, Butterfly and Pigeon in the South and Hawkins and Nirlep in the North.

The growing demand and inadequate domestic production have also fuelled significant imports in recent times. There has been an influx of foreign players including both high-end European brands and unbranded Chinese products. The flooding of Chinese products has led to the need for more branded domestic players.

Approach to Marketing and Marketing Set-up

We sell our products with help of 81 distributors, who have more than 5,000 dealers under their distribution network throughout the Country. Our Company also having about 100 corporate distributors we also work with modern trade businesses i.e. Bigbazar, Carrfour, Max Hyper etc. In addition to catering to the retail segment, our Company has a separate department to handle Corporate Clients. The company has also made institutional sales and export sales in Europe, US, Middle East and Africa.

Our Company plans brand building through media advertising. The Company plans to have conferences, seminars for the prospective distributors and dealers and to introduce the products with samples, models and to explain the features of the product. The various alternative products available in the market will be compared along such important parameters such as cost, application durability etc. The Company plans to participate in trade fair and exhibitions in India as well as display its products abroad. The company will achieve product awareness by promoting the product to consumers, dealers, sub-dealers, agents, etc.

Future Prospects

Despite the industry's high growth spanning over a period of over 2 decades and crossing several milestones, Indian plastics industry is yet to realize its full potential. The per capita consumption of plastics in India, at 5 kgs, is the lowest in the world. The average global per capita consumption is 26 kgs. The low level of per capita plastics consumption in India is indicative of the massive growth potential of the plastic industry. India has the advantage of high population and is expected to maintain high economic growth. This should propel India's plastics consumption to new levels in coming years.

The next two decades are expected to offer unprecedented opportunities for the plastic industry in India. According to a CRISIL Report, the world trade in Plastics is expected to reach 140 mln tons in 2012 and provides a lucrative opportunity for India, but with just a 1.5% share in world export volumes, India is not in a position to capture this opportunity. The Indian Plastic Industry, going forward, needs to consolidate and enhance capacity, upgrade facilities and improve productivity and increase utilisation of critical plastic applications.

Source: <http://www.plastemart.com/plastic-facts-information.asp>

Infrastructure Facilities

Utilities

Our Company mainly requires the following utilities:

Power

Unit I

Unit I is having total sanctioned load of 500 KVA from Electricity Department, U.T. of Daman & Diu.

Unit II

Unit II is having total sanctioned load of 275 KVA from Electricity Department, U.T. of Daman & Diu.

Unit III - Proposed

The requirement of our Unit III will be met by taking additional 700 KVA load sanction from Gujarat State Electricity Board. The same will be applied in due course.

Water

Unit I & Unit II

The water requirement for cooling, drinking and sanitary purposes is fulfilled from tubewell and connection from Public Works Department Daman.

Unit III - Proposed

The water requirement for our proposed unit III is estimated at 4000 litres per 8 hour shift, the same will be fulfilled by taking connection from Public Works Department and also setting up a tube well.

Environment aspect:

Our Company is committed to preserve the environment and minimise emissions and effluents. We propose to install water treatment plant for our proposed Unit III for controlling the pollution levels in the water discharged, in accordance with the rules framed by the Pollution Control Board.

Raw Materials

Unit I & Unit II

The main raw materials used by the company are Polypropylene (PP) Granules and Isocyanate, Polyol. These raw materials are indigenously available at the plant site as majority of the large manufacturers of these in the country have their distribution depots/ units at Daman. The Company has an option to procure these raw materials from overseas suppliers also.

Other raw materials used in the manufacturing plant are HDPE, Polycarbonate, Polystyrene, ABS, Stainless Steel, Packing Materials, Stickers, Foils, Nuts, Adhesives, PP Belts etc. These are also easily available locally and company has not faced any problems in the procurement of these. The Company buys the material in the spot market as per its production schedule so that the company's inventory holding is optimized.

Unit III - Proposed

For our expansion in existing product range, the requirement of raw material will be same as above.

For our non-stick cookware and pressure cooker range following raw materials will be required:

Raw Material	Sourcing
Aluminum Sheets	Domestic
Non-stick Interior Coating	Domestic & Foreign
Exterior Coating	Domestic
Accessories (Handles, Rivets etc.)	Domestic
Packing Material (Boxes, Master Cartons, Poly Bags)	Domestic

Pollution Control and Effluent Treatment

The manufacturing process of the company does not generate any effluents. The Company has obtained “NOC” from Pollution control Committee - Daman & Diu and Dadra & Nagar Haveli for both Unit I and Unit II and the NOC is valid till December 31, 2011 for the existing product range.

We will apply for NoC for our proposed project in due course.

Man Power

The present strength of the Company as on November 30, 2011 is 528.

The Details are as under:

Type	Number
Senior Management	6
Middle Level Management	15
Officer Level Staff	35
Skilled Labor	60
Unskilled / Contract Labor	412
Total	528

Following is the manpower requirement for our proposed project:

Type	Number
Management /Officer Level Staff	20
Skilled Labor	60
Unskilled Labor	250

Capacity and Capacity Utilization

Past Capacity and Capacity Utilization

Plastic Products

Particulars	March 31, 2010	March 31, 2011	October 31, 2011 (7 Months [^])
Installed Capacity (MTPA)	9,100	12,100	12,100.00
Total Production (Tonnes)	14,925.48	14,130	6,605.74
Capacity Utilisation (%)	164.02%*	116.78%*	54.59%

*Our Company has been operating at 100% capacity utilisation for the past three years. Due to excess demand of our Products, our Company has been outsourcing the manufacturing work to sub-contractors on job work basis to meet the excess demand of our products.

[^] Non-Annualized

Projected Capacity Utilization for next three years**Plastic Products**

Particulars	March 31, 2012	March 31, 2013	March 31, 2014
Installed Capacity (MTPA)	12,100	20,000	20,000
Total Production (Tonnes)	15,000	19,000	21,000
Capacity Utilisation (%)	123.97%	95.00%	105.00%

Non Stick Range

Non Stick Cookware

Particulars	March 31, 2013	March 31, 2014	March 31, 2015
No. of Working Days	300	300	300
Installed Capacity (Units/ Day)	6000	6000	6000
Installed Capacity (Units/Annum)	18,00,000	18,00,000	18,00,000
Total Production (Units)	3,00,000*	11,70,000	12,60,000
Capacity Utilisation (%)	50%*	65%	70%

*Considered 100 days production in FY 2013

Pressure Cookers

Particulars	March 31, 2013	March 31, 2014	March 31, 2015
No. of Working Days	300	300	300
Installed Capacity (Units/ Day)	1,500	1,500	1,500
Installed Capacity (Units/Annum)	4,50,000	4,50,000	4,50,000
Total Production (Units)	75,000	2,92,500	3,15,000
Capacity Utilisation (%)	50%*	65%	70%

*Considered 100 days production in FY 2013

Export Obligations

Our Company has made institutional sales and export sales in Europe, US, Middle East and Africa. We are constantly tapping new markets to have tie ups with reputed distributors in view of long term relationship. The Company's drive is to expand its business and provide our products to many other countries of the world.

Currently, we have an outstanding export obligation of US\$ 61,51,426.93 which needs to be fulfilled. This amount pertains to various EPCG Licences. The detail of the licences and outstanding export obligations is as follows:

Sr. No.	Details	Licence No.	Issue Date	Duty Saved (₹ in Lacs)	Export Obligation (in US\$)	Export Obligation completed (in US \$)	Balance Export obligation to be completed (in US \$)	Period upto which Export Obligation to be completed
1	EPCG	0330026733	02.08.2010	53.18	25,61,204.75	3,98,966.40	21,62,238.35	6 Years i.e. 01.08.2016
2	EPCG	0330012844	08.08.2006	56.43	35,90,222.18	17,86,856.70	18,03,365.48	8 Years i.e. 07.08.2014
Total				109.61	61,51,426.93	21,85,823.10	39,65,603.83	

Further, our Company proposes to import certain plant & machinery, required for the current Project, under the EPCG Scheme, in terms of which, capital goods may be imported at a concessional rate of custom duty.

As per the EPCG scheme, we are required to export certain amount of goods, failing which an amount equivalent to the duty amount saved along with interest at applicable rates would be required to be paid to the Government of India.

Past Production Figures Industry wise

The Plastic industry is highly fragmented and is dominated by large number of unorganised players. There is no published data available of the industry in regard to past production figures.

Intellectual Property Rights

Currently we have following Trademarks Registered:

Sr. No.	Trade Mark	Registration No.	Class	Date of Registration	Validity (In Years)
1	SHELL	1109880	16	07-06-2002	10
2	SHELL	1109881	21	07-06-2002	10
3	PENS/BALL PENS	1109882	16	07-06-2002	10
4	CONTAINERS/COMBS/UTILITIES	1109883	21	07-06-2002	10

Currently we have following Patent Designs Registered:

Sr. No.	Trade Mark	Design No.	Class	Date of Registration	Validity (In Years)
1	BOTTLE	183705	3	17-10-2000	15
2	BOTTLE	185402	09-03	25-04-2001	15
3	WATER JUG	187649	07-01	26-12-2001	10
4	TIFFIN BOX	187663	09-03	26-12-2001	10
5	WATER BOTTLE	188646	09-01	02-04-2002	10
6	FILE SAFE BOX	188647	19-02	02-04-2002	10
7	WATER JUG	189197	09-01	12-06-2002	10
8	PICNIC BOX	189534	03-01	23-07-2002	10
9	ICE BOX	189535	07-07	23-07-2002	10
10	CASSEROLE	189601	07-02	30-07-2002	10
11	WATER BOTTLE	192131	09-01	20-05-2003	10
12	WATER CARRIER	192294	09-01	09-06-2003	10
13	TIFFIN BOX	192568	07-07	10-07-2003	10
14	MOALISA FLASK	194187	09-01	30-12-2003	10
15	FLASK	194186	09-01	30-12-2003	10
16	CASSEROLE-ARABIAN KNIGHTS	197764	07-02	18-11-2004	10
17	TIFFIN-GENEXT	198287	09-03	13-01-2005	10
18	TIFFIN-CLASSIC	198288	09-03	13-01-2005	10
19	PORCELENO SERVING BOWL	215896	07-01	16-04-2008	10
20	LA OPEL ICE CREAM BOWL	223714	07-01	09-07-2009	10
21	HANNA BOTTLE	229625	09-01	02-06-2010	10
22	WINNIE BOTTLE	229622	09-01	02-06-2010	10
23	HANNA CAP	229624	09-01	02-06-2010	10
24	GLACIER BOTTLE	229617	09-01	02-06-2010	10
25	TWIST N JOY	229619	09-01	02-06-2010	10
26	TWIST N CHEER	229623	09-01	02-06-2010	10
27	TWIST N SPORT	229620	09-01	02-06-2010	10
28	TWIST N SIP	229621	09-01	02-06-2010	10
29	MONTANA CAP	229618	09-01	02-06-2010	10
30	ZIRCON FLASK	231032	09-01	24-08-2010	10
31	MOBILE STAND	232575	14-99	11-11-2010	10

32	PURSER FLASK	234299	09-01	07-02-2011	10
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Trade Mark Applied for

Sr. No	Description	Date of Application	Application Number & Status	Issuing Authority
1	KLIPS LOGO	07-07-2009	1837145	Registrar of Trade Marks

Property

A. The following table sets forth the location and other details of the properties owned our Company:

Unit I

Sr. No.	Details of Deed / Assignment	Description of Property	Area	Consideration as per agreement
1.	Deed of Sale dated February 18, 1999 between Supreme Company Limited and our Company	Land bearing Survey Nos 709/1 and 709/8 situated at Dabhel, Taluka of Daman and District of Daman	1800 Sq. Mtrs.	₹ 3.60 Lacs
2.	Deed of Sale dated February 18, 1999 between Supreme Company Limited and our Company	Land bearing Survey Nos 709/2, 709/4 and 710/13 situated at Dabhel, Taluka of Daman and District of Daman	1700 Sq. Mtrs.	₹ 3.40 Lacs
3.	Deed of Sale dated February 18, 1999 between Supreme Company Limited and our Company	Land bearing Survey Nos 709/3 and 709/9 situated at Dabhel, Taluka of Daman and District of Daman	1400 Sq. Mtrs.	₹ 2.80 Lacs

Unit II

Sr. No.	Details of Deed / Assignment	Description of Property	Area	Consideration as per agreement
1.	Deed of Sale dated July 01, 2005 between Alaska Industries and our Company	Survey No. 679/9, Plot No. 1/C, Maharani Industrial Estate, Somnath Road, Dabhel, Nani Daman, Daman	Plot Area 1850 Sq. Mtrs and Constructed Area 32,000 Sq. Ft.	₹ 175 Lacs

B. The following table sets forth the location and other details of the leasehold properties of our Company:

Sr. No	Description of Property	Name of Lessor	Agreement Date, Lease period	Amount	Total Area	Purpose
1.	113/114, Vivek Industrial Estate, Uswala Road, Cama Estate, Goregaon (East), Mumbai-400063	Mr. Ajay P. Deshlahra	October 1, 2011 Period ending March 31, 2012	Monthly rent of ₹ 20,000 per month	1,504 Sq. Ft.	Registered Office
2.	Plot No. 74/1, 3, 4, 85/1-A, Village Ringanwada, Dabhel, Nani Daman, Daman	Smt. Ruxmaniben Ramanbhai Tandel	June 1, 2011 11 months ending April 30, 2012	Interest free deposit of ₹ 3,75,000 Monthly rent of ₹ 1,25,000 per month	12,500 Sq. Ft.	Depot for Distribution

Insurance

Our Company maintains insurance against various risks inherent in our business activities, including property damage caused by fire, earthquake, flood, explosion and similar catastrophic events that may result in physical damage to or destruction of our equipment or stocks as also burglary insurance. Although we consider our insurance coverage to be of a type and level that is economically prudent, we cannot assure you that we will be able to maintain insurance at rate which we consider commercially reasonable or that such coverage will be adequate to cover any claims that may arise. Overall, we generally maintain insurance covering our assets and operations at levels that we believe to be appropriate for our business.

KEY REGULATIONS AND POLICIES

Our Company is engaged in the manufacturing of plastic injection moulding products. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. The statements below are based on the current provisions of laws, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below are not exhaustive, and are only intended to provide general information to Bidders and is neither designed nor intended to be a substitute for professional legal advice.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act provides for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water, for the establishment, with a view to carrying out the purposes aforesaid, of boards for the prevention and control of water pollution, for conferring on and assigning to such boards powers and functions relating thereto and for matters connected therewith. The Water Act defines —*pollution* as such contamination of water or such alteration of the physical, chemical or biological properties of water or such discharge of any sewage or trade effluent or of any other liquid, gaseous or solid substance into water (whether directly or indirectly) as may, or likely to, create a nuisance or render such water harmful or injurious to public health or safety, or to domestic, commercial, industrial, agricultural or other legitimate uses, or to the life and health of animals or plants or of aquatic organisms. The Water Act envisages establishing a Central Pollution Control Board as well as State Pollution Control Board for prevention and control of water pollution. Accordingly, the previous consent of the board constituted under the Water Act must be obtained, for establishing or taking steps to establish operation or process, or any treatment and disposal system or any extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land. Such previous consent is required for bringing into use any new or altered outlet for the discharge of sewage or for the new discharge of sewage. If at any place where any industry, operation or process, or any treatment and disposal system or any extension or addition thereto is being carried on, due to accident or other unforeseen act or event, any poisonous, noxious or pollution matter is being discharged, or is likely to be discharged into a stream or well or sewer or on land and, as a result of such discharge, the water in any stream or well is being polluted, or is likely to be polluted, then the person in charge of such place shall forthwith intimate the occurrence of such accident, act or event to the Board constituted under the Water Act and such other authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

Pursuant to the provisions of the Air Act, as amended, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Boards required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the SPCBs. The penalties for the failure to comply with the provisions of the Air Act include imprisonment of up to six years and the payment of a fine as may be deemed appropriate. If an area is declared by the State Government to be an air pollution control area, then, no industrial plant may be operated in that area without the prior consent of the SPCB. Under the Air Act, the Central Pollution Control Board has powers, *inter alia*, to specify standards for quality of air, while the SPCBs have powers, *inter alia*, to inspect any control equipment, industrial plant or manufacturing process, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry and to obtain information from any industry.

LABOUR LAWS

India has stringent labour related legislation. We are required to comply with certain labour and industrial laws, which includes the Industries (Development and Regulation) Act, 1951, Industrial Disputes Act 1947, the Employees' Provident Funds and Miscellaneous Provisions Act 1952, the Minimum Wages Act, 1948, the Payment of Bonus Act 1965, Workmen Compensation Act, 1923, the Payment of Gratuity Act, 1972, the Payment of Wages Act, 1936 and the Factories Act, 1948, amongst others.

Factories Act, 1948 ("Factories Act")

The Factories Act defines a factory to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and covers any premises where there are at least 20

workers who may or may not be engaged in an electrically aided manufacturing process. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the 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. Persons who design, manufacture, import or supply articles for use in a factory must ensure the safety of the workers in the factory where the articles are used. If the safety standards of the country where the articles are manufactured are above Indian safety standards, the articles must conform to the relevant foreign standards. There is a prohibition on employing children below the age of fourteen years in a factory. If there is violation of any provisions of the Factories Act or rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment for a term up to two years and/or with a fine up to ₹ 1,00,000 or both, and in case of such violation continuing after conviction, with a fine of up to ₹ 1,000 per day of violation. In case of a contravention which results in death or serious bodily injury, the fine shall not be less than ₹ 25,000 in the case of an accident causing death, and ₹ 5,000 in the case of an accident causing serious bodily injury. In case of contravention after a prior conviction, the term of imprisonment increases up to three years and the fine would be ₹ 200,000 and in case such contravention results in death or serious bodily injury the fine would be a minimum of ₹ 35,000 and ₹ 10,000, respectively.

State specific Shops and Commercial Establishments Acts as applicable

Under various state laws dealing with shops and establishments, any shop or commercial establishment has to obtain a certificate of registration from the supervising inspector and has to comply with certain rules laid down therein. These statutes and rules and regulations framed thereunder regulate the opening and closing hours of shops and commercial establishments, daily and weekly work hours, closing dates and holidays, health and safety of persons working in shops and commercial establishments, payment of wages, maintenance of records and registers by the employers, among others.

Payment of Gratuity Act, 1972 ("Gratuity Act")

Under the Gratuity Act, an employee in a factory is deemed to be in 'continuous service' for a period of at least two hundred forty days in a period of twelve months or one hundred twenty days in a period of six months immediately preceding the date of reckoning, whether or not such service has been interrupted during such period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee. An employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, superannuation, death or disablement. The maximum amount of gratuity payable shall not exceed 3,50,000.

Payment of Bonus Act, 1965 ("Payment of Bonus Act")

Under the Payment of Bonus Act, an employee in a factory who has worked for at least thirty Working Days in a year is eligible to be paid bonus. 'Allocable surplus' is defined as 67% of the available surplus in the financial year, before making arrangements for the payment of dividend out of profit of our Company. The minimum bonus to be paid to each employee is 8.33% of the salary or wage or ₹ 100, whichever is higher, and must be paid irrespective of the existence of any allocable surplus. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to a maximum of 20% of such salary or wage. Contravention of the Payment of Bonus Act by a company will be punishable by proceedings for imprisonment up to six months or a fine up to ₹ 1,000 or both against those individuals in charge at the time of contravention of the Payment of Bonus Act.

Minimum Wages Act, 1948

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the official gazette. Workers are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of up to six months or a fine of up to ₹ 500.

Workmen's Compensation Act, 1923 ("Workmen's Compensation Act")

If personal injury is caused to a workman by accident during employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid if the injury did not disable the workman for three days or the workman was at the time of injury under the influence of drugs or alcohol, or the workman willfully disobeyed safety rules. Where death results from the injury the workman is liable to be paid the higher of 50% of the monthly wages multiplied by the prescribed relevant factor (which bears an inverse ratio to the age of the affected workman, the maximum of which is ₹ 228.54 for a worker aged sixteen years) or ₹ 80,000 whichever is more. Where permanent total disablement results from injury the workman is to be paid the higher of 60% of the monthly wages multiplied by the prescribed relevant factor or ₹ 90,000 whichever is more. The maximum wage which is considered for the purposes of reckoning the compensation is ₹ 4,000. On December 01, 2009, the Indian Parliament passed the Workmen's Compensation Amendment Bill, 2009, which broadens the scope of the Workmen's Compensation Act to include clerical staff, raising the monetary compensation payable in the event of death or permanent disability, and introducing reimbursement for treatment of injuries sustained in course of employment. The restriction of the application of this law to companies with at least twenty employees has been done away with, and it would now be obligatory for compensation commissioners to decide on a claim within three months of an application being filed. Under the Workmen's Compensation Act, it is obligatory for the employers brought within the ambit of the Act to furnish, to the State Governments/Union Territory Administrations, annual returns containing statistics relating to the average number of workers covered under the Act, number of compensated accidents and the amount of compensation paid.

Payment of Wages Act, 1936 ("Payment of Wages Act")

The Payment of Wages Act regulates the period and payment of wages, overtime wages and deductions from wages and also regulates the working hours, overtime, weekly holidays of certain classes of employed persons. It requires the person responsible for payment of wages to maintain certain registers and display of the abstracts of the rules made thereunder. The Act also contains provisions as to the minimum wages that are to be fixed by the appropriate governments for the employees, entitlement of bonus of the employees, fixing the payment of wages to workers and ensuring that such payments are disbursed by the employers within the stipulated time frame and without any unauthorised deductions.

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952 ("EPF Act")

The EPF Act applies to factories employing more than twenty employees and such other establishments and industrial undertakings as notified by the government from time to time. It requires all such establishments to be registered with the relevant state provident fund commissioner. Also, such employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance payable to employees. Employees are also required to make equal contribution to the fund. A monthly return is required to be submitted to the relevant state provident fund commissioner in addition to the maintenance of registers by employers.

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA")

The CLRA regulates the employment, and protects the interests, of workers hired on the basis of individual contracts in certain establishments. In the event any activity is outsourced, and is carried out by labourers hired on contractual basis, compliance with the CLRA including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund. The CLRA regulates the employment of contract labour in certain establishments and provides for its abolition in certain circumstances. It applies:

- To every establishment which does not carry on intermittent/ casual work in which twenty or more workmen are/were employed on any day of the preceding 12 months as contract labour;
- To every contractor who employs, or who employed on any day of the preceding 12 months, twenty or more workmen.

Every Establishment must, within the specified period, apply to the registering officer for registration of the Establishment and obtain a certificate of registration containing such particulars as may be prescribed. Further, a contractor can only undertake or execute any work through contract labour under and in accordance with a licence issued in that behalf by the licensing officer. The license may contain conditions including, in particular, conditions as to hours of work, fixation of wages and other essential amenities in respect of contract labour. The license will be valid for the period specified therein. Every contractor is duty-bound to provide and maintain supply of drinking water, canteens, rest-rooms latrines and urinals, washing facilities, first-aid box in the prescribed manner for contract labour employed in connection with the work of an Establishment to which the Act applies. If such amenities are not provided by the contractor within the prescribed time, such amenities shall

be provided by the principal employer of the Establishment. Contractor shall be responsible for payment of wages to each worker employed by him as contract labour within the prescribed period and in case he fails to do so, the principal employer of the Establishment will be so responsible. Every principal employer and contractor is required to maintain the prescribed records in respect of the contract labour employed.

The Contract Labour (Regulation and Abolition) Central Rules, 1971 (“Contract Labour Rules”)

The Contract Labour Rules were formulated to carry out the purposes of the Contract Labour (Regulation and Abolition) Act, 1970 (—Act) has not been captured. As per the Contract Labour Rules, the application for registration of establishments to which the Act applies shall be made in Form I in triplicate and shall be accompanied by a treasury receipt showing payment of fees. A certificate of registration in Form II containing particulars of the name of the establishment, type of work carried on therein, number of contract labourers employed and other particulars is then issued. Any change in these particulars must be intimated by the principal employer at the establishment within thirty days of such change along with details of such change. Every application for license by the Contractor, made in Form IV, shall be accompanied by a certificate by the principal employer in Form V to the effect that the applicant has been employed by him as a contractor in relation to his establishment. Security as prescribed must also be deposited. Every license granted to the contractor in Form VI is non-transferable and shall contain particulars such as the maximum number of contract labourers employed.

Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 was enacted to provide for the development and regulation of certain industries. Under the applicable provisions of the act, the owner of every existing industrial undertaking, specifically industries manufacturing plastic moulded goods has to register the existing undertaking under section 10 of the said act. Further, an owner of a new industrial undertaking with compliance of section 11 of the said act has to apply for permission from the Central Government for the commencement of such industrial activity and for producing new articles at the same industry the owner of the company has to apply for license under section 11 A of the said Act.

The Industrial Employment (Standing Orders) Act, 1946 (“Standing Orders Act”)

The Standing Orders Act requires employers in industrial establishments, who employ 100 or more workmen to define with sufficient precision the conditions of employment of workmen employed and to make them known to such workmen. The Standing Orders Act requires every employer to which the Standing Orders Act applies to certify and register the draft standing order proposed by such employer in the prescribed manner. However until the draft standing orders are certified, the prescribed standing orders given in the Standing Orders Act must be followed. The standing orders as finally certified under this Act shall be prominently posted by the employer in English and in the language understood by the majority of his workmen on special boards to be maintained for the purpose at or near the entrance through which the majority of workmen enter the industrial establishment and in all departments thereof where the workmen are employed.

Foreign Trade (Development and Regulation) Act, 1992 (The “Foreign Trade Act”)

The Foreign Trade Act was enacted to provide for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India. The Foreign Trade Act prohibits anybody from undertaking any import or export except under an importer-exporter code number granted by the Director General of Foreign Trade.

INTELLERCTUAL PROPERTY LAWS

Trade Marks Act, 1999 (“Trademark Act”)

The Trade Marks Act governs the statutory protection of trademarks in India. In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits the registration of trademarks for goods and services so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style and so forth. Certification marks and collective marks are also registrable under the Trademark Act. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. However, the registration of a trademark that is not inherently distinctive on the basis of intent to use may be difficult to obtain. Applications for a trademark registration may be made for in one or

more international classes. The trademark, once applied for, is advertised in the trademarks journal. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued. The right to use the mark can be exercised either by the registered proprietor or a registered user. The registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored.

The Patents Act, 1970 (“Patents Act”)

The Patents Act is the primary legislation governing patent protection in India. In addition to broadly requiring that an invention satisfy the requirements of novelty, utility and non obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of application for the patent. The Patents Act deems that computer programs per se are not ‘inventions’ and are therefore, not entitled to patent protection. This position was diluted by The Patents Amendment Ordinance, 2004, which included as patentable subject matter:

1. Technical applications of computer programs to industry; and
2. Combinations of computer programs with the hardware.

However, the Patents Amendment Act, 2005, does not include this specific amendment and consequently, the Patents Act, as it currently stands, disentitles computer programs *per se* from patent protection. The public use or publication of an invention prior to the making of an application for a patent, may disentitle the said invention to patent protection on grounds of lack of novelty. Under the Patents Act, an invention will be regarded as having ceased to be novel (and hence not patentable), *inter alia*, by the existence of:

1. Any earlier patent on such invention in any country;
2. Prior publication of information relating to such invention;
3. An earlier product showing the same invention; or
4. A prior disclosure or use of the invention that is sought to be patented.

Following its amendment by the Patents Amendment Act, 2005, the Patents Act permits opposition to grant of a patent to be made, both pre-grant and post-grant. The grounds for such patent opposition proceedings, *inter alia*, include lack of novelty, inventiveness and industrial applicability, non-disclosure or incorrect mention of source and geographical origin of biological material used in the invention and anticipation of invention by knowledge (oral or otherwise) available within any local or indigenous community in India or elsewhere. The Patents Act also prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. Following a patent application in India, a resident must wait for six weeks prior to making a foreign application or may obtain the written permission of the Controller of Patents to make foreign applications prior to this six week period. The Controller of Patents is required to obtain the prior consent of the Central Government before granting any such permission in respect of inventions relevant for defense purpose or atomic energy. This prohibition on foreign applications does not apply, however, to an invention for which a patent application has first been filed in a country outside India by a person resident outside India.

HISTORY AND CERTAIN CORPORATE MATTERS

History of our Company

Our Company was incorporated as 'Thermoplast Industries Private Limited' under the Companies Act, pursuant to a Certificate of Incorporation dated January 14, 1999 issued by the Assistant Registrar of Companies Maharashtra at Mumbai. The name of our Company was further changed to Bluplast Industries Private Limited vide fresh certificate of incorporation issued by Registrar of Companies, Maharashtra. Subsequently our Company was converted into a Public Limited Company on July 14, 2005 and the name was changed to Bluplast Industries Limited. Our corporate identification number is U25200MH1999PLC117874.

The Promoters of our Company are Mr. Kamlesh L. Jain, Mr. Indermal P. Jain, Mrs. Rekha K. Jain and Mrs. Nayana I. Jain. Our Company is engaged in the manufacturing of Plastic Thermoware, Vacuumware, Insulatedware, Kitchenware, Utilities, Pet Products, Gifts, Novelty and other household products.

The manufacturing plant of our Company was set up at Daman (in Union Territory of Daman and Diu) with an initial capacity of 1940 MTPA, which has, over a period of time, been increased up to 4,500 MTPA. In July 2005, the Company acquired the business of Alaska Industries, a group concern, having manufacturing capacity of up to 900 MTPA. During FY 2006-07 our Company increase the installed capacity to 9,000 MTPA. During FY 2009-10 our Company increase the installed capacity to 9100 MTPA. During FY 2010-11 our Company increase the installed capacity to 12,100 MTPA.

The company has entered into business purchase agreement dated July 01, 2005 with M/s Alaska Industries to take over the business concern for a total consideration of Rs 300 lakhs. The value of the land & building was ₹ 175 lacs for an area of 1850 sq.mts. The plant & machinery was valued at ₹ 125 lacs. The company has taken term loan of ₹ 150 lacs from Axis Bank Limited for purchasing land & building and the balance ₹ 150 lacs was contributed by Promoters. Alaska Industries has transferred and the Company has assumed all the assets and liabilities of Alaska for the consideration and on the terms and conditions contained therein.

Our Company had earlier filed its Draft Red Herring Prospectus with SEBI under the current Promoters in January 2006. We received SEBI's observation vide their letter no. CDF/DIL/ISSUES/PB/PR/62387 dated March 10, 2006. The issue opened for subscription on June 5, 2006, we in consultation to our then lead managers decided to withdraw our IPO due to poor response from the investors and adverse market conditions. During the earlier IPO our Company had conceived the project of PVC wood composite products; however our Company shelved the project after the failure of earlier IPO.

Our restated turnover and profitability for the past five financial years is given as under:

Particulars	March 31, 2007	March 31, 2008	March 31, 2009	March 31, 2010	March 31, 2011	October 31, 2011
Net Sales	7,497.32	8,650.96	8,940.14	11,644.80	13,182.86	10,149.70
Profit/(Loss) after tax	110.03	117.96	97.55	118.11	85.17	201.11

For further details of our Company's activities, products and the growth of our Company, please refer to the chapters titled "Our Business" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on pages 84 and 151 respectively, of the Draft Red Herring Prospectus respectively.

Changes in our Registered Office:

Our Company's Registered Office is currently situated at 113/114, Vivek Industrial Estate, Uswala Road, Cama Estate, Goregaon (East), Mumbai – 400 063. Details of changes in the address of the Registered Office of our Company are set forth as under:

From	To	Effective Date	Reason
108, Udyog Bhavan, Sharma Industrial Estate, Goregaon (East), Mumbai - 400063	113/114, Vivek Industrial Estate, Uswala Road, Cama Estate, Goregaon (East), Mumbai-400063	April 01, 2001	For administrative convenience

The total number of members of our Company as on the date of filing of the Draft Red Herring Prospectus is 13.

For further details, please refer the chapter titled ‘*Capital Structure*’ beginning on page 46 of the Draft Red Herring Prospectus.

Main Objects of our Company:

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To carry on business of manufacturing, Traders, processing, extrusioning, moulding, colouring, dipping, assembling, exporting, importing, buying, selling, dealing, as agents, distributors and dealers in plastic materials, articles, plastic home appliances goods, products, substances, appliance, apparels, containers, packing and plastic pen materials, toys, bottles, foot wears, furniture, pipe and fittings, bangles, storage tanks made from plastic, plastic materials, resins, rubber, materials including polyethylene, cellulose, acetate moulding powder, polystyrene, PET polyvinyl chloride polycarbonate, polystyrene, PET polyvinyl chloride polycarbonate, polypropylene and copolymer epoxy resins composites, thermosetting, materials, polyol, isocyanate of from other materials or combination of the same and to be used by consumers, industrial, household, government, commercial railway or for defence need and purposes.

2. To carry on the business of manufacturing, processing, assembling, exporting, importing, buying, selling dealing as agent distributors and dealers in Plastic Thermo ware Articles and Vacuum Flasks to be used by consumers, industrial Government for commercial and household purpose.

2A. To carry on in India or abroad the business as manufacturers, producers, processors, makers, inventors, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, subagents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in fast, safe, precise, efficient, flameless, energy savings, easy cleaning, attractive and compact induction based cooking technology, zone less induction range, using electromagnetic mechanism on iron and/or steel surface kitchenware items of all types, shapes and sizes, viz. cookers, non stick cookware, anodized cookware, frying pans, cook tops, vessels, containers, buckets, toasters, mixers, grinders, rice cooker, ovens, flat panels and all related cooking range of items.

Amendments to the MoA of our Company since Incorporation:

Since incorporation, the following amendments have been made to the MoA of our Company:

Sr. No.	Particulars of Change	Date of Shareholders' Meeting	AGM/EGM
1.	Increase in Authorised Capital Increase in the Authorised Share Capital of our Company from ₹ 25,00,000 to ₹ 1,75,00,000	October 04, 1999	EGM
2.	Increase in Authorised Capital Increase in the Authorised Share Capital of our Company from ₹ 1,75,00,000 to ₹ 5,00,00,000	February 07, 2005	EGM
3.	Change in Main Objects Clause: By Addition following as Clause 2A “2A. To carry on the business of manufacturer, trader, dealer, exporter, importer, broker, commission agent of wood, plastic and wood composite profile, door frame, window frame, wall board, floor board, sheets, decorative strips made of plastic and wood composite, or wood or any other articles in the manufacture of which wood or plastic plus wood composite is used, including furniture and interior decoration which may seem to the Company capable of being conveniently carried on in connection with any of the above whether directly or indirectly to render profitable or to enhance the value of the Company’s property of right for the time being.”	February 07, 2005	EGM
4.	Name of the Company changed from Thermoplast Industries Private Limited to Bluplast Industries Private Limited.	March 11, 2005	EGM

Sr. No.	Particulars of Change	Date of Shareholders' Meeting	AGM/EGM
5.	Name of the Company changed from Bluplast Industries Private Limited to Bluplast Industries Limited.	July 14, 2005	EGM
6.	Increase in Authorised Capital Increase in the Authorised Share Capital of our Company from ₹ 5,00,00,000 to ₹ 10,00,00,000	July 25, 2005	EGM
7.	Increase in Authorised Capital Increase in the Authorised Share Capital of our Company from ₹ 10,00,00,000 to ₹ 20,00,00,000	September 12, 2005	EGM
8.	Change in Main Objects Clause: By replacing the Clause 2A with the following new Clause: "To carry on in India or abroad the business as manufacturers, producers, processors, makers, inventors, convertors, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, subagents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in fast, safe, precise, efficient, flameless, energy savings, easy cleaning, attractive and compact induction based cooking technology, zone less induction range, using electromagnetic mechanism on iron and/or steel surface kitchenware items of all types, shapes and sizes, viz. cookers, non stick cookware, anodized cookware, frying pans, cook tops, vessels, containers, buckets, toasters, mixers, grinders, rice cooker, ovens, flat panels and all related cooking range of items."	October 22, 2011	EGM

Key Events and Milestones:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Particulars
1999	Incorporation of the Company as "Thermoplast Industries Private Limited"
2000	Commencement of commercial production at its unit at Daman
2005	Change of name to "Bluplast Industries Private Limited"
2005	Conversion into a Public Limited Company as "Bluplast Industries Limited"
2005	Company has acquired the business and assets of Alaska Industries which has an installed capacity of 900 MTPA
2007	Increased the installed capacity to 9,000 MTPA
2010	Installed capacity was increased to 12,100 MTPA

Subsidiaries and Holding Company:

As on the date of the Draft Red Herring Prospectus our Company does not have any subsidiary company and our Company is not a subsidiary of any company.

Other Agreements

Our Company (licensee) has entered into a Agreement for Mark Licence User dated April 01, 2011 with Bluplast Corporation (licensor) for the assignment of the trademark 'Bluplast' in favour of our Company for a period of five years w.e.f. April 01, 2011. In consideration of the exclusive right to use of licensed rights specified in the agreement, licensee shall pay to the licensor an Interest Free Deposit of ₹ 3,60,00,000 (Rupees Three Crore Sixty Lakhs only)

Funds raising through equity or debt:

For details in relation to our funds raising activities through equity and debt, please refer to the chapters titled

'Financial Indebtedness' and *'Capital Structure'* beginning on pages 160 and 46 respectively, of the Draft Red Herring Prospectus.

Revaluation of assets:

Our Company has not revalued its assets since its incorporation.

Changes in the activities of our Company during the preceding five years:

There has been no change in the activities being carried out by our Company during the preceding five years from the date of the Draft Red Herring Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Injunctions or Restraining Orders:

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

Defaults or Rescheduling of borrowings with financial institutions / banks:

There have been no defaults or rescheduling of borrowings with the financial institutions / banks as on the date of the Draft Red Herring Prospectus.

Strikes and lock-outs:

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of the Draft Red Herring Prospectus, our employees are not unionized.

Time and cost overruns in setting up projects:

As on the date of the Draft Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company. However, during the earlier IPO our Company had conceived the project of PVC wood composite products; however our Company shelved the project after the failure of earlier IPO.

Shareholders' agreement:

Our Company does not have any subsisting shareholders' agreement as on the date of the Draft Red Herring Prospectus.

Strategic Partners:

Our Company does not have any strategic partner(s) as on the date of the Draft Red Herring Prospectus.

Financial Partners:

As on the date of the Draft Red Herring Prospectus our Company does not have any other financial partners.

OUR MANAGEMENT

As per the Articles of Association of our Company, our Board is required to have not less than three Directors and not more than twelve Directors. As on the date of the Draft Red Herring Prospectus, our Board consists of six Directors. The Managing Director of our Company Mr. Kamlesh L. Jain is an Executive Director. Further, apart from our Chairman and Managing Director, our Board has one Executive Director, one Non Executive Director and in compliance with the requirements of clause 49 of the Listing Agreement, three Independent Directors.

Our Board

The following table sets forth the details regarding our Board of Directors as on the date of the Draft Red Herring Prospectus.

Sr. No.	Name, Nationality, Age, Designation, Occupation and Address, DIN	Date of Appointment as Director and Term of Office	Other Directorships
1.	Mr. Kamlesh L. Jain <i>Designation:</i> Managing Director <i>(Executive and Non Independent)</i> <i>Address:</i> 102, Indra Puri S.V. Road, Goregaon (West) Mumbai - 400 104, Maharashtra. <i>Nationality:</i> Indian <i>Age:</i> 52 years <i>Occupation:</i> Business <i>DIN:</i> 01001335	<i>Date of appointment:</i> February 27, 1999 <i>Term:</i> Reappointed as Managing Director for a period of three years commencing from September 2, 2010.	<i>Public Limited Companies:</i> Nil <i>Private Limited Companies:</i> Bluplast Moulders Private Limited
2.	Mr. Indermal P. Jain <i>Designation:</i> Whole Time Director <i>Joint Managing Director</i> <i>(Executive and Non Independent)</i> <i>Address:</i> Flat No. 402 Evershine Aangan CHSL Jawahar Nagar, Opp. Cinemax S.V. Road, Goregaon (West) Mumbai – 400 062, Maharashtra. <i>Nationality:</i> Indian <i>Age:</i> 48 years <i>Occupation:</i> Business <i>DIN:</i> 00094566	<i>Date of appointment:</i> January 14, 1999 <i>Term:</i> Appointed as a Wholtime Director for a period of 3 years commencing from September 2, 2010. Liable to retire by rotation	<i>Public Limited Companies:</i> Nil <i>Private Limited Companies:</i> Bluplast Moulders Private Limited
3.	Mr. Prince H. Jain <i>Designation:</i> Director <i>(Non-executive and Non- Independent)</i> <i>Address:</i> 1804, Gurukul Tower, Jaywant Sawant Road	<i>Date of appointment:</i> August 10, 2005. <i>Term:</i> Liable to retire by rotation	<i>Public Limited Companies:</i> Nil <i>Private Limited Companies:</i> Nil

Sr. No.	Name, Designation, Address, Date of Appointment as Director and Term of Office	Other Directorships
	<p>Dahisar (West) Mumbai – 400 068, Maharashtra.</p> <p><i>Nationality:</i> Indian</p> <p><i>Age:</i> 36 years</p> <p><i>Occupation:</i> Business</p> <p><i>DIN:</i> 01210731</p>	
4.	<p>Mr. Shivram U. Choudhary</p> <p><i>Designation:</i> Director (Independent Director)</p> <p><i>Address:</i> DU-8, Shri Apartment Jayprakash Nagar Road No. 3 Goregaon (East) Mumbai – 400 063.</p> <p><i>Nationality:</i> Indian</p> <p><i>Age:</i> 56 years</p> <p><i>Occupation:</i> Tax Practitioner</p> <p><i>DIN:</i> 05138828</p>	<p><i>Date of appointment:</i> December 1, 2011.</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Public Limited Companies:</i> Nil</p> <p><i>Private Limited Companies:</i> Nil</p>
5.	<p>Mr. Anandilal Jailal Oza</p> <p><i>Designation:</i> Director (Independent Director)</p> <p><i>Address:</i> A/19, Valmiki Sadan Rani Sati Marg Malad (East) Mumbai – 400 097.</p> <p><i>Nationality:</i> Indian</p> <p><i>Age:</i> 62 years</p> <p><i>Occupation:</i> Business</p> <p><i>DIN:</i> 05150093</p>	<p><i>Date of appointment:</i> December 1, 2011.</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Public Limited Companies:</i> Nil</p> <p><i>Private Limited Companies:</i> Nil</p>
6.	<p>Mr. Jitendra K. Gala</p> <p><i>Designation:</i> Director (Independent Director)</p> <p><i>Address:</i> 1001, 10th Floor Sea Legend Building Juhu Versova Link Road Seven Bungalows Andheri (West)</p>	<p><i>Date of appointment:</i> December 1, 2011.</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Public Limited Companies:</i> Nil</p> <p><i>Private Limited Companies:</i> Nil</p>

Sr. No.	Name, Nationality, Age, Occupation and DIN	Designation, Address, and Office	Date of Appointment as Director and Term of Office	Other Directorships
	Mumbai – 400 061.			
	Nationality: Indian			
	Age: 55 years			
	Occupation: Business			
	DIN: 05151648			

As on the date of the Draft Red Herring Prospectus:

1. None of the above mentioned Directors are on the RBI List of wilful defaulters.
2. None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
3. None of the Promoters, Directors or persons in control of our Company, has 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 SEBI or any other regulatory authority.
4. None of our Directors are/were directors of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
5. There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.
6. There are no service contracts entered into by and between our Directors and our Company whereby benefits would be provided upon termination of employment.

Brief Profile of our Directors

Mr. Kamlesh L. Jain, Managing Director

For a brief profile of our Promoter Director Mr. Kamlesh L. Jain please refer to the chapter titled '*Our Promoters and Promoter Group*' beginning on page 121 of the Draft Red Herring Prospectus.

Mr. Indermal P. Jain, Whole Time Director

For a brief profile of our Promoter Director Mr. Indermal P. Jain please refer to the chapter titled '*Our Promoters and Promoter Group*' beginning on page 121 of the Draft Red Herring Prospectus.

Mr. Prince H. Jain, Director

Mr. Prince H. Jain aged 35 years is the Non Executive Director of our Company. He is a Commerce graduate from Mumbai University. He is having Diploma in Sales & Marketing Management from National Institute of Sales, Mumbai. He started his career as a Sales representative of TTK Prestige Limited in January 1997 and then joined Gillette India Limited in July 2001. He started his own proprietorship concern Radiance Marketing in July 2001 which was engaged in the business of distribution of FMCG products. He joined Bluplast Group in the year 2002 and is currently the Non Executive Director of our Company.

Mr. Shivram U. Choudhary, Independent Director

Mr. Shivram U. Chaudhary, aged 56, is an Independent Director of our Company. He holds Bachelor's degree in Commerce from Rajasthan University and has also cleared his Intermediate stage examinations from the Institute of Chartered Accountants of India. A Sales Tax and Income Tax practitioner, he has 28 years of

experience in taxation and accounts related matters and is the proprietor of his tax practising firm, Chaudhary & Co. He was appointed as the Independent Director of our Company on December 01, 2011. He has not been paid any sitting fees / remuneration for the financial year 2010 – 2011, as he was appointed on our Board in the financial year 2011 – 2012.

Mr. Anandilal Jailal Oza, Independent Director

Mr. Anandilal Oza, aged 62, is an Independent Director of our Company. He holds a Bachelors Degree in Science from University of Mumbai. He worked in the pharmaceutical industry after completing his studies and gained experience in Fine Chemicals and Tablets division. He last worked with Unichem Laboratories Limited before starting his own proprietary concern Vinplast Industries in 1987, which is into Acrylic Sheet processing. He is the past President of the The Small Scale Acrylic Plastics Products Mfrs. Association and is currently the Vice President (West Zone) of the All India Plastic Manufacturers' Association. He was appointed as the Independent Director of our Company on December 01, 2011. He has not been paid any sitting fees / remuneration for the financial year 2010 – 2011, as he was appointed on our Board in the financial year 2011 – 2012.

Mr. Jitendra K. Gala, Independent Director

Mr. Jitendra K Gala, aged 55, is an Independent Director of our Company. He is a Commerce Graduate from the University of Mumbai. In the year 1979, he started his proprietary business of manufacturing and trading in utensils. He continued his business till the year 1984, after which Mr. Gala got into manufacturing of water purification systems, including ceramic candles. He is the proprietor of Arunoday Ceramics which manufacture and deal in water purification system, ceramic candles and other ceramic sanitaryware. He was appointed as the Independent Director of our Company on December 17, 2011. He has not been paid any sitting fees / remuneration for the financial year 2010 – 2011, as he was appointed on our Board in the financial year 2011 – 2012.

Family Relationship between our Directors

None of our Directors are “relatives” within the meaning of section 6 of the Companies Act except as stated below:

Name	Director to whom related	Nature of Relationship
Mr. Kamlesh L. Jain	Mr. Indermal P. Jain	Brothers
Mr. Indermal P. Jain	Mr. Kamlesh L. Jain	

Borrowing powers of our Board

Pursuant to an ordinary resolution passed at the EGM of our shareholders held on October 22, 2011 our Directors were authorised to borrow from time to time a sum not exceeding ₹ 200 crore on behalf of our Company, pursuant to the provisions of Section 293(1)(d) of the Companies Act.

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled ‘*Main Provisions of the Articles of Association*’ beginning on page 221 of the Draft Red Herring Prospectus.

Remuneration / Compensation and benefits of our Directors

The Remuneration of our Managing Director and Whole Time Director was decided in the Extra-Ordinary General meeting held on September 2, 2010.

1. Mr. Kamlesh L. Jain, Managing Director

Salary: ₹ 12,00,000 per annum i.e. ₹ 1,00,000 per month.

Perquisites: Shall be as per details given below subject to ceiling laid down in schedule XII of the Companies Act, 1956:

- 1) Medical Reimbursement: Medical benefits for himself and his family including wife, children and dependent parents as per the rules of the Company.

- 2) Leave Travel Concession: Leave Travel Concession shall be once in a year for himself and his family including wife, children and dependent parents subject to a ceiling of one month's salary in a year or five months salary over a period of Five Years.
- 3) Medical Treatment outside India: Payment for the purpose of Medical Treatment outside of an amount of ₹ 5,00,000/- per annum and also reimbursement of actual travel expenses and lodging / boarding expenses incurred on himself and attendant for a period not exceeding 45 days in a year.
- 4) Club Fees: Fees of Two Clubs, This will not include admission and life membership fees.
- 5) Personal Accident insurance: Annual Premium not to exceed ₹ 4,000/-
- 6) Bonus: Bonus as per policy of the Company subject to a maximum of two months salary in a year.

1. Mr. Indermal P. Jain, Whole Time Director

Salary: ₹ 12,00,000 per annum i.e. ₹ 1,00,000 per month.

Perquisites: Shall be as per details given below subject to ceiling laid down in schedule XII of the Companies Act, 1956:

- 1) Medical Reimbursement: Medical benefits for himself and his family including wife, children and dependent parents as per the rules of the Company.
- 2) Leave Travel Concession: Leave Travel Concession shall be once in a year for himself and his family including wife, children and dependent parents subject to a ceiling of one month's salary in a year or five months salary over a period of Five Years.
- 3) Medical Treatment outside India: Payment for the purpose of Medical Treatment outside of an amount of ₹ 5,00,000/- per annum and also reimbursement of actual travel expenses and lodging / boarding expenses incurred on himself and attendant for a period not exceeding 45 days in a year.
- 4) Club Fees: Fees of Two Clubs, This will not include admission and life membership fees.
- 5) Personal Accident insurance: Annual Premium not to exceed ₹ 4,000/-
- 6) Bonus: Bonus as per policy of the Company subject to a maximum of two months salary in a year.

Non-Executive Directors

Our Independent Directors are not entitled to any sitting fees for attending meetings of the Board, or of any committee of the Board.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to 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. Ms. Rakhi R. Kabra, Company Secretary is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

Shareholding of Directors

As per the Articles of Association of our Company, our Directors are not required to hold any qualification shares in our Company. The following table details the shareholding of our Directors in their personal capacity and either as sole or first holder, as on the date of the Draft Red Herring Prospectus:

Sr. No.	Name of the Directors	No. of Equity Shares held	Percentage (%) of pre-issue Equity Share in our Company
1.	Mr. Kamlesh L. Jain	32,91,324	42.65%
2.	Mr. Indermal P. Jain	32,29,910	41.86%
3.	Mr. Prince H. Jain	--	--
4.	Mr. Shivram U. Choudhary	--	--
5.	Mr. Anandilal Jailal Oza	--	--
6.	Mr. Jitendra K. Gala	--	--
	Total	65,21,234	84.51%

Interest of Directors

Interest of Promoters, Directors and Key Managerial Personnel

Our Directors may be deemed to be interested to the extent of remuneration payable to them for their services as Managing Director / Whole Time Director of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received / paid or any loan or advances provided to any body corporate including companies and firms, in which they are interested as directors, members or partners.

The Directors may also be regarded as interested to the extent of the Equity Shares held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to the companies, firms, trusts, in which they are interested as Directors, members, partners and Promoters, pursuant to this Issue. The Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with any either the Director himself, other company in which they hold directorships or any partnership firm in which they are partners, as declared in their respective declarations.

Our Directors do not have any interest in any property acquired by our Company in a period of two years before the date of the Draft Red Herring Prospectus or proposed to be acquired by us as on the date of the Draft Red Herring Prospectus. For further details, please refer to the paragraph titled '*Our Property*' in the chapter titled '*Our Business*' beginning on page 84 of the Draft Red Herring Prospectus.

Further, save and except as stated otherwise under the paragraph titled '*Shareholding of Directors*' in the chapter titled '*Our Management*' beginning on page 108 of the Draft Red Herring Prospectus; in '*Annexure - XV*' under chapter titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus and under the paragraphs titled '*Interest of Promoters in our Company*' and '*Common Pursuits*' in the chapters titled '*Our Promoters and Promoter Group*' and '*Our Group Entities*' beginning on pages 121 and 125 respectively, of the Draft Red Herring Prospectus respectively, our Directors do not have any other interests in our Company as on the date of the Draft Red Herring Prospectus.

Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Changes in the Board of Directors during the last three years

Save and except as mentioned herein below, there had been no change in the constitution of our Board during the last 3 years:

Name of the Director	Date of Appointment	Date of Cessation	Remarks
Mr. Shivram U. Choudhary	December 1, 2011	N.A.	Appointed
Mr. Anandilal Jailal Oza	December 1, 2011	N.A.	Appointed
Mr. Jitendra K. Gala	December 17, 2011	N.A.	Appointed

CORPORATE GOVERNANCE

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. Our Company has complied with the provisions of Clause 49 of Listing Agreement in respect of Corporate Governance especially with respect to the appointment of Independent Directors, constituting the Committees such as Shareholders/Investors Grievance Committee, Audit Committee and Remuneration Committee. Our Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges.

Composition of the Board of Directors

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in Clause 49 of the Listing Agreement. Our Board has five Directors out of which three are independent directors in accordance with the requirement of clause 49 of the Listing Agreement.

In terms of the Clause 49 of the Listing Agreement, our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Remuneration Committee
3. Shareholders'/ Investors' Grievances Committee

To enable efficient functioning with regards to the activities relating to this Issue we have constituted an IPO Committee.

Audit Committee

Our Board constituted an Audit Committee in accordance with Clause 49 of the Listing Agreement. The Audit Committee was reconstituted at a meeting of the Board of Directors held on December 17, 2011.

The terms of reference of Audit Committee comply with the requirements of Clause 49 of the Listing Agreement, which will be entered into with the Stock Exchanges in due course. The committee consists of the following Directors:

Sr. No.	Name	Designation	Nature of Directorship
1.	Mr. Shivram U. Choudhary	Chairman	Independent Director
2.	Mr. Jitendra K. Gala	Member	Independent Director
3.	Mr. Prince H. Jain	Member	Non Executive Director

Our Company Secretary, Ms. Rakhi R Kabra will act as the secretary of the Committee.

The terms of reference of our Audit Committee are given below:

1. Overseeing the 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 the statutory auditors for any other services rendered by the statutory auditors.
4. Appointment, removal and terms of remuneration of internal auditor.
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference, but not restricted to:
 - a. Matters required to be included in the Director's Responsibility Statement' to be included in our Board's report in terms of Clause (2AA) of Section 217 of the Companies Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to the financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.

6. Reviewing, with the management, the quarterly financial statements before submission to the board of directors for their approval, including such review as may be required for compliance with provisions of the listing agreement entered into with the Stock Exchanges;
7. Monitoring the, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
9. 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.
10. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
11. Discussing with internal auditors on any significant findings and follow up thereon.
12. 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.
13. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
14. 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.
15. To review the functioning of the 'whistle blower' mechanism, when the same is adopted by our Company and is existing.
16. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
17. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;
18. The Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial information and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Audit Committee, reasons for disagreement shall have to be minuted in the Board Meeting and the same has to be communicated to the shareholders. The chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

REMUNERATION COMMITTEE

Pursuant to the provisions of Clause 49 of the Listing Agreement, the constitution of the Remuneration Committee was approved at a meeting of the Board of Directors held on December 17, 2011

The terms of reference of Remuneration Committee comply with the requirements of Clause 49 of the Listing Agreement, which will be entered into with the Stock Exchanges in due course. The committee consists of three independent Directors.

The Remuneration Committee has been constituted with the following Directors:

Sr. No.	Name	Designation	Nature of Directorship
1.	Mr. Shivram U. Choudhary	Chairman	Independent Director
2.	Mr. Anandilal Jailal Oza	Member	Independent Director
3.	Mr. Jitendra K. Gala	Member	Independent Director

Our Company Secretary, Ms. Rakhi R Kabra will act as the secretary of the Committee.

The terms of reference of our Remuneration Committee are given below:

1. to ensure that our Company has formal and transparent procedures for the selection and appointment of new directors to the board and succession plans;
2. to develop and implement a plan for identifying and assessing competencies of directors;
3. to identify individuals who are qualified to become board members, taking into account a variety of factors, including, but not limited to:
 - a) the range of skills currently represented on the board;
 - b) the skills, expertise, experience (including commercial and/or industry experience) and particular qualities that make individuals suitable to be a director of our Company; and/or
 - c) the individual's understanding of technical, accounting, finance and legal matters;
4. to make recommendations for the appointment and removal of directors;
5. ensure that our Company has in place a programme for the effective induction of new directors;
6. to review, on an ongoing basis, the structure of the board, its committees and their inter relationship;
7. 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.);
8. to be authorised 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;
9. to implement, supervise and administer any share or stock option scheme of our Company; and
10. to attend to any other responsibility as may be entrusted by the Board within the terms of reference."

SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE

The Shareholders' / Investors' Grievance Committee has been formed by the Board of Directors at the meeting held on December 17, 2011 in compliance with Clause 49 of the Listing Agreement. The Shareholders' / Investors' Grievance Committee has been constituted with the following Directors:

Sr. No.	Name	Designation	Nature of Directorship
1.	Mr. Shivram U. Choudhary	Chairman	Independent Director
2.	Mr. Kamlesh L. Jain	Member	Non Independent & Executive Director
3.	Mr. Jitendra K. Gala	Member	Independent Director

Our Company Secretary, Ms. Rakhi R Kabra will act as the secretary of the Committee.

The terms of reference of our Shareholders' / Investors Grievance Committee are given below:

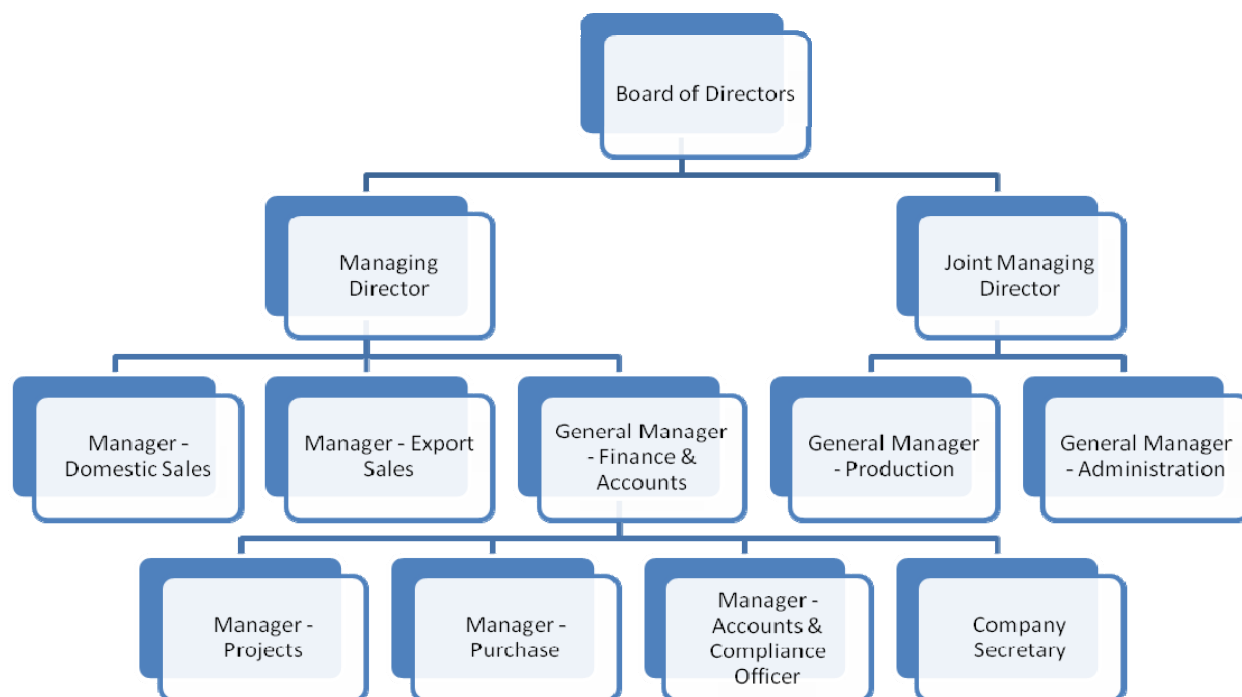
“To allot the Equity Shares of the Company, and to supervise and ensure:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholders and investor complaints in relation to transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends etc;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares
4. Issue of duplicate / split / consolidated share certificates;
5. Allotment and listing of shares;
6. Review of cases for refusal of transfer / transmission of shares and debentures;
7. Reference to statutory and regulatory authorities regarding investor grievances;
8. Ensure proper and timely attendance and redressal of investor queries and grievances.
9. To do all such acts, things or deeds as may be necessary or incidental to the exercise of all the above powers.”

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's shares on the Stock Exchanges. Our Company Secretary 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 Organisational chart of our Company



Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Mr. Satyanarayan Parashar, General Manager – Finance & Accounts

Mr. Satyanarayan Parashar, aged 38 years, is the General Manager – Finance & Accounts of our Company. Mr. Parashar has obtained a Bachelor's degree in Commerce from M.D.S. University, Ajmer. He is a semi qualified from the Institute of Chartered Accountants of India. He joined our Company on December 1, 2006. He has approximately 17 years of experience in finance and accounting. Prior to joining our Company, he was associated M/s Vedic Ayurvediya, Kanpur. He has also previously worked as independent accounting and finance consultant. Mr. Parashar is currently responsible for working capital finance management, accounts finalisation and operational cash flow management. The gross remuneration paid to him during financial year 2010 – 2011 was ₹ 4.21 Lacs.

Mr. Viral Jain, Manager - Project

Mr. Viral Jain, aged 24 years, is the Manager – Project of our Company. Mr. Viral has obtained a BA (Hons.) in Management from the University of Leeds and Masters of Science in Supply Chain, Trade & Finance from Cass Business School of City University, London. He has about two years of experience in investment banking from working at Ladderup Corporate Advisory Private Limited. He joined our company on November 01, 2011. He is currently responsible for implementation of Non-stick cookware project. As Mr. Viral was appointed in financial year 2011 – 2012, no remuneration was paid to him by our Company in financial year 2010 – 2011.

Mr. Vasant H Purohit, General Manager - Administration

Mr. Vasant H Purohit, aged 41 years, is a Commerce graduate. He joined the Company on December 14, 2000. He is presently working as General Manager-Administration. He has been associated with the group Company since 1994. He is responsible for entire administration of both our plants. He is having an overall experience of 16 years in administration and coordination. The gross remuneration paid to him during financial year 2010 – 2011 was ₹ 2.20 Lacs.

Mr. Sunil Suthar, General Manager - Production

Mr. Sunil Suthar, aged 43 years, is a Science graduate from Gujarat University and has also completed his Post Graduate Diploma in Plastic Processing Technology from CIPET Ahmedabad. He joined the Company on August 30, 2007. He is presently working as General Manager- Production. He has previously worked with Cello International Limited and Cello Plast. He is responsible for production planning for both our plants. He is having an overall experience of 19 years in plastic industry. The gross remuneration paid to him during financial year 2010 – 2011 was ₹ 2.91 Lacs.

Mr. Omprakash Dave, Manager Sales - Domestic

Mr. Omprakash Dave aged 54 years, is Under Graduate in Commerce Stream. He had joined bluplast group in June 1986 as Sales Executive. He has been associated with our Company since December 1, 1999. He has more than 25 years of experience in marketing in the plastic industry. He is responsible for domestic sales and marketing. His previous employment was with M/s Navalmal Gulabchand Suiting (Distributors of Gwalior Suiting). The gross remuneration paid to him during financial year 2010 – 2011 was ₹ 3.00 Lacs.

Mr. Mrityunjay Upadhyay, Manager Sales - Export

Mr. Mrityunjay Upadhyay, aged 41 years is a B.A. from Banaras Hindu University and Master in Business Administration from University of Allahabad. He joined the Company on December 13, 2010. He looks after the entire export sales of our Company. He has experience 16 years in exports. He is presently working as Manager Sales - Export. He was previously employed with Pragati Glass Gulf LLC., Aristo Exports. The gross remuneration paid to him during financial year 2010 – 2011 was ₹ 0.70 Lacs.

Mr. Martin Godinho, Manager - Accounts

Mr. Martin Godinho, aged 39 years, is the Manager - Accounts of our Company. Mr. Godinho has obtained a Bachelor's degree in Commerce from Mumbai University. He has been associated with our Company since incorporation. He has approximately 14 years of experience in accounting including finalisation of accounts. Prior to joining our Company, he was associated with Alaska Industries, Neelam Plastic Industries and Super Plast Colours. Mr. Godinho is currently responsible for complete accounting including finalisation of accounts. The gross remuneration paid to him during financial year 2010 – 2011 was ₹ 3.07 Lacs.

Mr. Rameshkumar Jain, Manager - Purchase

Mr. Rameshkumar Jain, aged 47 years is an undergraduate. He joined the Company on March 25, 2000. He is responsible for managing the purchase function as per the requirements of our plants. He has experience of over 14 years in purchase. He is presently working as Manager - Purchase. He was previously employed with Bluplast Corporation. The gross remuneration paid to him during financial year 2010 – 2011 was ₹ 1.50 Lacs.

Ms. Rakhi R Kabra, Company Secretary

Ms. Rakhi R Kabra, aged 24 years, is the Company Secretary of our Company. She has obtained a Bachelor's degree in Commerce from Mumbai University. She is the member of The Institute of Company Secretaries of India. She joined our Company as a Company Secretary on December 1, 2011. She has previously worked with Reliance Industries Limited as management trainee. She is currently responsible for secretarial work of our Company. As Ms. Rakhi was appointed in financial year 2011 – 2012, no remuneration was paid to him by our Company in financial year 2010 – 2011.

Notes:

- All the Key Managerial Personnel mentioned above are on the payrolls of our Company as the permanent employees.
- There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- The key management personnel mentioned above other than Mr. Viral Jain, are not related parties as per the Accounting Standard 18 except as stated in the Annexure - XV under chapter titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus.

Interests of Key Management Personnel

All our Key Managerial Personnel may be deemed to be interested to the extent of the remuneration and other benefits in accordance with their terms of employment for services rendered as officers or employees to our Company. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to/ in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

Details of service contracts of our Key Managerial Personnel

Except for the appointment letters, our Key Managerial Personnel have not entered into any other contractual arrangements with our Company.

Shareholding of Key Managerial Personnel

As on date of the Draft Red Herring Prospectus, none of our Key Managerial Personnel are holding shares in our Company.

Relation of the Key Managerial Personnel with our Promoter/Directors

None of our Key Managerial Personnel are “related” to the Promoter or Directors of our Company within the meaning of Section 6 of the Companies Act, 1956 except as stated below.

Name	Director to whom related	Nature of Relationship
Mr. Viral Jain	Mr. Indermal P. Jain	Son

Bonus or profit sharing plan for Directors / Key Managerial Personnel

Our Company does not offer any bonus or profit sharing plan with its Directors / Key Managerial Personnel, as on the date of the Draft Red Herring Prospectus.

Change in our Key Managerial Personnel

Following have been the changes in the Key Managerial Personnel during the last three years:

Sr. No.	Name	Date of Joining	Date of Leaving	Designation
1.	Mr. Viral Jain	November 1, 2011	N.A.	Manager – Project
2.	Mr. Mrityunjay Upadhyay	December 13, 2010	N.A.	Manager Sales - Exports
3.	Ms. Rakhi R Kabra	December 1, 2011	N.A.	Company Secretary

Employees

For details of the Employees/ Manpower of our Company, please refer to the paragraph titled ‘*Manpower*’ under chapter titled ‘*Our Business*’ beginning on page 84 of the Draft Red Herring Prospectus.

Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

Payment or Benefit to Officers of our Company (non-salary related)

Except as stated above and the payment of monetary and non-monetary benefits in accordance with the terms of employment or engagement, we have not paid any amount or given any benefit to any officer of our Company in a period of two years before the date of the Draft Red Herring Prospectus, nor is such amount or benefit intended to be paid or given to any officer as on the date of the Draft Red Herring Prospectus.

Retirement Benefits

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

OUR PROMOTERS AND PROMOTER GROUP

The brief profiles of our Promoters are mentioned herein below:



Mr. Kamlesh L. Jain, aged 52 years, is the promoter of our Company and is also the Managing Director of our Company. An undergraduate, he has about 20 years of business experience in Plastic Industry. In the year 1978 he joined the Cello Group and gained experience in household plastic items. Thereafter in the year 1985 he set up his own plastic household thermoware facilities under the firm name Bluplast Corporation.

Mr. Kamlesh has been taking part in all the activities of the Company and he supervised the launching of new products introduced by the company from time to time. In addition to being responsible for foraying into new markets, he is responsible for smooth functioning and provides strategic guidance to our Company on all matters.

Voter ID No: MT / 09 / - 042 / 549295

Driving Licence: MH/02/91/22937



Mr. Indermal P. Jain, aged 48 years is one of the Promoter of our Company and also the Wholetime Director of our Company. An undergraduate, he joined Bluplast Corporation as a partner and gained considerable business experience in plastic items.

He is mainly involved in product designing and development for the plastic products of our Company. A keen observer, Mr. Indermal has visited foreign countries for new products, that can be introduced by our Company.

Voter ID No: MT/09 – 042/066681

Driving Licence: MH-02-2004-A-9277



Mrs. Rekha K. Jain, aged 47 years is one of the promoters of our Company. She is an undergraduate. She is the spouse of Mr. Kamlesh L. Jain. She does not participate in the business activities of our Company.

Voter ID No: MT/09/042/549221

Driving Licence: MH-02-96-102



Mrs. Nayana I. Jain, aged 47 years is one of the promoters of our Company. She is an undergraduate. She is the spouse of Mr. Indermal P. Jain. She does not participate in the business activities of our Company.

Voter ID No: MT/09/042/066680

Driving Licence: MH02 20100108340

We confirm that the permanent account number, bank account details and passport number of our promoters have been submitted to BSE and NSE, at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Further our Promoters have not been identified as willful defaulter by RBI or any other Government authority and there are no violations of Securities Law committed by our Promoters in past or pending against them. Our Promoters are not prohibited from accessing the capital markets and no order or direction has been passed by SEBI or any other regulatory/statutory authority.

For further details of our Promoters, please refer to the chapter titled ‘*Our Management*’ on page 108 of the Draft Red Herring Prospectus.

Our Promoter Group

Our Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations is as under:

i. Natural Persons who form part of our Promoter Group:

The following natural persons (being the immediate relatives of our Promoters in terms of the SEBI ICDR Regulations) form part of our Promoter Group:

Relationship	Mr. Kamlesh L. Jain	Mr. Indermal P. Jain	Mrs. Rekha K. Jain	Mrs. Nayana I. Jain
Father	Lalchand Jain	Pannalal Jain	Chhaganlan Jain	Bhoormal Jain
Mother	Hanjaben Jain	Hanjaben Jain	Heeraben Jain	Shantaben Jain
Spouse	Rekha K. Jain	Nayana I. Jain	Kamlesh L. Jain	Indermal P. Jain
Brother	Kesrimal Jain Nenmal Jain Indermal P. Jain	Kesrimal Jain Nenmal Jain Kamlesh L. Jain	Nathmal Jain Mahendra Jain Praveen Kumar Jain	Bhawaresh Kumar Jain Jayantilal Jain
Sister	Manjulaben Jain Deviben Jain	Manjulaben Jain Deviben Jain	Sudha Jain	Sajan Jain Veena Jain Hansa Jain
Son	Rikesh Jain	Viral Jain	Rikesh Jain	Viral Jain
Daughter	Khushboo	Vidhi Jain	Khushboo	Vidhi Jain
Spouse's Father	Chhaganlan Jain	Bhoormal Jain	Lalchand Jain	Pannalal Jain
Spouse's Mother	Heeraben Jain	Shantaben Jain	Hanjaben Jain	Hanjaben Jain
Spouse's Brother	Nathmal Jain Mahendra Jain Preveen Kumar Jain	Bhawaresh Kumar Jain Jayantilal Jain	Kesrimal Jain Nenmal Jain Indermal P. Jain	Kesrimal Jain Nenmal Jain Kamlesh L. Jain
Spouse's Sister	Sudha Jain	Sajan Jain Veena Jain Hansa Jain	Manjulaben Jain Deviben Jain	Manjulaben Jain Deviben Jain

ii. Entities forming part of the Promoter Group

i. Companies promoted by the promoters

1. Bluplast Moulders Private Limited

ii. Companies promoted by the immediate relatives of the promoters

Nil

iii. Hindu Undivided Family

Nil

iv. Partnership Firm

1. M/s Bluplast Corporation
2. M/s Neelam Plastics Industries

v. Proprietary Concern

Nil

Relationship of Promoters with each other and with our Directors

None of our Promoters are related to any of our Company's Directors.

Changes in our Promoters

Our present Promoters are our original Promoters and there have been no changes in the control of our Company since its incorporation.

Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years

None of our Promoters have disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of the Draft Red Herring Prospectus.

Common Pursuits

There are no common business pursuits amongst our promoter group companies and our Company.

Interest of Promoters

Our Promoters who are also Directors of our Company may be deemed to be interested to the extent of fees, if any payable to them for attending meeting of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses payable to them as per the terms of our Articles and relevant provisions of Companies Act. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by their relatives in our Company, or that may be subscribed for and allotted to them, out of the present Issue in terms of the Draft Red Herring Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated otherwise in the Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by the Company other than in the normal course of business.

Further, our Promoters are also directors on the boards of certain Promoter Group entities and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from these Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please refer to the Annexure - XV under chapter titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus.

Payment or Benefit to Our Promoter in the last two years

Except as mentioned in the chapter titled '*Our Management*' and in the section titled '*Financial Information*' beginning on pages 108 and 129 respectively, of the Draft Red Herring Prospectus, no payment has been made or benefit given to our Promoters in the two years preceding the date of the Draft Red Herring Prospectus. There is no bonus or profit sharing plan for our Promoters.

Other Ventures of our Promoters

Save and except as disclosed in the chapter titled '*Our Group Entities*' beginning on page 125 of the Draft Red Herring Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Interest in the Property of our Company

Our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company.

Related Party Transactions

For details on our related party transactions please refer to the paragraph titled '*Property*' in the chapter titled '*Our Business*' beginning on page 84 of the Draft Red Herring Prospectus, the paragraph titled '*Interest of Directors*' under the chapter titled '*Our Management*' beginning on page 108 of the Draft Red Herring

Prospectus and in the Annexure - XV under the chapter titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus.

Other confirmations

Our Promoter and Promoter Group confirm that they have not been declared as a wilful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Our Promoter, Promoter Group, Group Entities or Directors or persons in control of our Company or bodies corporate forming part of our Promoter Group or Group Entities or the Companies with which our Promoter is or was associated as a promoter have not been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

OUR GROUP ENTITIES

As on the date of the Draft Red Herring Prospectus, following entities that are promoted by our Promoters (including companies under the same management pursuant to Section 370 (1B) of the Companies Act) form part of our Group Entities and thus, are our Group Companies as defined under SEBI ICDR Regulations:

Sr. No.	Name of Group Entities
Companies	
1.	Bluplast Moulders Private Limited
Partnership Firms	
1.	M/s Bluplast Corporation
2.	M/s Neelam Plastics Industries

1. Group Companies

The equity shares of none of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years. Further, unless otherwise stated none of our Group Companies is a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") and none of them is under winding up. Further no application has been made, in respect of any of the Group Companies, to the Registrar of Companies for striking off their names. Additionally, none of our Group Companies have become defunct in the five years preceding the filing of the Draft Red Herring Prospectus.

Bluplast Moulders Private Limited (BMPL)

Corporate Information

BMPL was incorporated on August 13, 1997 as a private limited company under the Companies Act and registered with the Registrar of Companies, Maharashtra, Mumbai. The CIN of BMPL is U25206MH1997PTC110043. The registered office of BMPL is situated at 108, Udyog Bhavan, Sharma Industrial Estate, Walbhat Road, Goregaon (East), Mumbai – 400 063. BMPL is currently not engaged in any business or commercial activity.

Capital Structure and Shareholding Pattern

The authorized share capital of BMPL is ₹ 10,00,000 divided into 10,000 equity shares of ₹ 100 each and paid-up share capital of BMPL is ₹ 1,00,000 divided into 1,000 equity shares of ₹ 100 each. The shareholding pattern of BMPL as on the date of the Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholders	Number of Shares	Percentage of shareholding
1.	Mr. Kamlesh L. Jain	275	27.5%
2.	Mr. Indremal P. Jain	275	27.5%
3.	Mrs. Rekha K. Jain	150	15%
4.	Mrs. Nayana I. Jain	150	15%
5.	Mr. Pannalal Jain	150	15%
Total		1,000	100.00

Financial Information

(₹ in lacs, except per share data)

Particulars	For the year ended March 31		
	2009	2010	2011
Equity Capital (par value ₹ 10 per share)	1.00	1.00	1.00
Reserves and Surplus	8.89	8.87	8.84
Misc. expenditure to the extent not written off	0.00	0.00	0.00
Sales/ Income	0.00	0.00	0.00
Profit / (Loss) after tax	(0.03)	(0.03)	(0.03)
Earnings per share (₹)	(2.50)	(2.50)	(2.50)
Net Asset Value Per Share (₹)	989.00	987.00	984.00
Face value (₹)	100.00	100.00	100.00

2. Partnership Firm

1. M/s Bluplast Corporation

Bluplast Corporation, a partnership concern, having its principal office at 113, Vivek Industrial Estate, Uswala Road, Near Litolier, Cama Estate, Goregaon (East), Mumbai – 400 063, was formed in 1985. The firm has been reconstituted on various occasions latest being on April 01, 2011. The firm is engaged in trading of plastic products.

Currently, the concern has following partners:

Sr. No.	Name of the Partner	Interest (%)
1.	Mr. Omprakash Dave	25
2.	Mr. Lilchand Porwal	25
3.	Mrs. Rekha K. Jain	25
4.	Mrs. Nayana I. Jain	25

Financial Information

(₹ in lacs)

Particulars	For the year ended March 31		
	2009	2010	2011
Income	396.18	154.43	35.83
Net Profit	4.45	3.07	0.10
Partners Capital	4.65	7.51	6.66

2. M/s Neelam Plastic Industries

Neelam Plastics Industries, a partnership concern, having its principal office at 108, Udyog Bhavan, Sharma Industrial Estate, Walbhat Road, Goregaon (East), Mumbai – 400 063. The firm has been reconstituted on various occasions latest being on March 4, 1993. The firm is not carrying any business activities.

Currently, the concern has following partners:

Sr. No.	Name of the Partner	Interest (%)
1.	Mrs. Rekha K. Jain	35
2.	Mrs. Nayana I. Jain	35
3.	Mr. Pannalal Jain	30

Financial Information

(₹ in lacs)

Particulars	For the year ended March 31		
	2009	2010	2011
Income	0.00	0.00	0.00
Net Profit	(0.25)	(0.25)	(0.25)
Partners Capital	1.41	1.40	1.39

Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years

None of our Promoters have disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of the Draft Red Herring Prospectus

Negative Net Worth

Except as stated above, none of our Group Entities have negative net worth as on the date of the Draft Red Herring Prospectus.

Related Party Transactions and sales and purchases between our Company and Group Entities

Our Company has not acquired in the past two years before the date of the Draft Red Herring Prospectus nor does it propose to acquire any properties from its Group Companies. For details of related party transactions entered into by our Company with our Group Companies and/ or Promoter Group entities, please refer to

Annexure - XV under chapter titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus.

Common Pursuits

There are no common pursuits amongst our Company and our Promoters and Directors and our Group Companies.

Business interest of Group Entities in our Company

Except as disclosed under the Annexure - XV under chapter titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus, none of our Group Entities/ associate companies have business interests in our Company.

Other Confirmations

Further, our Group entities have confirmed that they have not been detained as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or currently pending against them. None of our Group entities has been (i) prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Litigation

For details relating to legal proceedings involving the Promoter and the Group Entities of our Promoter, please refer to the chapter titled '*Outstanding Litigation and Material Developments*' beginning on page 161 of the Draft Red Herring Prospectus.

Payment or Benefit to our Group Entities

Except as stated in the section titled '*Financial Information*' beginning on page 129 of the Draft Red Herring Prospectus, there has been no payment of benefits to our Group Companies during the two years prior to the filing of the Draft Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the annual general meeting. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company has not, since incorporation, declared dividends. Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements we may enter into to finance our various projects and also the fund requirements for our projects.

SECTION VI – FINANCIAL INFORMATION

FINANCIAL INFORMATION

The Board of Directors

Bluplast Industries Limited

Gala No. 113-114, Vivek Industrial Estate
Near Litolier, Uswala Road
Cama Estate, Goregaon (East)
Mumbai - 400 063.

Dear Sir,

We have examined the financial information of Bluplast Industries Limited (the Company) annexed to this Report which has been prepared in accordance with the requirements of:

- i. Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 (the Act);
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('the Regulation') issued by the Securities and Exchange Board of India ('SEBI') and amendments made thereto from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992; and
- iii. The instructions received from the Company, requesting us to examine the financial information referred to above and proposed to be included in the Offer Document of the Company in connection with its proposed Initial Public Offer of Equity Shares.

Financial Information of the Company

1. We have examined the attached Statement of Adjusted Assets and Liabilities of the Company as at 31st March 2007, 2008, 2009, 2010, 2011 & as at 31st October 2011 (**Annexure-I**) and the accompanying Statement of Adjusted Profits and Losses of the Company for the financial year(s) ended on 31st March 2007, 2008, 2009, 2010, 2011 and for the period ended 31st October 2011 (**Annexure-II**) and the Significant Accounting Policies & Notes to Accounts (**Annexure VI**) together referred to as 'Summary Statements' as prepared by the Company and approved by the Board of Directors in the meeting held on dated 1st December 2011. These statements reflect the assets and liabilities and profits and losses for each of the relevant periods as extracted from the Financial Statements audited by us, after making therein the disclosures and adjustments required to be made in accordance with the provisions of Schedule VIII Part A (IX) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
2. Based on our examination of these Summary Statements, we confirm that the restated profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments and regrouping as in our opinion are appropriate.
3. The Company has not paid any dividend in any of the years/periods covered in this report.
4. We have examined the following regrouped/rearranged financial information relating to the Company, proposed to be included in the Offer Document, as approved by the Board of Directors of the Company and attached to this report:
 - i. Statement of Secured Loans taken by the Company (**Annexure-III**).
 - ii. Statement of principal terms & conditions of Secured Loans & Assets charged as Security (**Annexure – IV**).
 - iii. (a) Statement of Sundry Debtors showing Age-wise analysis (**Annexure – VA**).
(b) Statement of Investments. (**Annexure – VB**).
 - iv. Statement of Other Income (**Annexure-VII**).

- v. Related party disclosures under Accounting Standard 18 (**Annexure – VIII**).
 - vi. Summary of Accounting Ratios based on the adjusted profits/losses, relating to earnings per share, net asset value per share and return on net worth, enclosed as (**Annexure-IX**).
 - vii. Statement of Capitalization as at October 31, 2011 (Pre-Issue) and as adjusted for this issue (Post Issue) subject to reliance being placed on management representation in respect of post issue figures contained in the Statement of Capitalization (**Annexure- X**).
 - viii. Statement of Unsecured Loans taken by the Company (**Annexure-XI**).
 - ix. Statement of Tax Shelter (**Annexure- XII**).
 - x. Statement of Loans & Advances (**Annexure – XIII**).
 - xi. Statement of Adjusted Cash Flow (**Annexure-XIV**).
 - xii. Statement of Contingent Liabilities (**Annexure-XV**)
5. This Report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed Initial Public Offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Singrodia Goyal & Co.
Chartered Accountants
Firm Reg. No: 112081W

Suresh Murarka
Partner
Membership No.: 044739

Place: Mumbai
Date: December 17, 2011

Annexure – I

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in Lacs)

Particulars	As At					
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
A. Fixed Assets						
Gross Fixed Assets	1,228.32	1,340.88	1,613.81	1,748.66	2,129.83	2,199.48
Less : Accumulated Depreciation	502.99	632.77	760.81	923.08	1,107.51	1,207.96
Net Fixed Assets	725.33	708.11	853.00	825.58	1,022.32	991.52
Less:- Revaluation Reserves	-	-	-	-	-	-
Net Fixed Assets After Revaluation Reserves	725.33	708.11	853.00	825.58	1,022.32	991.52
Capital Work in Progress	-	-	-	-	-	-
Total (A)	725.33	708.11	853.00	825.58	1,022.32	991.52
B. Investments (Total B)	-	-	-	0.08	0.08	0.08
C. Current Assets, Loans & Advances						
Inventories	1,175.71	1,283.69	1,548.75	2,152.12	2,573.83	3,014.05
Sundry Debtors	1,846.17	2,826.24	3,122.84	2,877.03	2,986.64	4,034.26
Cash and Bank Balances	51.24	73.36	75.25	83.73	126.38	150.56
Loans and Advances	365.50	361.33	324.80	397.09	291.67	604.26
Total (C)	3,438.62	4,544.62	5,071.64	5,509.97	5,978.52	7,803.13
D. Liabilities & Provisions						
Secured Loans	1,551.46	2,248.23	2,606.26	2,938.79	3,104.33	3,400.50
Unsecured Loans	398.88	556.52	527.28	673.17	592.76	992.11
Deferred Tax Liability/(Asset)	7.12	14.19	25.99	35.01	51.22	69.61
Sundry Creditors	671.10	851.97	957.93	832.65	1,323.26	2,131.73
Other Current Liabilities	35.92	20.92	124.56	43.69	56.36	88.13
Provisions	85.21	28.68	52.84	64.43	39.93	78.48
Total (D)	2,749.69	3,720.51	4,294.86	4,587.74	5,167.86	6,760.56
E. Net Worth (A + B+C-D)	1,414.25	1,532.21	1,629.77	1,747.88	1,833.05	2,034.16
F. Represented by						
Equity Share Capital	771.62	771.62	771.62	771.62	771.62	771.62
Share Application Money	-	-	-	-	-	-
Reserve & Surplus (Excl. Revaluation Reserves)						
Profit & Loss Account	517.76	635.72	733.28	851.39	936.56	1,137.67
General Reserve	-	-	-	-	-	-
Capital Reserve	-	-	-	-	-	-
Securities Premium	124.87	124.87	124.87	124.87	124.87	124.87
G. Net Worth	1,414.25	1,532.21	1,629.77	1,747.88	1,833.05	2,034.16

Note: The above statement should be read with the Notes on Adjustment and Significant Accounting Policies for Restated Financial Statements as represented in Annexure – VI to the Report.

Annexure – II

STATEMENT OF PROFIT AND LOSS AS RESTATED

(₹ in Lacs)

Particulars	For the year ended					For the Period ended
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Income						
Gross Sales	7,921.48	9,155.05	9,390.54	12,098.60	13,806.71	10,563.65
- Products Manufactured	7,731.96	9,044.27	8,980.63	11,703.71	13,727.21	10,525.39
- Products Traded	189.52	110.78	409.91	394.89	79.50	38.26
Less: Excise Duty & Cess	424.16	504.09	450.40	453.80	623.85	413.95
Net Sales	7,497.32	8,650.96	8,940.14	11,644.80	13,182.86	10,149.70
Other Income	5.27	12.66	8.48	6.69	8.55	8.31
Increase/(Decrease) in Inventory	51.92	99.25	246.81	579.17	221.90	130.27
Total Income	7,554.51	8,762.87	9,195.43	12,230.66	13,413.31	10,288.27
Expenditure						
Raw Material Consumed/Cost of Goods Sold	6,443.67	7,247.10	7,500.10	10,102.94	11,231.18	8579.72
Other Manufacturing Expenses	317.69	420.23	491.12	794.69	780.74	510.32
Staff Cost (Include Wages)	137.01	190.43	192.06	215.42	239.17	190.30
Administrative, Selling and Other Expenses	183.38	212.29	226.39	256.33	201.40	141.63
Interest and Other Financial Charges	229.01	395.92	500.76	528.39	644.36	450.50
Depreciation & Amortisation	98.70	130.14	139.36	163.94	184.43	117.39
Total Expenditure	7,409.46	8,596.11	9,049.79	12,061.71	13,281.28	9,989.86
Net Profit /(Loss) before tax	145.05	166.76	145.64	168.95	132.03	298.41
Add / (Less) : Provision for Tax						
Current Tax	26.25	37.94	32.77	41.82	30.65	78.91
Fringe Benefit Tax	3.75	3.80	3.52	-	-	-
Deferred Tax Liability/(Assets)	5.02	7.06	11.80	9.02	16.21	18.39
Net Profit After Tax	110.03	117.96	97.55	118.11	85.17	201.11
Balance brought forward from previous year	407.73	517.76	635.72	733.28	851.39	936.56
Balance carried forward as restated	517.76	635.72	733.28	851.39	936.56	1,137.67

Note: The above statement should be read with the Notes on Adjustment and Significant Accounting Policies for Restated Financial Statements as represented in Annexure – VI to the Report.

Annexure III

SECURED LOANS

(₹ In Lacs)

Particulars	As at					
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Term Loans from Banks / Financial Institutions	381.96	289.04	271.14	170.34	242.74	178.50
Working Capital / Cash Credit from Banks	641.18	1,942.39	2,305.68	2,721.43	2,803.92	3,194.00
Vehicle Loans	8.32	16.80	29.44	47.02	57.66	28.00
Foreign Currency Loan	520.00	-	-	-	-	-
Total	1,551.46	2,248.23	2,606.26	2,938.79	3,104.33	3,400.50

Annexure IV

Statement of principal terms & conditions of secured loan and assets charged as securities

Name of the lender	Sanctioned Amount	Amount Outstanding as on 31.10.11	Rate of Interest	Repayment Schedule	Securities offered
ICICI Bank	(₹ in Lacs)	(₹ in Lacs)			
Term Loan	50.55	7.22	17%	Monthly Repayment till February 2012	1) First Charge on assets financed by ICICI Bank 2) First Charge on current assets with other working capital bankers 2) First Pari Passu Charge on following properties: i) Survey No. 709/1-4,8,9 & 710/13, Somnath Road, Dhabel, Daman – 396 290. ii) Survey No. 679/9, Dabhel, Daman; iii) Flat located at 102, 1 st Floor, Indrapuri, Jawahar Nagar CHS, Goregaon West, Mumbai – 400 062 3) First Pari Passu charge on all existing fixed assets except financed by Shamrao Vithal Co-op Bank Limited. 4) First Charge on Assets financed by ICICI Bank 5) Second Pari Passu charge on all existing fixed assets cofinanced by Shamrao Vithal Co-op Bank Limited.
Cash Credit	1,600.00	1681.47	I Base + 4.25	On Demand, Renewable every year	
Adhoc Cash Credit (Temporary Demand Loan)	150.00	151.86	16%	For 30 Days	
Shamrao Vithal Co-operative Bank					
Term Loan	220.00	171.27	PLR-1.5%	60 Monthly EMI of ₹ 5.05 Lacs	1) First Charge on entire fixed assets, present and future of the company on pari passu basis 2) Second Pari Passu charge on all current assets including

					stock and receivables
Cash Credit	460.00	560.40	PLR-2%	On Demand, Renewable every year	1) First Charge on all current assets including stock and receivables on pari passu basis 2) Second Pari Passu charge on all existing fixed assets present and future on pari passu basis
Temporary Over Draft	100.00		14%	For 30 Days	
HDFC Bank					
Cash Credit	1,200.00	800.28	2.55% above base rate, i.e. 12.55%	On Demand, Renewable every year	First Pari Passu Charge on following properties: 1) Survey No. 709/1-4,8,9 & 710/13, Somnath Road, Dabel, Daman - 396290. 2) Survey No. 679/9, Dabhel, Daman 2) Flat located at 102, 1st Floor, Indrapuri, Jawahar Nagar CHS, Goregaon West, Mumbai 400062
					Second Pari Passu charge on all existing fixed assets cofinanced by Shamrao Vithal Co-op Bank Limited.
Vehicle Loans					
Kotak Mahindra Prime Limited	50.30	14.42	17.70%	Monthly Repayment upto January 2013	Vehicle loans are secured by specific assets
Kotak Mahindra Prime Limited	10.62	8.42	12.00%	Monthly Repayment upto January 2014	Vehicle loans are secured by specific assets
Kotak Mahindra Prime Limited	28.85	5.16	17.50%	Monthly Repayment upto December 2011	Vehicle loans are secured by specific assets
Total		3,400.50			

Annexure V A**Age-wise Analysis of Sundry Debtors****(₹ In Lacs)**

Particulars	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Considered Good						
Outstanding for the period exceeding Six months	159.67	171.99	324.28	564.48	378.62	278.46
Other Debts	1,686.50	2,654.25	2,798.56	2,312.55	2,608.02	3,755.80
Total	1,846.17	2,826.24	3,122.84	2,877.03	2,986.64	4,034.26

Annexure V B

Statement of Investments

(₹ In Lacs)

Particulars						
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
(a) Share Investment						
The Shamrao Vithal Co-Operative Bank Limited		-	-	0.08	0.08	0.08
Total Investments	-	-	-	0.08	0.08	0.08

Annexure VI

Significant Accounting Policies and Notes forming parts of Accounts

A Significant Accounting Policies:

1 Basis of Accounting:

- a) The Financial Statements have been prepared in compliance with the Accounting Standards notified by Companies (Accounting Standard) Rules 2006 and the relevant provisions of the Companies Act, 1956 in all material aspects.
- b) Financial statements are based on historical cost convention and are prepared on accrual basis.

2 Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting year.

Difference between actual results and estimates are recognized in the years in which the results are known/ materialize.

3 Recognition of Income & Expenditure:

- a) The Company follows the accrual basis of accounting except in the following cases, where the same are recorded on cash basis.
 - i) Insurance Claim.
 - ii) Excise Duty payable on uncleared finished goods.
- b) Sales are recognized when all significant risks and reward of ownership of the goods are passed on to the buyer.
- c) Revenue in respect of export sales is recognised on shipment of product.
- d) Interest is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.

4 Fixed Assets:

- a) Fixed Assets are stated at cost net of CENVAT less accumulated depreciation.
- b) Expenditure during construction period incurred on projects under implementation are treated as preoperative expenses pending allocation to the assets and are included under "Capital work in progress".

5 Impairment of Fixed Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets". Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

6 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. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit and Loss Account.

7 Depreciation:

Depreciation on fixed assets is provided on the Written Down Value method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

8 Investments:

Investments that is intended to be held for more than a year from the date of acquisition are classified as long term investments and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

9 Inventories:

- a) Raw Materials, Semi-Finished Goods and Packing Materials are valued at lower cost or net realizable value.
- b) Finished Goods are valued at lower of cost or net realizable value.

10 Miscellaneous Expenditure:

- i) Preliminary expenses are amortized in the year in which they are incurred.
- ii) Expenses on preferential issue of shares/ warrants are written off against the security premium received on issue of shares.

11 Foreign Exchange Fluctuation:

- i. The transactions in foreign currencies on revenue accounts are stated at the rate of exchange prevailing on the date of transaction.
- ii. The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is treated as revenue.
- iii. Differences on translation of Current Assets and Current Liabilities remaining unsettled at the year-end are recognised in the Profit and Loss Account.
- iv. The premium in respect of forward exchange contract is amortised over the life of the contract. The net gain or losses on account of any exchange difference, cancellation or renewal of such forward exchange contracts are recognised in the Profit & Loss Account in the reporting year.

12 Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a

possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

13 Sales:

Sales are inclusive of excise duty, sales tax and stated net of discounts, return, rebates and rate difference.

14 Purchases:

Purchases of raw material, packing material, accessories and store & spares are exclusive of excise duty (CENVAT Credit) and adjusted for purchase returns, discount, brokerage, commission, rebate and incentives.

15 Accounting for Taxation of Income:

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future for tax consequences attributable to timing differences that result between the profits offered for Income Tax and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have enacted or substantially enacted or substantially enacted at the balance sheet date. Deferred tax assets is recognized and carried forward only to the extent that there is a virtual certainty the assets will be realized in future.

16 Employee Benefits:

- i. Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Profit & Loss Account for the year.
- ii. Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.

B. Notes on Adjustment

i. Change in Accounting policies and estimates

Up to March 31, 2011 the Company was accounting gratuity on cash basis. From April 1, 2011 in order to comply with Accounting Standard (AS) 15 (Revised 2005) on Employee Benefits as notified by the Companies Accounts Standard, Rule 2006, the method of accounting of Gratuity has been changed from cash basis to accrual basis of accounting and accordingly provision of ₹ 8.17 lacs on the basis of actuarial valuation has been made as on 31st October 2011. Consequent impact of the gratuity provision has been given in the restated financial statement.

ii. Other Adjustments

- a. The Profit and Loss Accounts of certain years includes amount paid/provided for or refunded, in respect of short/excess income tax arising out of assessments, appeals etc. and account of short/excess provision of tax for earlier years. The impact on accounts of such short/excess income tax has been adjusted in respective years.
- b. Adjustments/regrouping impact of change in accounting policies

Particulars	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
-------------	------------	------------	------------	------------	------------

	31.03.2007	31.03.2008	31.03.2009	31.03.2010	31.03.2011
Net Profit After Tax but Before Adjustments	111.46	126.15	106.09	120.54	81.63
Add/(Less): Adjustments on Account of:					
Gratuity expenses relating to each year	(0.18)	(0.77)	(0.93)	(1.03)	(1.61)
Excess / Short tax provision relating to earlier years (provided in audited Balance sheet)	-	-	-	0.95	6.85
Excess / Short tax provision relating to earlier years (restated)	(1.25)	(7.41)	(7.61)	(2.35)	(1.70)
Adjusted Profit	110.03	117.966	97.55	118.11	85.17

- c. During the financial year 2005-06 the Board of Directors of the Company has declared a dividend amounting to ₹ 72.70 Lacs which is not approved by the shareholders in Annual General Meeting and effect of the same by way of reversal was effected in the financial year 2006-2007. The impact of the same has been given in restated final statement and opening balance of Profit and Loss account as on 1st April 2006 has been reduced by the said amount.

- d. Opening balance of Net profit as on 1st April 2006 is restated as follows: -

	₹ In lacs
Profit and Loss before restatement:-	350.46
Less: Gratuity expenses provided up to period 31 st March 2006	(1.47)
Less: Short provision of taxes for up to 31 st March 2006 period	(5.10)
Less: Income tax demand for up to 31 st March 2006 period	(8.86)
Add: Restatement of dividend for the Financial year 2005-2006	72.70
Total	407.73

- e. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

Disclosure as per AS 15 Revised

The principal assumptions used in the actuarial valuation of Gratuity are as follows.

Discount rate	8.00%
Attrition rate	1.00%
Expected rate of future salary increase	5.00%

Table showing change in present value of defined benefit obligation:

	(₹ In Lacs)
Present value of obligation as at 01.04.2011	6.00
Interest Cost	0.28
Current Service Cost	0.75
Benefits paid	-
Actuarial loss on obligations	1.15
Present Value of obligation as at 31.10.2011	8.17

Amount recognized in the Balance Sheet:

	(₹ In Lacs)
Present value of obligation as at 31.10.2011	8.17
Fair Value of plan assets as at the end of the year	-
Funded status	8.17
Unrecognized Past Service Cost as at 31.10.2011	-
Unrecognized Transitional Liability as at 31.10.2011	-

Net (Assets)/ Liability recognized in the Balance Sheet	8.17
---	------

Expenses recognized in the Profit and Loss Account

(₹ In Lacs)

Current Service Cost	0.75
Past Service Cost	-
Interest Cost	0.28
Expected return on plan assets	-
Net Actuarial (Gain)/ loss recognized during the year	1.15
Total Expenses recognized in the Profit and Loss account	2.18

Balance Sheet Reconciliation:

(₹ In Lacs)

Opening Net Liability	6.00
Expenses as above	2.17
Net Transfer In	-
(Net Transfer Out)	-
Employer's Contribution	-
Net Liability Recognised in the Balance Sheet	8.17

C. NOTES TO STATEMENT OF ASSETS & LIABILITIES AND PROFIT & LOSS ACCOUNT**1. Taxes on Income:**

In Terms of Accounting Standard on "Accounting for Taxes on Income" (AS 22) the Company has recognised net Deferred Tax Liabilities/ (Assets) as on 31st March, 2007, 31st March, 2008, 31st March, 2009, 31st March 2010, 31st March 2011 and 31st October 2011 and the details are as follows:

Deferred Tax Liability / (Assets)	31.03.2007	31.03.2008	31.03.2009	31.03.2010	31.03.2011	31.10.2011
On account of Depreciation	7.12	14.19	25.99	38.06	51.22	69.61
On account of Disallowed Expenses	-	-	-	3.05	-	-
Deferred Tax Liability/(Assets) [Net]	7.12	14.19	25.99	41.11	51.22	69.61

- Provision for taxation for the year has been made in accordance with the provisions of the Income Tax Act, 1961.
- Provision for Fringe Benefit Tax for the year ending 31st March, 2007, 31st March 2008 and 31st March, 2009 have been made on the basis of expenditure incurred on the taxable heads of expenses.

Earnings per Share:

Particulars	31.03.2007	31.03.2008	31.03.2009	31.03.2010	31.03.2011	31.10.2011
A) Weighted average number of equity shares of ₹ 10/- each						
I) Number of shares at the beginning of the year (See Note iii)	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242
II) Number of shares at the end of the year	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242
III) Weighted average number of Equity Shares outstanding during the year	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242

IV) Weighted average number of Equity Shares for calculating diluted EPS	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242
B) Net Profit/(Loss) after tax adjustments available for equity shareholders (₹ In Lacs)	110.03	117.96	97.55	118.11	85.17	201.11
C) Basic earning per share (in ₹) {B/A (III)} *	1.43	1.53	1.26	1.53	1.10	2.61
D) Diluted earning per share (in ₹) {B/A (V)} *	1.43	1.53	1.26	1.53	1.10	2.61

Note:

- i) In 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and period ended 31st October, 2011 the Company does not have any dilutive potential equity shares. Consequently the basic and diluted profit / earning per share of the company remain the same.
- ii) Number of weighted average equity shares for the year 2006-07, 2007-08, 2008-09, 2009-10 & 2010-11 and period ended 31st October 2011 are same.
- iii) * For the period ended 31st October 2011 EPS & Diluted EPS is not annualized.

2. Authorised and Paid Up Capital

The Company has an Authorised Share Capital of ₹ 20,00,00,000 (divided in to 2,00,00,000 Equity Shares of ₹ 10/- each) and Paid Up Share Capital of ₹ 7,71,62,420 (divided in to 77,16,242 Equity Shares of ₹ 10/- each fully paid up).

3. Current Assets, Loans & Advances

In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated and are realisable in the ordinary course of business. The Provision for all known liabilities is adequate.

Annexure VII

Statement of Other Income

Particulars	For the year ended					(₹ In Lacs) For the period ended
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Interest Received	2.33	3.37	4.15	3.87	5.05	4.80
Foreign Exchange Fluctuations (Net)	-	8.14	1.32	1.61	1.71	3.37
Dividend Received	-	-	-	-	0.00	0.01
Export Incentives/Subsidy	2.94	1.15	2.62	1.21	1.79	0.00
Profit on Sale of Fixed Assets	-	0.01	0.39	-	-	0.13
Total	5.27	12.66	8.48	6.69	8.55	8.31

Annexure VIII

Details of Related Party Disclosures as per AS – 18

List of Related Party & Relationships

Name	Relationship
Mr. Kamlesh L. Jain	Key Management Person(KMP)
Mr. Indermal P. Jain	Key Management Person(KMP)
Mrs. Rekha K. Jain	Relative of Director
Mrs. Nayana I. Jain	Relative of Director
Ms. Khushboo K. Jain	Relative of Director
Mr. Rikesh Jain	Relative of Director
Mr. Viral Jain	Relative of Director
Ms. Vidhi Jain	Relative of Director
Bluplast Corporation	Enterprises having same KMP

Particulars	For the Year / Period ended					
	31.03.07	31.03.08	31.03.09	31.03.10	31.03.11	31.10.11
Remuneration						
Mr. Kamlesh L. Jain	7.20	7.60	8.15	11.60	12.00	7.00
Mr. Indermal P. Jain	7.20	7.60	8.15	11.60	12.00	7.00
Sales						
Bluplast Corporation	251.96	233.84	-	-	-	-

Purchases						
Bluplast Corporation	1.29	23.64	-	-	-	-
Unsecured Loan taken						
Mr. Kamlesh L. Jain	32.47	18.75	23.70	59.82	19.33	39.50
Mr. Indermal P. Jain	36.92	32.00	51.21	33.25	44.18	56.40
Mrs. Rekha K. Jain	-	1.90	10.45	15.56	18.00	1.60
Mrs. Nayana I. Jain	-	1.90	10.45	8.11	10.00	1.17
Khushboo K.Jain	-	-	0.60	-	0.50	-
Viral Jain	-	-	0.90	-	0.90	-
Vidhi Jain	-	-	-	-	-	2.00
Rikesh Jain	-	-	-	-	0.50	-
Bluplast Corporation	490.62	-	-	-	-	-
Unsecured Loan repaid						
Mr. Kamlesh L. Jain	25.57	7.03	16.40	81.11	26.39	11.63
Mr. Indermal P. Jain	27.90	29.12	20.27	64.40	52.36	11.30
Mrs. Rekha K. Jain	-	-	0.50	22.10	-	-
Mrs. Nayana I. Jain	-	-	3.35	16.00	10.20	0.15
Viral Jain	-	-	-	-	0.75	-
Bluplast Corporation	532.90	-	-	-	-	-
Outstanding						
Unsecured Loan						
Mr. Kamlesh L. Jain	12.50	24.22	31.52	10.23	3.17	31.04
Mr. Indermal P. Jain	9.88	12.76	43.70	12.55	4.37	49.47
Mrs. Rekha K. Jain	3.05	4.95	14.90	8.36	26.36	27.96
Mrs. Nayana I. Jain	1.05	2.95	10.05	2.16	1.96	2.98
Khushboo K.Jain	5.00	-	0.60	0.60	1.10	1.10
Viral Jain	-	-	0.90	0.90	1.05	1.05
Rikesh Jain	-	-	-	-	0.50	0.50
Vidhi Jain						2.00
Other Liabilities	-		-	-	-	-
Mr. Kamlesh L. Jain		0.46				
Mr. Indermal P. Jain		0.58				
Debtors						
Bluplast Corporation	216.55	266.74	-	-	-	-
Loans and Advances						
Bluplast Corporation (Deposits)	150.00	150.00	150.00	150.00	150.00	360.00

Note: During the Financial Year 2008-09, 2009-10, 2010-11, Bluplast Corporation is not a related Party.

Annexure IX

Statement of Accounting Ratios

(₹ in Lacs)

Particulars	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Net Profit as restated (₹ in Lacs)	110.03	117.96	97.55	118.11	85.17	201.11
Net Worth	1,414.25	1,532.21	1,629.77	1,747.88	1,833.05	2,034.16
Return on Net worth (%)	7.78%	7.70%	5.99%	6.76%	4.65%	9.89%
Issued Shares at the end of year/period (Nos.)	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242
(Face Value ₹ 10)						
Weighted No of Equity Shares	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242	77,16,242
Basic Earnings per Share	1.43	1.53	1.26	1.53	1.10	2.61
Net Asset Value/Book Value per share	18.33	19.86	21.12	22.65	23.76	26.36

Note:Formula :

Earning per Share (₹) = $\frac{\text{Net Profit attributable to equity shareholders}}{\text{Weighted Average number of equity shares outstanding during the period}}$

Net Asset Value Per Share (₹) = $\frac{\text{Net Worth excluding revaluation reserve at the end of the period}}{\text{Total Number of equity shares outstanding at the end of the year/period}}$

Return on Net Worth (%) = $\frac{\text{Net Profit after tax adjustments}}{\text{Net worth at the end of the year/period}}$

Net Asset = Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off

Annexure - X

Statement of Capitalisation Statement

Long term debt	Pre Issue		(₹ In Lacs) Post Issue
	31-Mar-11	31-Oct-11	
Debt :			
Secured			
Short term debt	2,803.92	3,194.00	
Long term debt	300.40	206.50	
Unsecured			
Short term debt	269.61	514.53	
Long term debt	318.15	472.58	
Total Debt	3,692.08	4,387.60	-
Shareholders Funds			
Equity Share Capital	771.62	771.62	
Reserves and Surplus	1,061.43	1,262.54	
Total Shareholders Funds	1,833.05	2,034.16	
Long Term Debt/ Shareholders' Funds	0.16	0.10	
Total Debt / Shareholders Fund	2.01	2.16	

Notes:

1. Working Capital Limits and Loans taken from Directors/Shareholders and others are considered as Short- term debts
2. The Post-issue debt–equity ratio will be computed on the conclusion of the book building process.

Annexure – XI

Statement of Unsecured Loans

(₹ in Lacs)

Particulars	As at					
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
From Directors/Shareholders and Others *	173.28	171.85	206.77	383.90	262.34	499.53
From Companies	84.00	126.17	174.48	167.36	156.45	188.23
From Banks / NBFCs	141.6	258.50	146.03	121.91	168.97	299.35
Total	398.88	556.52	527.28	673.17	587.76	987.11

* Includes Loans from following Related Parties	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Mr. Kamlesh L. Jain	12.50	24.22	31.52	10.23	3.17	31.04
Mr. Indermal P. Jain	9.88	12.76	43.70	12.55	4.37	49.47
Mrs. Rekha K. Jain	3.05	4.95	14.90	8.36	26.36	27.96
Mrs. Nayana I. Jain	1.05	2.95	10.05	2.16	1.96	2.98
Khushboo K.Jain	-	-	0.60	0.60	1.10	1.10
Viral Jain	-	-	0.90	0.90	1.05	1.05
Rikesh K. Jain	-	-	-	-	0.50	0.50
Vidhi I Jain	-	-	-	-	-	2.00
Total	26.48	44.88	101.67	34.80	38.51	116.10

Details of Unsecured Loans

Name of the Lender	Amount Outstanding as on 31.10.2011	Rate of Interest	Repayment Schedule
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From Directors and Related Parties

(₹ In Lacs)

Mr. Kamlesh L. Jain	31.04	Nil	Repayable on Demand
Mr. Indermal P. Jain	49.47	Nil	Repayable on Demand
Mrs. Rekha K. Jain	27.96	Nil	Repayable on Demand
Mrs. Nayana I. Jain	2.98	Nil	Repayable on Demand
Khushboo K.Jain	1.10	Nil	Repayable on Demand
Viral Jain	1.05	Nil	Repayable on Demand
Rikesh K. Jain	0.50	Nil	Repayable on Demand
Vidhi I Jain	2.00	Nil	Repayable on Demand
	116.10		

From NBFCs

Bajaj Auto Finance	25.13	18.50%	Monthly Installment
HDB Financial Services Ltd.	5.22	18.00%	Monthly Installment
India Bulls Financial Ser.Ltd.	12.97	20.00%	Monthly Installment

Magma Fincorp Ltd	23.36	16.25%	Monthly Installment
Reliance Capital Limited	10.03	18.00%	Monthly Installment
Religare Finvest Ltd. (Loan I)	9.71	18.00%	Monthly Installment
Religare Finvest Ltd. (Loan II)	33.83	17.50%	Monthly Installment
Tata Capital Ltd.	32.78	17.50%	Monthly Installment
Bajaj Finance Ltd.	20.20	18.50%	Monthly Installment
	173.23		

From Banks

Barclays Bank	48.94	17.75%	Monthly Installment
Citi Bank	0.21	12.25%	Monthly Installment
Citi Financial Con.Fin.	77.62	12.25%	Monthly Installment
HDFC Bank Limited	9.73	16.50%	Monthly Installment
Kotak Mahindra Bank Ltd.	58.32	18.50%	Monthly Installment
Standard Chartered Bank	26.74	18.25%	Monthly Installment
Dhanlaxmi Bank Ltd.	30.00	18.00%	Monthly Installment
Kotak Mahindra Bank Ltd.	47.79	17.73%	Monthly Installment
	299.35		

From Companies

Evershine Builders Pvt.Ltd.	5.00	19.20%	Repayable on Demand
Vostak (Fareast) Securities Pvt.Ltd	10.00	18.00%	Repayable on Demand
	15.00		

From Others

Atmaram Kherajmal (HUF)	1.00	16.80%	Repayable on Demand
Dhansukhlal C.Parekh	25.75	14.00%	Repayable on Demand
Dilipkumar Atmaram Nagpal	13.75	16.80%	Repayable on Demand
J.L.Masukhani	10.00	21.00%	Repayable on Demand
Janpriy Jain	0.70	Nil	Repayable on Demand
Krishnadevi K.Rajpuria	20.00	18.00%	Repayable on Demand
Ramchand Atmaram Nagpal	10.63	16.80%	Repayable on Demand
Satyabhama V.Ganeriwala	10.00	18.00%	Repayable on Demand
Banka Construction	30.00	18.00%	Repayable on Demand
Chandra	5.00	19.20%	Repayable on Demand
Deepak Tulsiani	10.00	18.00%	Repayable on Demand
Deepika Samant	2.50	16.80%	Repayable on Demand
Fouziya Ibrahim Patankar	4.00	16.80%	Repayable on Demand
Gelaram Co.	2.00	15.00%	Repayable on Demand
Harsh Yogesh Shah	3.82	19.20%	Repayable on Demand
Harsha G.Jeswani	5.00	19.00%	Repayable on Demand
Hemlata Ramkrishin Matta	1.00	19.20%	Repayable on Demand
Karuna Saraf	5.00	18.00%	Repayable on Demand
Kison Gopal Rajpuria	25.00	18.00%	Repayable on Demand
Kishinchand M Jeswani Huf	5.00	15.00%	Repayable on Demand

Kunal Nayan Shah	10.61	19.00%	Repayable on Demand
M.Pradeepkumar	2.00	19.20%	Repayable on Demand
Mamta M Agarwal	25.00	16.80%	Repayable on Demand
Mohina Vashdev Matta	1.50	15.00%	Repayable on Demand
Monika Jain	10.00	18.00%	Repayable on Demand
Nirali Upadhyaya	7.39	19.00%	Repayable on Demand
Nirav K.Shah	5.00	24.00%	Repayable on Demand
P.G.Bansi	20.00	21.00%	Repayable on Demand
Raksha Nayan Shah	1.06	19.00%	Repayable on Demand
Sharan M.Kakwani	2.00	15.00%	Repayable on Demand
Tikamdas & Associates	10.00	21.00%	Repayable on Demand
Vimal M Agarwal	25.00	18.00%	Repayable on Demand
Vimi Mukesh Batra(Punjabi)	3.00	22.20%	Repayable on Demand
Steel Centre	10.00	18.00%	Repayable on Demand
Vinita Vashdev Matta	2.00	19.20%	Repayable on Demand
Bina A. Mehta	12.00	14.00%	Repayable on Demand
Sushila Mohanlal Mehta	5.25	19.20%	Repayable on Demand
Nitin Sheth	10.34	15.00%	Repayable on Demand
Srichand L. Talreja	21.13	16.80%	Repayable on Demand
Neelam Sanghvi	10.00	Nil	Repayable on Demand
Total	<u><u>383.43</u></u>		
Grand Total	<u><u>987.10</u></u>		

Annexure XII

Statement of Tax Shelters

(₹ In Lacs)

	As at					
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Restated Profit Before Tax	145.05	166.76	145.64	168.95	132.03	298.41
Profit Before Tax as Per P&L Account	145.23	167.54	146.57	169.99	133.64	292.41
Tax rate						
-- Normal Tax Rate	33.66%	30.90%	30.90%	33.99%	30.90%	33.22%
-- Minimum Alternative Tax Rate	11.22%	11.33%	11.33%	17.00%	19.93%	19.93%
Notional Tax at normal rates Total (A)	48.89	51.77	45.29	57.78	41.29	97.13
Permanent Differences						
Deduction under Chapter VI-A	21.22	38.99	26.3	40.63	0.03	1.17
Other Adjustments	(0.15)	(0.49)	(4.82)	3.80	(0.26)	(10.51)
Total (B)	21.07	38.49	21.48	44.43	(0.24)	(9.34)
Timing Differences						
Depreciation as per Books	98.70	130.14	139.36	163.94	184.43	117.39
Depreciation as per Income Tax	120.02	150.92	174.08	169.84	217.68	181.60
Difference between tax depreciation and book depreciation	21.32	20.78	34.72	5.90	33.25	64.21
Preliminary Expenses	8.97	8.97	8.97	8.97	8.97	-
Other adjustments (Disallowances)	23.93	-	-	-	-	-
Total (C)	54.22	29.75	43.69	14.87	42.22	64.21
Net Adjustments (B+C)	75.29	68.24	65.17	59.30	41.99	54.87
Tax Savings (D)	25.34	21.09	20.14	20.16	12.97	18.23
Total Taxation (E = A-D)	23.54	30.68	25.15	37.62	28.32	78.90
Tax payable as per MAT	16.30	18.98	16.61	28.89	26.63	58.28
Tax Expense recognised in Restated P&L	26.25	37.94	32.77	41.82	30.65	78.91

Annexure XIII

Loans and Advances, as Restated

(₹ In Lacs)

Particulars	As at					
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
Advances recoverable in cash or in kind	117.17	136.34	116.29	182.63	65.61	144.01
Other Current Assets	97.13	72.87	57.36	62.84	74.45	98.13
Deposits	151.20	152.12	151.15	151.62	151.61	362.12
Total	365.50	361.33	324.80	397.09	291.67	604.26

Annexure XIV

Cash Flow Statement, as restated

(₹ In lakhs)

Particulars		As at					
		31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
A	Cash Flow from Operating Activities						
	Profit before tax	145.05	166.76	145.64	168.95	132.03	298.41
	Adjustments for						
	Depreciation	98.70	130.14	139.36	163.94	184.43	117.39
	Interest & Financial Charges	229.01	395.92	500.76	528.39	644.36	450.50
	Interest Received	(2.33)	(3.37)	(4.15)	(3.87)	(5.05)	(4.80)
	(Profit) on Sale of Fixed Assets		(0.01)	(0.39)			(0.13)
	Dividend Received	-	-	-	-	-	(0.01)
	Operating Income before working capital changes	470.43	689.45	781.22	857.41	955.77	861.36
	Adjustments for:						
	Decrease/(Increase) in Debtors	(329.68)	(980.07)	(296.60)	245.81	(109.61)	(1,047.62)
	Decrease/(Increase) in Inventories	(400.17)	(107.98)	(265.06)	(603.37)	(421.71)	(440.22)
	Decrease/(Increase) in Loans & Advances	(72.95)	4.17	36.53	(72.29)	105.42	(312.59)
	Increase/(decrease) in Sundry Creditors	168.75	180.87	105.96	(125.28)	490.61	808.47
	Increase/(decrease) in Provisions	(11.70)	(56.53)	24.17	11.59	(24.50)	38.55
	Increase/(decrease) in Other Liabilities	(17.23)	(15.00)	103.64	(80.87)	12.67	31.77
	Cash Generated from Operations	(192.55)	(285.10)	489.86	233.00	1,008.65	(60.28)
	Direct Taxes (Net)	30.00	41.74	36.29	41.82	30.65	78.91
	Net Cash Flow from Operating Activities	(222.54)	(326.84)	453.57	191.18	978.00	(139.19)
B	Cash Flow from Investing Activities						
	Purchase of Fixed Assets	(298.37)	(112.91)	(284.25)	(136.52)	(381.17)	(86.59)

	(Excluding Revaluation Reserves)						
	Decrease /(Increase) in Capital WIP	7.39	-	-	-	-	
	Decrease /(Increase) in Investments	-	-	-	(0.08)	-	-
	Profit on Sale of Fixed Assets	-	0.01	0.39	-	-	-
	Interest Received	2.33	3.37	4.15	3.87	5.05	4.80
	Profit on sale of fixed assets						0.13
	Net Cash used from Investing Activities	(288.65)	(109.53)	(279.71)	(132.73)	(376.12)	(81.66)
C	Cash Flow from Financing Activities						
	Public Issue Expenses	(49.03)	-	-	-	-	-
	Change in the Borrowings						
	- Secured	532.50	696.77	358.03	332.53	165.54	296.17
	- Unsecured	218.90	157.64	(29.24)	145.89	(80.41)	399.35
	Interest Paid	(229.01)	(395.92)	(500.76)	(528.39)	(644.36)	(450.50)
	Dividend Received	-	-	-	-	-	0.01
	Net Cash Flow from Financing Activities	473.36	458.49	(171.97)	(49.97)	(559.23)	245.03
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(37.83)	22.12	1.89	8.48	42.65	24.18
	Cash & Cash Equivalents at Beginning of the Year	89.07	51.24	73.36	75.25	83.73	126.38
	Cash & Cash Equivalents at End of the Year	51.24	73.36	75.25	83.73	126.38	150.56

Annuxure XV

Contingent Liabilities as Restated

(₹ In Lacs)

Particulars	For the Period Ended					
	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11	31-Oct-11
EPCG - Pending Export Obligations	431.44	1598.4	1400.69	900.89	2041.81	1,901.00
Bank Guarantee	23.50	6.00	6.00	6.00	11.50	13.50
Capital Contracts remaining to be executed and not provided	18.93	15.89	9.28	27.01	20.53	32.63
IT Demand disputed in appeal	4.20	4.20	30.78	30.78	1.15	1.15
Total	478.07	1,624.49	1,446.75	964.68	2,074.99	1,948.28

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements included in this Draft Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page 15, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company on a consolidated basis, and, unless otherwise stated, is based on our restated consolidated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

Business Overview

Our Company is engaged in the manufacturing and marketing of Plastic Thermoware, Vacuumware, Insulatedware, Kitchenware, Household, Utility and PET products. For example, Casseroles with the capacity of 500 ml - 12,500 ml, Lunch Packs with 2-5 containers, Flasks with the capacity of 350 ml - 2000 ml, Water Jugs with the capacity of 2000 ml - 25000 ml, Water Bottles with the capacity of 500 ml - 2500 ml and Pet Jars with the capacity of 500 ml - 2500 ml.

We also manufacture products like Buckets, Bath Stools, Bath Tubs, Baskets, Dust Bins, Gifts, Novelty Items, Pens and other household products. Our Company sells its products under the brand name "Bluplast". Our Company has a current installed capacity of 12,100 MTPA.

Our Company was incorporated in the year 1999. The manufacturing plant of our Company was set up at Daman (in Union Territory of Daman and Diu) with an initial capacity of 1940 MTPA, which has, over a period of time, been increased up to 4500 MTPA. In July 2005, the Company acquired the business of Alaska Industries, a group concern, having manufacturing capacity of up to 900 MTPA. Currently, our Company is having an installed capacity of 12,100 MTPA.

Our Company is also engaged in trading of certain articles and products which are complementary to our existing range of products.

Our Company is setting up additional manufacturing facility for the manufacturing of plastic injection moulding products with an installed capacity of 7,900 MTPA in and around Vapi, Bhilad and Pradi, Distt. Valsad, Gujarat. Our Company is also diversifying by setting up a manufacturing facility for the production of non-stick cookware and pressure cookers. The proposed capacity is 6,000 units per day for non-stick cookware and 1,500 units per day for pressure cookers.

Significant developments subsequent to the last financial year:

After the date of last financial year i.e. March 31, 2011, the Directors of our Company confirm that, there have not been any significant material developments.

Discussion on Results of Operation:

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of the Company for the years ended 31st March, 2007, 2008, 2009, 2010, 2011 and seven months period ended October 31, 2011.

Key factors affecting the results of operation:

Our Company's future results of operations could be affected potentially by the following factors:

Presence of large number of unorganized players in the Plastic Industry – In the Plastic Industry there are large number of unorganized sector producing the similar products at cheaper cost. Though, we have wide range of quality products we may face competition from low cost products in the market.

Rise in Income – with the rise in middle class incomes and purchasing power, the spend on household products has increased. This change in attitude will act as a catalyst, promoting higher demand led consumption.

Competition: Selling prices of our products may be affected if competition intensifies. Further, as a result of increase in scale of operations, adoption of aggressive pricing strategies by our competitors in order to gain market share or new competitors entering the markets, may adversely affect our operations and financial results.

Changes in interest rates - The interest rates on all of our borrowings may fluctuate. The interest rates on all of our borrowings are subject to adjustment based on the prime lending rate, the base rate or benchmark rate of the respective lenders. If the interest rates for our existing or future borrowings increase significantly, our cost of funds will increase.

Compliance with environmental laws and regulations - Our business require compliance with environmental statutes and regulations as applicable. Generally, these laws and regulations are becoming more stringent, and we expect them to be more strictly enforced in the future.

Other factors include:

- Non – receipt of pending approvals for the proposed Project.
- Prevailing trends and consumer preferences for various products offered by our Company.
- Company's ability to successfully implement their marketing, business and growth strategies.
- Changes in the regulations/regulatory framework/economic policies in India and/or in foreign countries.

Discussion on Results of Operation:

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the years ended 31st March, 2007, 2008, 2009, 2010, 2011 and seven months period ended October 31, 2011.

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer *Significant Accounting Policies, "Annexure VII"* beginning under Chapter titled "Auditors' Report and Financial Information of our Company" beginning on page 129 of the Draft Red Herring Prospectus.

RESULTS OF OUR OPERATION

For the Seven Months Ended October 31, 2011

(₹ Lacs)		
Particulars	For the period ended 31.10.11	% to Operating Income
Income		
- Products Manufactured	10,525.39	
- Products Traded	38.26	
Gross Sales Total	10563.65	
Less Excise Duty	413.95	
Net Sales	10,149.70	
Other Income	8.31	
Increase/(Decrease) in Inventory	130.27	
Total Income	10,288.27	
Raw Material Consumed/Cost of Goods sold	8,579.72	81.22%
Other Manufacturing Expenses	510.32	4.83%
Labour and Staff Cost	190.30	1.80%
Administrative, Selling and Other Expenses	141.63	1.34%
Total Expenditure	9,421.97	89.19%

PBIDT	866.31	8.20%
Interest and Other Financial Charges	450.50	4.26%
Depreciation & Amortisation	117.39	1.11%
PBT	298.41	2.82%
Tax Expenses	97.30	0.92%
Profit After Tax as Restated	201.11	1.90%

Turnover

We recorded gross turnover of ₹ 10,563.65 Lacs which includes ₹ 10,525.39 Lacs from Products manufactured by our company and ₹ 38.26 Lacs from products traded by our Company. Our turnover mainly consists of plastic household items like buckets, dinner sets, containers etc; plastic thermoware which includes caserols, water bottles, water jugs, flasks etc and plastic articles.

We had other income of ₹ 8.31 Lacs. Increase in inventory constituted ₹ 130.27 Lacs.

Operating Expenses

The total operating expenditure aggregated to ₹ 9421.97 Lacs which was 89.19% of the gross sales.

Raw Material Consumed / Cost of Goods Sold stood at ₹ 8579.72 Lacs which was 91.06% of the total operating expenses and 81.22% of the gross sales.

Other manufacturing expenses stood at ₹ 510.32 Lacs which was 5.42% of the total operating expenses and 4.83% of the gross sales.

Labour and Staff Cost cost stood at ₹ 190.30 Lacs which was 2.02% of the total operating expenses and 1.80% of the gross sales.

Administrative, Selling and other expenses stood at ₹ 141.63 Lacs which was 1.50% of the total operating expenses and 1.34% of the gross sales.

Selling and Distribution expenses stood at ₹ 104.50 Lacs which was 5.26% of the total operating expenses and 3.10% of the gross sales.

Interest and Financial Charges

Our financial charges for the 7 months period ended October 31, 2011 stood at ₹ 450.50 Lacs, which is 4.26% of our gross sales.

Depreciation

We incurred Depreciation cost of ₹ 117.39 Lacs, which is 1.11% of our gross sales.

Tax Expenses

Tax Expenses for the 7 months period ended October 31, 2011 are ₹ 97.30 Lacs.

Profits

Our PBIDT stood at ₹ 866.31 Lacs for the 7 months period ended October 31, 2011 with the PBIDT margin of 8.20%. We recorded PBT of ₹ 292.42 Lacs and PBT margin stood at 2.82%. We recorded Net Profit of ₹ 201.11 Lacs. Our Net Profit Margin stood at 1.90%. The margins have increased due to increase in the inhouse capacity which was fully operational during the 7 months period ended October 31, 2011. This addition in capacity has reduced our dependence on external jobwork. Further there was increase in realisation in household items and less volatility in raw material prices.

Results of Operations For the FY 2008, 2009, 2010, 2011

Particulars	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
Income				
- Products Manufactured	9,044.27	8,980.63	11,703.71	13,727.21
- Products Traded	110.78	409.91	394.89	79.50
Gross Sales Total	9,155.05	9,390.54	12,098.60	13,806.71
		2.57%	28.84%	14.12%
Less Excise Duty	504.09	450.40	453.80	623.85
Net Sales	8,650.96	8,940.14	11,644.80	13,182.86
Increase/Decrease (%)		3.34%	30.25%	13.21%
Other Income	12.66	8.48	6.69	8.55
Increase/(Decrease) in Inventory	99.25	246.81	579.17	221.90
Total Income	8,762.87	9,195.43	12,230.66	13,413.31
Increase/Decrease (%)		4.94%	33.01%	9.67%
Expenditure				
Raw Material Consumed/Cost of Goods sold	7,247.10	7,500.10	10,102.94	11,231.18
Increase/Decrease (%)		3.49%	34.70%	11.17%
% of Gross Sales	79.16%	79.87%	83.51%	81.35%
Other Manufacturing Expenses	420.23	491.12	794.69	780.74
Increase/Decrease (%)		16.87%	61.81%	-1.76%
% of Gross Sales	4.59%	5.23%	6.57%	5.65%
Labour and Staff Cost	190.43	192.06	215.42	239.17
Increase/Decrease (%)		0.86%	12.16%	11.02%
% of Gross Sales	2.08%	2.05%	1.78%	1.73%
Administrative, Selling and Other Expenses	212.29	226.39	256.33	201.40
Increase/Decrease (%)		6.64%	13.22%	-21.43%
% of Gross Sales	2.32%	2.41%	2.12%	1.46%
Total Expenditure	8,070.05	8,409.67	11,369.38	12,452.49
Increase/Decrease (%)		4.21%	35.19%	9.53%
% of Gross Sales	88.15%	89.55%	93.97%	90.19%
PBIDT	692.82	785.76	861.28	960.82
Increase/Decrease (%)		13.41%	9.61%	11.56%
% to Gross Sales	7.57%	8.37%	7.12%	6.96%
Depreciation	130.14	139.36	163.94	184.43
Increase/Decrease (%)		7.08%	17.64%	12.50%
% of Gross Sales	1.42%	1.48%	1.36%	1.34%
Profit Before Interest and Tax	562.68	646.40	697.34	776.39

Increase/Decrease (%)		14.88%	7.88%	11.34%
% of Gross Sales	6.15%	6.88%	5.76%	5.62%
Interest & Financial Charges	395.92	500.76	528.39	644.36
Increase/Decrease (%)		26.48%	5.52%	21.95%
% of Gross Sales	4.32%	5.33%	4.37%	4.67%
Profit before Taxation	166.76	145.64	168.95	132.03
Increase/Decrease (%)		-12.67%	16.01%	-21.85%
% of Gross Sales	1.82%	1.55%	1.40%	0.96%
Tax Effect	48.80	48.09	50.84	46.86
Increase/Decrease (%)		-1.47%	5.73%	-7.83%
% of Gross Sales	0.53%	0.51%	0.42%	0.34%
Profit After Tax	117.96	97.55	118.11	85.17
Increase/Decrease (%)		-17.30%	21.07%	-27.89%
% of Gross Sales	1.29%	1.04%	0.98%	0.62%

Comparison of FY 2011 with FY 2010:

Gross Sales

The Gross Sales for the FY 2011 is ₹ 13806.71 Lacs as compared to ₹ 12098.60 Lacs during the FY 2010 showing increase of 14.12%. The increase in turnover was mainly due to increase in volume of sales. Our turnover included ₹ 13727.21 Lacs from Products manufactured by our company and ₹ 79.50 Lacs from products traded by our Company during FY 2011 as compared to ₹ 11703.71 Lacs and ₹ 394.89 Lacs respectively during FY 2010.

Net Sales for the FY 2011 is ₹ 13182.86 Lacs as compared to ₹ 11644.80 Lacs during the FY 2010 showing increase of 13.21%. Excise duty for the FY 2011 is ₹ 623.85 Lacs as compared to ₹ 453.80 Lacs during the FY 2010.

Excise duty for FY 2011 was 4.52% of gross sales and for FY 2010 it was 3.75% of Gross Sales.

Total Income

The Total Income for the FY 2011 is ₹ 13413.31 Lacs as compared to ₹ 12230.66 Lacs during the FY 2010 showing increase of 9.67%.

Expenditure:

Rawmaterial Consumed / Cost of Goods Sold

Rawmaterial Consumed / Cost of Goods Sold increased to ₹ 11231.18 Lacs for FY 2011 from ₹ 10102.94 Lacs for FY 2010 showing an increase of 11.17%. This increase was mainly due to increase in consumption of material due to increase in volume of sales. The Rawmaterial Consumed / Cost of Goods Sold was 81.35% of gross sales during FY 2011 as against that of 83.51% during FY 2010.

Other Manufacturing Expenses

Other Manufacturing Expenses decreased to ₹ 780.74 Lacs for FY 2011 from ₹ 794.69 Lacs for FY 2010 showing a decrease of 1.76%. The decrease was due to decrease in job charges, carriage inwards & freight nad consumption of packing material. Other Manufacturing Expenses was 5.65% of Gross Sales during FY 2011 as against that of 6.57% during FY 2010.

Labour & Staff Cost

Labour & Staff Cost increased from ₹ 215.42 Lacs for the year ended March 31, 2010 to ₹ 239.17 Lacs for FY 2011 showing an increase of 11.02%. This increase was mainly due to increase in salaries and wages. Labour & Staff Cost stood at 1.78% and 1.73% of Gross Sales for FY 2010 and FY 2011 respectively.

Administrative, Selling and Other Expenses

Administrative, Selling and Other Expenses decreased from ₹ 256.33 Lacs for the year ended March 31, 2010 to ₹ 201.40 Lacs for FY 2011 showing a decrease of 21.43%. This decrease was mainly due to decrease in communication, travelling and conveyance and carriage outward charges. Administrative, Selling and Other Expenses stood at 2.12% and 1.46% of Gross Sales for FY 2010 and FY 2011 respectively.

Profit before Depreciation, Interest and Tax (PBDIT)

PBDIT increased from ₹ 861.28 Lacs for FY 2010 to ₹ 960.82 Lacs for FY 2011, mainly on account of increase in volume of sales. During FY 2011, our Company recorded PBDIT of 6.96% of the Gross Sales as against 7.12% during FY 2010.

Depreciation

Depreciation on fixed assets was 1.34% of Gross Sales during FY 2011 as compared to 1.36% during FY 2010. The total depreciation during FY 2010 was ₹ 163.94 Lacs and during FY 2011 it was ₹ 184.43 Lacs. This increase was due to increase in fixed assets of our Company. Gross block for FY 2010 was ₹ 1748.66 Lacs which increased to ₹ 2129.83 Lacs during FY 2011.

Interest and Financial Charges

Interest and Financial Charges increased from ₹ 528.39 Lacs for FY 2010 to ₹ 644.36 Lacs for the FY 2011. Interest cost mainly includes interest on secured and unsecured loans. Our outstanding secured loans as on March 31, 2011 were ₹ 3104.33 Lacs as compared to ₹ 2938.79 Lacs as on March 31, 2010.

Profit after Tax and restatement adjustment (PAT)

PAT decreased from ₹ 118.11 Lacs for the FY 2010 to ₹ 85.17 Lacs in FY 2011. This decrease was mainly due to increase in interest cost and the other reasons as details above. During FY 2011, our Company recorded PAT margin of 0.62% as against 0.92% for FY 2010.

Comparison of FY 2010 with FY 2009:**Gross Sales**

The Gross Sales for the FY 2010 is ₹ 12098.60 Lacs as compared to ₹ 9390.54 Lacs during the FY 2009 showing increase of 28.84%. The increase in turnover was mainly due to increase in volume of sales and higher realisations of our products. Our turnover included ₹ 11703.71 Lacs from Products manufactured by our company and ₹ 394.89 Lacs from products traded by our Company during FY 2010 as compared to ₹ 8980.63 Lacs and ₹ 409.91 Lacs respectively during FY 2009.

Total Income

The Total Income for the FY 2010 is ₹ 12230.66 Lacs as compared to ₹ 9195.43 Lacs during the FY 2009 showing increase of 9.67%.

Expenditure:**Rawmaterial Consumed / Cost of Goods Sold**

Rawmaterial Consumed / Cost of Goods Sold increased to ₹ 10102.94 Lacs for FY 2010 from ₹ 7500.10 Lacs for FY 2009 showing an increase of 34.70%. This increase was mainly due to increase in consumption of material due to increase in volume of sales. The Rawmaterial Consumed / Cost of Goods Sold was 83.51% of Gross Sales during FY 2010 as against that of 79.87% during FY 2009.

Other Manufacturing Expenses

Other Manufacturing Expenses increased to ₹ 794.69 Lacs for FY 2010 from ₹ 491.12 Lacs for FY 2009 showing a increase of 61.81%. The increase was due to increase in job charges, carriage inwards & freight consumption of packing material, power and fuel charges etc. Other Manufacturing Expenses was 6.57% of Gross Sales during FY 2010 as against that of 5.23% during FY 2009.

Labour & Staff Cost

Labour & Staff Cost increased from ₹ 192.06 Lacs for the year ended March 31, 2009 to ₹ 215.42 Lacs for FY 2010 showing an increase of 12.16%. This increase was mainly due to increase in operations. Labour & Staff Cost stood at 2.05% and 1.78% of Gross Sales for FY 2009 and FY 2010 respectively.

Administrative, Selling and Other Expenses

Administrative, Selling and Other Expenses increased from ₹ 226.39 Lacs for the year ended March 31, 2009 to ₹ 256.33 Lacs for FY 2010 showing a increase of 13.22%. This increase was mainly due to increase in communication and travelling and conveyance charges. Administrative, Selling and Other Expenses stood at 2.41% and 2.12% of Gross Sales for FY 2009 and FY 2010 respectively.

Profit before Depreciation, Interest and Tax (PBDIT)

PBDIT increased from ₹ 785.76 Lacs for FY 2009 to ₹ 861.28 Lacs for FY 2010, mainly on account of increase in volume of sales. During FY 2010, our Company recorded PBDIT of 7.12% of Gross Sales as against 8.37% during FY 2009 due to increase in other manufacturing expenses.

Depreciation

Depreciation on fixed assets was 1.36% of Gross Sales during FY 2010 as compared to 1.48% during FY 2009. The total depreciation during FY 2009 was ₹ 139.36 Lacs and during FY 2010 it was ₹ 163.94 Lacs. This increase was due to increase in fixed assets of our Company. Gross block for FY 2009 was ₹ 1613.81 Lacs which increased to ₹ 1748.66 Lacs during FY 2010.

Interest and Financial Charges

Interest and Financial Charges increased from ₹ 500.76 Lacs for FY 2009 to ₹ 528.39 Lacs for the FY 2010. Interest cost mainly includes interest on secured and unsecured loans. Interest and Financial Charges stood at 5.33% and 4.37% of Gross Sales for FY 2009 and FY 2010 respectively.

Profit after Tax and restatement adjustment (PAT)

PAT increased from ₹ 97.55 Lacs for the FY 2009 to ₹ 118.11 Lacs in FY 2010. This increase was mainly due to increase in sales and sales realisations and the other reasons as details above. During FY 2010, our Company recorded PAT margin of 0.98% as against 1.04% for FY 2009.

Comparison of FY 2009 with FY 2008:**Gross Sales**

The Gross Sales for the FY 2009 is ₹ 9390.54 Lacs as compared to ₹ 9155.05 Lacs during the FY 2008 showing increase of 2.57%. The increase in turnover was mainly due to increase in volume of sales of traded products. Our turnover included ₹ 8980.63 Lacs from Products manufactured by our company and ₹ 409.91 Lacs from products traded by our Company during FY 2009 as compared to ₹ 9044.27 Lacs and ₹ 110.78 Lacs respectively during FY 2008.

Total Income

The Total Income for the FY 2009 is ₹ 9195.43 Lacs as compared to ₹ 8763.87 Lacs during the FY 2008 showing increase of 4.94%.

Expenditure:

Rawmaterial Consumed / Cost of Goods Sold

Rawmaterial Consumed / Cost of Goods Sold increased to ₹ 7500.10 Lacs for FY 2009 from ₹ 7247.10 Lacs for FY 2008 showing an increase of 3.40%. This increase was mainly due to increase in consumption of material. The Rawmaterial Consumed / Cost of Goods Sold was 79.87% of Gross Sales during FY 2009 as against that of 79.16% during FY 2008.

Other Manufacturing Expenses

Other Manufacturing Expenses increased to ₹ 491.12 Lacs for FY 2009 from ₹ 420.23 Lacs for FY 2008 showing a increase of 16.87%. The increase was due to increase in job charges, carriage inwards & freight etc. Other Manufacturing Expenses was 5.23% of Gross Sales during FY 2009 as against that of 4.59% during FY 2008.

Labour & Staff Cost

Labour & Staff Cost marginally increased from ₹ 190.43 Lacs for the year ended March 31, 2008 to ₹ 192.06 Lacs for FY 2009 showing an increase of 0.86%. Labour & Staff Cost stood at 2.08% and 2.05% of Gross Sales for FY 2008 and FY 2009 respectively.

Administrative, Selling and Other Expenses

Administrative, Selling and Other Expenses increased from ₹ 212.29 Lacs for the year ended March 31, 2008 to ₹ 226.39 Lacs for FY 2009 showing a increase of 6.64%. Administrative, Selling and Other Expenses stood at 2.32% and 2.41% of Gross Sales for FY 2008 and FY 2009 respectively.

Profit before Depreciation, Interest and Tax (PBDIT)

PBDIT increased from ₹ 692.82 Lacs for FY 2008 to ₹ 785.76 Lacs for FY 2009, mainly on account of increase in volume of sales. During FY 2009, our Company recorded PBDIT of 8.37% of Gross Sales as against 7.57% during FY 2008.

Depreciation

Depreciation on fixed assets was 1.48% of Gross Sales during FY 2009 as compared to 1.42% during FY 2008. The total depreciation during FY 2008 was ₹ 130.14 Lacs and during FY 2009 it was ₹ 139.36 Lacs. This increase was due to increase in fixed assets of our Company. Gross block for FY 2008 was ₹ 1340.88 Lacs which increased to ₹ 1613.81 Lacs during FY 2009.

Interest and Financial Charges

Interest and Financial Charges increased from ₹ 395.92 Lacs for FY 2008 to ₹ 500.76 Lacs for the FY 2009. Interest cost mainly includes interest on secured and unsecured loans. Interest and Financial Charges stood at 4.32% and 5.33% of Gross Sales for FY 2008 and FY 2009 respectively. Our outstanding secured loans as on March 31, 2009 were ₹ 2248.23 Lacs as compared to ₹ 1551.46 Lacs as on March 31, 2010.

Profit after Tax and restatement adjustment (PAT)

PAT decreased from ₹ 117.96 Lacs for the FY 2008 to ₹ 97.55 Lacs in FY 2009. This decrease was mainly due to increase in interest and finance cost and the other reasons as details above. During FY 2009, our Company recorded PAT margin of 1.04% as against 1.29% for FY 2008.

Related Party Transactions

For further information please refer "Annexure VIII" beginning on page 141 under Chapter titled "Auditors' Report and Financial Information of our Company" beginning on page 129 of the Draft Red Herring Prospectus.

Financial Market Risks

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

Interest Rate Risk

Our Company is not currently exposed any major interest rate risks. However, any rise in future borrowings may result into the same.

Effect of Inflation

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years other than as described herein.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in ‘*Factors Affecting our Results of Operations*’ and the uncertainties described in the section entitled ‘*Risk Factors*’ beginning on page 15 of the Draft Red Herring Prospectus. To our knowledge, except as we have described in the Draft Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

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.

Apart from the risks as disclosed under Section titled “Risk Factors” beginning on page 15 in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue 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.

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by service providers.

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 business.

6. Total turnover of each major industry segment in which the issuer company operated.

Our Company only operates in Plastic Sector. For details on the total turnover of the industry *please refer to Chapter titled “Industry Overview” beginning on page 81 of the 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 the proposed manufacturing unit for Non Stick Cookware and Pressure Cookers.

8. The extent to which business is seasonal.

Our Company’s business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers.

Our Company is not dependent any on single or few customers. Our dependence on our suppliers is enumerated in the following table:

Suppliers Contribution:

Particulars	7 months ended October 31, 2011
Top 3 suppliers (% of total purchases)	69.83%
Top 5 suppliers (% of total purchases)	84.61%

10. Competitive conditions.

Competitive conditions are as described under the *Chapters titled “Industry Overview” and “Business Overview” beginning on pages [●] and [●], respectively of the Draft Red Herring Prospectus.*

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION 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 the 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.

Neither our Company nor its Promoters, members of the Promoter Group, Subsidiary, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

A) LITIGATION AGAINST OUR COMPANY

Civil cases

I. Cases filed against our Company

Labour Matter

Mr. Bhim R. Yadav (“**Claimant**”) has filed a complaint with Labour Inspector, Labour and Employment Office, Daman, against our Company (“**Respondents**”) for the recovery of the amount due and payable to him on his leaving the job from our Company in June 2007. Labour Inspector had asked us to give the calculation of amount due to Mr. Bhim R. Yadav and our Company submitted the same and has agreed to compensation amount of ₹ 13,474. However Mr. Bhim R. Yadav has not accepted the said amount and is demanding a higher amount. Accordingly Deputy Secretary, Labour and Employment Department vide order dated September 22, 2009 has referred the case to Labour Court due to conciliation failure. The matter is currently pending with labour court (Case No. IDR No. 08/2009) and next date of hearing is fixed at January 05, 2012.

II. Cases filed by our Company

NIL

Claims and notices from statutory authorities

I. Income tax related proceedings

Assessment Year 2004-05

1. Assistant Commissioner Income Tax, Income Tax Department, Range 9 (1), Mumbai had imposed an income tax liability of ₹ 1,15,545 by its Order u/s 143(3) of the Income Tax Act, 1961 due to reworking of section 80IB deductions. Our Company had made an appeal to the Commissioner of Income Tax (Appeal) IX, Mumbai against this Order, which was dismissed. Subsequently, our Company made an appeal in Income Tax Appellate Tribunal (ITAT) and ITAT passed the order partly allowing the appeal. Assessing officer shall compute the final liability as per ITAT order. The final assessment order in the matter is pending.

II. Sales tax related proceedings

2. Assistant Sales Tax Officer, Sales Tax Department, Daman had imposed differential tax liability of ₹ 65,034 for applying wrong rate of sales tax on sale of raw material and steel during the period 1/4/2001 to 31/3/2002, vide their assessment order dated October 7, 2004. Our Company has made an appeal

dated December 21, 2004 to the Asstt. Commissioner of Sales Tax, Daman against this order. The matter is currently pending for hearing.

3. Assistant Sales Tax Officer, Sales Tax Department, Daman had imposed differential tax liability of ₹ 65,034 for applying wrong rate of sales tax on sale of raw material and steel during the period 1/4/2001 to 31/3/2002. The company has made an appeal to the Asstt. Commissioner of Sales Tax, Daman against this order. The matter is currently pending for hearing.

III. Central Excise related proceedings

4. There has been search on December 2, 2011 and December 3, 2011 at our registered office and both of our Units by Directorate General of Central Excise Intelligence to ascertain any evasion of Central Excise Duty. The officials carried copies of our last three years financial statements from our registered office. At our unit I, 16000 kgs of Polypropylene was found short and at our unit II 14,457.82 kgs of Polypropylene was found short. Our records related to sales, purchase and excise were seized. On the day of the search itself, our Company has reversed the CENVAT amount of ₹ 30.90 Lacs in its CENVAT account and paid ₹ 10.00 Lacs in Personal Ledger Account. However, the Central Excise Department has not served any show cause notice to the Company for the search carried out on December 2, 2011 and December 3, 2011.
5. A show cause notice no. F.No.V(CH.96)15-4/OA/06/ADDL dated June 5, 2007 was issued to our Company along with M/s. Alaska Industries and Mr. Kamlesh L. Jain on the basis of surprise visit conducted by Excise Department on June 03, 2004. Our Company replied to the said show cause notice vide letter dated [•]. Assistant Commissioner of Excise vide order No.O.I.O. No. 01/OA/ADDL/2008 dated February 14, 2008 confirmed the excise duty of ₹ 29,71,386 and also imposed a penalty of ₹ 29,71,386 on our Company. The order further imposed a penalty of ₹ 5,00,000 on Alaska Industries, ₹ 5,00,000 on Mr. Kamlesh L. Jain and ₹ 50,000 each on Mr. Dinkar Kasurad and Mr. Vasant H. Purohit employees of our Company. Our Company along with other aggrieved parties filed an appeal with the Appellate Tribunal to set aside the order of Asst. Commissioner and to set aside penalties imposed. Commissioner Appeals vide order in appeal no. KKS/250-256/Daman/2008 dated May 30, 2008 rejected the appeal.

A stay application dated August 15, 2008 was filed before Customs, Excise and Service Tax Appellate Tribunal to dispense with the deposit of penalties and grant the stay against the recovery of the said amount till final disposal of the appeal. Our Company had deposited the entire amount of duty of ₹ 29,71,386. Customs, Excise and Service Tax Appellate Tribunal vide order no. S/1294-1300/WZB/AHD/2008 dated November 04, 2008 dispensed with the condition of pre deposit of penalties on all the applicants and allowed the stay petitions. The Company has applied to Customs, Excise & Service Tax Appellate Tribunal on June 6, 2011 for extension of the stay orders till the final disposal of this appeal. Customs, Excise and Service Tax Appellate Tribunal vide order no. M/1351-1526/WZB/AHD/2010 dated August 8, 2011 extended the stay for the further period of six months or till the disposal of the appeal whichever is earlier.

IV. Customs related proceedings

NIL

V. Other Statutory Notice

NIL

VI. Other Litigation/Matters

***Note:** Pursuant to the Business Transfer Agreement dated 1.7.2005 made between Alaska Industries and our Company, Alaska Industries has transferred and the Company has assumed all the assets and liabilities of Alaska Industries for the consideration and on the terms and conditions contained therein. Accordingly, all references to Alaska Industries must be read to mean references to the Company and the cases pertaining to Alaska Industries as referred to below are now assumed by the Company therefore any adverse outcome in any of the cases above shall deem to mean the liability of the Company w.e.f. 1.7.2005.*

I. Central Excise related proceedings

1. A show cause notice no. V/15-33/OA/96/1761 dated 22.1.1997 was issued to Alaska Industries on the basis of surprise visit conducted by Excise Department on July 23, 1996. It was alleged that certain goods worth ₹ 8,39,895/- were found to be in excess of the declared quantity and were seized. Custom duty of ₹ 1,25,354/- was imposed thereon. Alaska Industries applied to the Deputy Commissioner of Central Excise vide application dated September 23, 1996 for the release of the seized goods. The Assistant Commissioner called upon Alaska Industries to produce a Bank Guarantee for ₹ 2,09,974/- which was produced by Alaska Industries. Subsequently the seized goods were released. Bank Guarantee was renewed from time to time. Currently, the same is valid upto December 20, 2012. The case is pending for further hearing before the Assistant Commissioner, Excise Department.
2. A show cause notice no. V(CH-39) 15-3/OA/97 dated 15.5.2000 was issued to Alaska Industries along with Mr. Kamlesh L. Jain and Mr. Ashok Kumar Jain on the basis of surprise visit conducted by Excise Department on July 30, 1996. During the verification of raw materials, a shortage was observed by the Excise officials and a duty of ₹ 1,99,153.50 was imposed. Assistant Commissioner of Excise vide order No.O.I.O. No.SD/AC/41/OA/04-05 dated November 25, 2004 confirmed the Excise Duty of ₹ 1,99,153.60 and also imposed a penalty of ₹ 1,99,153.50. Alaska Industries filed an appeal with the Commissioner (Appeals) against order of Assistant Commissioner. The Commissioner (Appeals) has passed an order No. O.I.A. No.NS/161/Daman/ 2005 dated March 28, 2005 setting aside the earlier order of Asst. Commissioner and remanded the matter back to the adjudicating authority for fresh adjudication by allowing cross-examination of evidences.

Further Deputy Commissioner of Central Excise vide Order no. SD/DC/55/06-07 dated December 25, 2006 confirmed the excise duty of ₹ 1,99,154 and also imposed a penalty of ₹ 1,99,154. Alaska Industries filed an appeal to the Commissioner (Appeals) against order of Deputy Commissioner. The Commissioner (Appeals) has passed order No. O.I.A. No.KKS/103-104/DAMAN/2008 dated March 07, 2008. NS/161/Daman/ 2005, rejecting the appeal. Alaska Industries filed the stay application before the Customs, Excise and Service Tax Appellate Tribunal, WZB, Ahmedabad citing that the show cause notice dated May 5, 2000 for the cause arising on July 30, 1996 is time barred. The Appellate Tribunal vide order no. S/555/WZB/AHD/08 dated June 11, 2008 granted the stay against recovery during pendency of the appeal. The matter is pending for hearing.

3. A show cause notice no. V(CH-39)15-8/OA/ 97/3549 dated May 09, 2000, was issued to Alaska Industries along with Mr. Kamlesh L. Jain, Mr. Vasant H. Purohit and Mr. Ramesh Jain on the basis of visit conducted by Excise Department on June 11, 1997. The officers noticed excess stock of finished stock worth ₹ 8,41,958. Further certain goods worth ₹ 2,06,758.32 were found to be short of the declared quantity. The total Excise Duty which was alleged to be evaded was ₹ 5,25,399. Further the goods were also seized. Alaska Industries replied to the said notice vide letter dated November 01, 2011. Assistant Commissioner of Excise vide order No. 26/Adj./2002/ADC dated March 14, 2002 demanded the Excise Duty of ₹ 5,25,399 along with interest and also imposed a penalty of ₹ 5,25,399, confiscation of land, building, plant and machinery or a redemption fine of ₹ 1,00,000. The order further imposed a penalty of ₹ 50,000 on Mr. Kamlesh L. Jain, ₹ 10,000 each on Mr. Ramesh Jain and Mr. Vasant H. Purohit.

Alaska Industries filed an appeal dated June 4, 2002 and stay application dated June 3, 2002 against the Order of Additional Commissioner with Commissioner (Appeals). A Stay Order No.5-6-7-8 dated 3.2.04 was passed by Commissioner (Appeals) for pre-deposit of ₹ 5,25,399/-. Alaska Industries filed a Miscellaneous Application on 19.2.2004 to stay the predeposit amount. The said Miscellaneous Application disposed of vide Stay Order No.39/STAY/Daman/2004 dated 20.9.2004 by the Commissioner (Appeal) rejecting our Application. Alaska Industries filed a Special Civil Application no. 14635 of 2004 against the said Order in the High Court of Gujarat. The High Court of Gujarat passed an order dated 22.11.2004 upholding the pre-deposit of ₹ 5,25,399/- within 4 weeks from the date therefrom. Mr. Kamlesh L. Jain, Mr. Ramesh Jain and Vasant Purohit have filed Appeals and Stay Applications against the imposition of penalty on each of them.

Additional Commissioner of Central Excise vide order no. 01/OA/ADJ/ADDL/2007 dated April 10, 2007 confirmed the demand of Excise Duty of ₹ 5,25,399 along with interest and also imposed a penalty of ₹ 5,25,399, confiscation of land, building, plant and machinery or a redemption fine of ₹ 1,00,000. The order further imposed penalty of ₹ 50,000 on Mr. Kamlesh L. Jain, ₹ 10,000 on Mr. Ramesh Jain and Mr. Vasant H. Purohit. Alaska Industries has paid ₹ 5,25,399 as a pre-deposit amount. Customs, Excise and Service Tax Appellate Tribunal vide order no. M/1351-1526/WZB/AHD/2010 dated August 8, 2011 extended the stay for the further period of six months or till the disposal of the appeal whichever is earlier.

4. A show cause notice no. V/15-27/OA/2000-01 dated 28.2.2001 was issued to Alaska Industries along with Mr. Kamlesh L. Jain, Mr. Vasant H. Purohit and Mr. Ramesh Jain on the basis of surprise visit conducted by Excise department on August 31, 2000. Certain goods worth ₹ 3,08,344/- were found to be in excess of the declared quantity and were seized. Excise duty of ₹ 49,335/- imposed thereon which was paid by Alaska in RG-23(ii) entry no. 77 dated August 12, 2001. Certain goods worth ₹ 8,41,831 were found to be short of the declared quantity. Alaska Industries had debited a duty amount of ₹ 1,31,493/- in RG-23, Part – II, entry no. 292 dated February 10, 2001, towards the short quantity of the goods amount under this show cause notice and requested for release of the seized goods. The case is pending for further hearing.
5. Alaska Industries has filed a claim for refund of ₹ 4,00,955/- paid under protest (S.H.No.3923) on 27.3.2001. Various reminders have been sent to the Assistant Commissioner in this regard.

Sales Tax Matters

6. Assistant Sales Tax Officer, Sales Tax Department, Daman passed an assessment order for FY 2001-02 and imposed demand for ₹ 19,888. Alaska Industries had made an appeal to the Asstt. Commissioner of Sales Tax, Daman for the disputed amount of ₹ 14,000 against this order.
7. Assistant Sales Tax Officer, Sales Tax Department, Daman passed an assessment order for FY 2001-02 and imposed demand for ₹ 1,44,192. Alaska Industries had made an appeal to the Asstt. Commissioner of Sales Tax, Daman for the disputed amount of ₹ 1,43,192 against this order.
8. Assistant Sales Tax Officer, Sales Tax Department, Daman passed an assessment order for FY 2000-01 and imposed demand for ₹ 47,476. Alaska Industries had made an appeal to the Asstt. Commissioner of Sales Tax, Daman for the disputed amount of ₹ 45,172 against this order.
9. Assistant Sales Tax Officer, Sales Tax Department, Daman passed an assessment order for FY 2000-01 and imposed demand ₹ 61,394. Alaska Industries had made an appeal to the Asstt. Commissioner of Sales Tax, Daman for the disputed amount of ₹ 60,394 against this order.

In all the above four matters a Joint Demand Notice dated September 21, 2007 was issued to Alaska Industries to pay the total amount of ₹ 2,72,950 within 15 days of the serving of the notice. Alaska Industries had replied to the above notice vide letter dated October 22, 2010 stating that the firm has preferred an appeal and also filed an application for stay of recovery before the Appellant Authority and both are pending.

B) LITIGATION INVOLVING PROMOTERS/DIRECTORS

Criminal Cases

Cases filed against Promoters/Directors

A criminal case being 1606 of 2004 has been filed in the Court at Palghar, District Thane under Section 138 of the Negotiable Instruments Act, 1882 against M/s Plusmore Marketing Pvt. Ltd. and its directors on account of dishonour of certain cheques aggregating ₹ 2,23,460/-. Mr. Kamlesh L. Jain has been made a party to the criminal case since he used to be a director of M/s. Plusmore Marketing Pvt. Ltd. However, at the time of dishonour of the cheques and the subsequent initiation of the case against M/s Plusmore Marketing Pvt. Ltd., Mr. Kamlesh L. Jain had already resigned as a director and prior to his resignation was never involved in day to day operations of M/s Plusmore Marketing Pvt. Ltd. Accordingly, he has filed a reply stating that he had resigned from M/s Plusmore Marketing Pvt. Ltd. prior to dishonour of the said cheques and has also furnished Form No.32 in that regard. His application for exemption from personal appearance in the Court has been rejected and the matter is pending. The next date of hearing has not yet been intimated.

Civil Cases

I. Cases filed against Promoters/Directors

NIL

II. Cases filed by Promoters/Directors

NIL

Claims and notices from statutory authorities

NIL

C) Outstanding litigations involving our Group Entities

D) PENALTIES IMPOSED IN PAST CASES SINCE INCORPORATION

NIL

E) ARBITRATION MATTERS

F) AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS

As per our Audited Financial Statements for the seven months period ended October 31, 2011, the name of the Micro, Small and Medium Enterprises suppliers defined under 'The Micro Small and Medium Enterprises Development Act, 2006' could not be identified.

Material developments occurring after the last Balance Sheet Date

To our knowledge, no circumstances have arisen since March 31, 2011, which is the date of the most recent financial statements included in the Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect our profitability, our financial condition or our ability to pay our material liabilities within the next 12 months.

Adverse Events

There has been no adverse event affecting the operations of our Company, occurring within 1 (one) year prior to the date of filing of the Draft Red Herring Prospectus with SEBI.

GOVERNMENT AND OTHER APPROVALS

Except for pending approvals mentioned under this Section, our Company has received the necessary material consents, licenses, permissions and approvals from the Government and various Governmental agencies, required for our present business and carrying on our business activities. Further, except as mentioned herein below, our Company has not yet received/applied for any licenses, consents, permissions or approvals for the carrying out any proposed activities as contained in the chapter titled 'Objects of the Issue' beginning on page 58 of the Draft Red Herring Prospectus.

It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.

I. Approvals in relation to our Company's Incorporation

1. Certificate of Incorporation bearing number 11-117874 of 1999 dated January 14, 1999, has been issued to our Company by the Asst. Registrar of Companies, Maharashtra at Mumbai, in the name of Thermo Plast Industries Private Limited.
2. Fresh Certificate of Incorporation Consequent upon Change of Name dated March 11, 2005, has been issued to our Company by the Asst. Registrar of Companies, Maharashtra, Mumbai, pursuant to change of name of our Company to Bluplast Industries Private Limited.
3. Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company dated July 14, 2005 has been issued to our Company by the Asst. Registrar of Companies, Maharashtra, Mumbai pursuant to conversion of our Company to public limited company bearing the name Bluplast Industries Limited.

II. Approvals related to this Issue

4. Our Board of Directors has, pursuant to a resolution passed at its meeting held on November 5, 2011, authorized the Issue subject to the approval by the shareholders of our Company under Section 81 (1A) of the Companies Act, such other authorities as may be necessary.
5. The shareholders of our Company have approved this Issue under Section 81 (1A) of the Companies Act, 1956 vide a Special Resolution passed at our Company's EGM held on is December 5, 2011.
6. Observation letter no. [●], dated [●], issued by SEBI.
7. In-principle approval for listing from the Bombay Stock Exchange Limited dated [●].
8. In-principle approval for listing from The National Stock Exchange of India Limited dated [●].

III. Tax related approvals

9. Permanent Account Number (PAN) being AABCT0420F granted by the Income Tax Department, GoI, to our Company.
10. Tax Deduction Account Number (TAN) being MUMT10891G granted by the Income Tax Department, GoI, to our Company.
11. Certificate of Registration under the Service Tax Rules, 1994, bearing registration no. AABCT0420FST001 issued by Asst. Commissioner of Central Excise and Customs.
12. Certificate of Registration under the Central Excise Rules 2002, bearing registration no. AABCT0420FXM001 issued by Asst. Commissioner of Central Excise.
13. TIN 25000005540 issued by Asst. Value Added Tax Officer, Daman Ward issued under Daman and Diu Value Added Tax Rules, 2005

IV. General

14. Registration Certificate of Establishment under Bombay Shops and Establishments Act, 1948 for our Registered Office in Mumbai bearing registration no. PS010915, issued by the Shops Inspector under the Bombay Shops and Establishments Act, 1948, valid upto December 31, 2012.
15. Certificate of Registration under the Central Sales Tax (Registration and Turnover) Rules, 1957, bearing number DA/CST/5008 dated March 30, 1999, issued by the Commercial Tax Officer, Vapi, registering our Company as a dealer under Sections 7(1) / 7(2) of the Central Sales Tax Act, 1956.
16. Code number GJ/VP/45623 from the Regional Provident Fund Commissioner Incharge, Employees' Provident Fund Organisation, under the Employees Provident Funds and Miscellaneous Provision Act, 1952, for our Company's Unit I.
17. Our Company is registered as a member with the Plastics Export Promotion Council vide registration number PLEPC/T/160/2009-10. The certificate is valid upto March 31, 2014.
18. Certificate of Importer-Exporter Code (IEC) bearing IEC number 0399024948 has been issued to our Company on August 16, 1999 vide certificate dated August 05, 2010, by the Foreign Trade Development Officer, Mumbai (Office of the Joint Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India). The same is valid for both our units.

V. Other business related approvals

UNIT - I

19. Ackwlegement no. 5111/SIA/IMO/2005 dated October 31, 2005 issued by Ministry of Commerce & Industry, Sectrtariat for Industrial Assistance for the manufacture of products.
20. Entrepreneurs Memorandum Number 600011200181 has been allocated to our Company on January 07, 2009 by the General Manager (DIC), Daman, on acknowledgement for filing memorandum for medium manufacturing enterprise which has been set up at at S.No. 709/1-4, 8, 9, 710/13 Dabhel, Nani Daman, Daman – 396210. Addition of Unit II as additional place of business vide letter dated July 28, 2010 issued by the General Manager (DIC), Daman.
21. License to Work a Factory bearing License Number 1589 and Registration Number 1589 has been issued to our Company by the Chief Inspector of Factories, Admn. Of Daman & Diu (U.T.), Daman under the provisions of the Factories Act, 1948, for our Unit I. The same is valid up to December 31, 2011.
22. Renewal of consents to operate vide Consent Order dated June 14, 2010 issued by Member Secretary, Pollution Control Committee, under the Water (Prevention and Control of Pollution) Act, 1974 for our establishing our Company's Unit I. The same is valid up to December 31, 2011.
23. ISO 9001:2008 registration certificate issued by UKAS Management Systems in recognition of our Quality Management Systems of our Unit I. The same was valid up to November 30, 2011, and the revalidation process has been completed and our Company is awaiting the renewed certificate.

UNIT - II

24. License to Work a Factory bearing License Number 2567 and Registration Number 2567 has been issued to our Company by the Chief Inspector of Factories, Admn. Of Daman & Diu (U.T.), Daman under the provisions of the Factories Act, 1948, for our Unit II. The same is valid up to December 31, 2011.
25. Consent to renewal vide Consent Order dated May 19, 2011 issued by Member Secretary, Pollution Control Committee, under the Air (Prevention and Control of Pollution) Act, 1981 for to operate our Unit II.

VI. PENDING APPROVALS

Statutory Approvals/Licenses required for the proposed expansion for manufacturing of Plastic Injection Moulding Products, Non Stick Cookware and Pressure Cookers

- Acknowledgement from Secretariat for Industrial Assistance of Industrial Entrepreneurs Memorandum for the products proposed to be manufactured.
- License from the Inspector of Factories under Factories Act, 1948.
- VAT Registration
- Central Excise Registration
- Service Tax Registration
- Registration with Provident Fund and E.S.I. authorities
- Pollution Control Board clearance under section 25 of the Water (Prevention and Control of Pollution) Act, 1974, and consent issued under section 21 of the Air (Prevention and Control of Pollution) Act, 1981.
- Sanction for power connection from the Division Officer.
- Importer Exporter Code from the Director General of Foreign Trade

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue of Equity Shares has been authorized by the resolution of the Board of Directors at their meeting held on November 5, 2011. The shareholders have, by a special resolution passed pursuant to Section 81(1A) of the Companies Act, at the Extraordinary General Meeting of our Company held on December 5, 2011, approved the Issue.

The Bombay Stock Exchange Limited and the National Stock Exchange of India Limited have given in-principle approval for the Issue pursuant to letters dated [●] and [●] respectively, and BSE is the Designated Stock Exchange.

Prohibition by SEBI, RBI or Governmental authority

Our Company, our Directors, our Promoters, the Promoter Group, Group Entities or the person (s) in control of our Company have not been debarred from accessing the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or the RBI or any other regulatory or governmental authority. The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

The companies, with which any of the Promoters, Directors or persons in control of our Company are or were associated as promoters, directors or persons in control, have not been debarred from accessing the capital markets under any order or direction passed by SEBI or the RBI or any other regulatory or governmental authority.

Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by Stock Exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Red Herring Prospectus or (b) delisted from the stock exchanges.

None of the Directors are associated in any manner with any entities, which are engaged in securities market related business and are registered with the SEBI for the same.

Our Company, our Directors, our Promoters and the relatives of the Promoters (as defined under the Companies Act) and our Group Entities have not been identified as wilful defaulters by RBI or any other government authorities. Our Promoters and the Group Entities of our Promoters have further confirmed that there are no violations of securities laws committed by them in the past or currently pending against them.

Eligibility for this Issue

Our Company is an “unlisted issuer” in terms of the SEBI ICDR Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations. Our Company is eligible to make the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations.

Regulation 26(1) of the SEBI (ICDR) Regulations states as follows:

“26.(1) An unlisted company may make an initial public offering (IPO) of equity shares only if it meets all the following conditions:

- (a) The company has net tangible assets of at least ₹ 300 lacs in each of the preceding 3 full years (of 12 months each), of which not more than 50% is held in monetary assets:*

Provided that if more than 50% of the net tangible assets are held in monetary assets, the company has made firm commitments to deploy such excess monetary assets in its business/project;

- (b) The company has a track record of distributable profits in terms of section 205 of the Companies Act, 1956, for at least three (3) out of immediately preceding five (5) years;*

Provided further that extraordinary items shall not be considered for calculating distributable profits in terms of section 205 of Companies Act, 1956;

- (c) The company has a net worth of at least ₹ 100 lacs in each of the preceding 3 full years (of 12 months each);
- (d) In case the company has changed its name within the last one year, atleast 50% of the revenue for the preceding 1 full year is earned by the company from the activity indicated by the new name; and
- (e) The aggregate of the proposed issue and all previous issues made in the same financial year in terms of size (i.e., offer through offer document + firm allotment + promoters' contribution through the offer document), does not exceed five (5) times its pre-issue networth as per the audited balance sheet of the last financial year.)”

Our Company's Net Tangible Assets, Monetary Assets, Net Profit and Net Worth derived from the Auditor's Report included in the Draft Red Herring Prospectus as at, and for the last five years ended Fiscal 2010 are set forth below:

(₹ in lacs)

Particulars	31-Mar-07	31-Mar-08	31-Mar-09	31-Mar-10	31-Mar-11
Net Tangible Assets ¹	3,371.72	4,351.16	4,789.31	5,394.85	5,581.36
Monetary Assets ²	51.24	73.36	75.25	83.73	126.38
Monetary Assets as a % of Net Tangible Assets	1.52%	1.69%	1.57%	1.55%	2.26%
Net Worth ³	1,414.25	1,532.21	1,629.77	1,747.88	1,833.05
Distributable Profits ⁴	110.03	117.96	97.55	118.11	85.17

¹“Net Tangible Assets” are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities and secured as well as unsecured long term liabilities) excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

²Monetary Assets are defined as the sum of cash in hand, non trade Investments, balance with scheduled bank in current accounts, fixed deposits and public deposit account with the Government, if any.

³Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves and share application money) and after deducting miscellaneous expenditure not written off, if any.

⁴Distributable profits have been computed in terms Section 205 of the Companies Act, 1956.

This Issue is being made through the Book Building Process. 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. Otherwise the entire application money shall be refunded forthwith. In case of delay, if any, in refund our Company shall pay interest on the application money at the rate of 15% p.a. for the period of delay.

This being an Issue for Equity Shares representing more than 25% of the post-Issue equity share capital of the Company, Equity Shares will be offered to the public for subscription in accordance with In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended. In accordance with the SEBI ICDR Regulations, not more than 50% of the Issue shall be available for allocation to QIBs.

If the minimum public shareholding requirements of Rule 19(2)(b) of the SCRR are not met, the entire application money will be refunded forthwith.

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 QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIBs, subject to valid Bids 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 from them at or above the Issue Price.

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 BRLM 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 185 of the Draft Red Herring Prospectus.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO 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 DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, UNICON CAPITAL SERVICES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING 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 DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, UNICON CAPITAL SERVICES PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 19, 2011, WHICH READS AS FOLLOWS:

“WE, THE BOOK RUNNING LEAD MANAGER, TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE 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. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (THE “SEBI” OR “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 SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - c. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE**

COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WHEN UNDERWRITTEN, WE WILL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE.
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE 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 THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE 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 LACS, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, THE ALLOTMENT WILL BE MADE ONLY IN DEMAT FORM.

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 THE 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 SEBI 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 THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY."

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY 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 BRLM ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Draft Red Herring Prospectus with the Registrar of Companies, Mumbai in terms of section 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of sections 56, 60 and 60B of the Companies Act.

Disclaimer Statement of our Company and the BRLM

Our Company and the BRLM accept no responsibility for statements made otherwise than in the Draft Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information, including our Company's website www.bluplast.com would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLM with our Company and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company and the BRLM 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, at bidding centers or elsewhere.

Each of the BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in future engage, in investment banking transactions with our Company, affiliates or associates or third parties, for which they have received, and may in future receive, compensation.

Neither our Company, nor its Directors and officers, nor any member of the Syndicate are liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Caution

Bidders will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares in the Issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with competent courts/ authorities in Mumbai, India.

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 Equity Shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), trusts (registered under Societies Registration Act, 1860, or any other trust law and are authorized under their constitution to hold and invest in Equity Shares) public financial institutions as specified in Section 4A of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500 lacs, pension funds with a minimum corpus of ₹ 2,500 lacs, the National Investment Fund, insurance funds set up and managed by the army, navy and/or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, and to permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, and other eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold the Equity Shares. The Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to equity shares issued 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 disputes arising out of this Issue will be subject to the jurisdiction of courts in Mumbai, Maharashtra, 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 the Draft Red Herring Prospectus has been submitted to the SEBI for its observations. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and the 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 the Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to the date of the Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption form, or in a transaction not subject to, the registration requirements of the Securities Act.

Disclaimer Clause of the BSE

- [•] As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the 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 the Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of the IPO Grading Agency

The disclaimer clause as intimated by the [•], the IPO Grading Agency to our Company, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, SEBI Bhawan, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. A copy of the Red Herring Prospectus, along with documents to be filed under Section 60B of the Act, and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration to the Registrar of Companies at Registrar of Companies, Maharashtra at Mumbai.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Initial listing applications have been made to the BSE and the NSE for permission to list the Equity Shares and for an official quotation of the Equity Shares of our Company. BSE shall be the Designated Stock Exchange with which the basis of allotment shall be finalised.

In case the permission to deal in, and for an official quotation of, the Equity Shares are not granted by any of the above mentioned Stock Exchanges, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within eight (8) days after the day from which the Issuer becomes liable to repay it then our Company, then the Company and every Director of our Company who is an officer in default shall, on and from expiry of eight (8) days, be jointly and severally liable to repay that money with interest, at 15% per annum on the application monies as prescribed under Section 73 of the Companies Act and the rules formulated thereunder.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within twelve (12) Working Days of Bid/ Issue Closing Date.

Impersonation

Attention of the Bidders 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.”***

Consents

Consents in writing of our Directors, our Company Secretary and Compliance Officer, the Auditors, the Legal Advisor to the Issue, the Bankers to our Company, the BRLM, the Registrar to the Issue, the Syndicate Members, the Escrow Collection Banks, Refunds Bank(s) and the IPO Grading Agency to act in their respective

capacities, will be obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC and such consents will not be withdrawn upto the time of delivery of the Prospectus for registration, is as required under Section 60 and 60B of the Companies Act.

[●], the IPO Grading Agency engaged by us for the purpose of IPO Grading have given their consent as experts, pursuant to their letter dated [●] for inclusion of their report in the form and content in which it will appear in the Red Herring Prospectus, and such consent will not be withdrawn until the time of delivery of the Prospectus for registration with the Registrar of Companies.

Expert Opinion

Except the statement of tax benefits, report of our Auditors, and the report of [●] issued in respect of the IPO grading of this Issue (a copy of which will be annexed to the Red Herring Prospectus as Annexure I), and except as stated elsewhere in the Draft Red Herring Prospectus, our Company has not obtained any expert opinions.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹ [●] lacs. The expenses of the Issue payable by our Company includes, among others, brokerage, fees payable to the BRLM and Registrar to the Issue, legal fees, stamp duty, printing and distribution expenses and listing fees and other miscellaneous expenses estimated as follows:

Activity	Expenses* (₹ in lacs)	% of Issue Size	(₹ in lacs) % of Issue expenses
Lead management, underwriting and selling commission	[●]	[●]	[●]
IPO Grading Expenses	[●]	[●]	[●]
Advertisement and marketing expenses	[●]	[●]	[●]
Printing and stationery (including expenses on transportation of the material)	[●]	[●]	[●]
Others (Registrar's fees, legal fees, listing fees, etc.)	[●]	[●]	[●]
Total	[●]	[●]	[●]

* Will be incorporated after finalization of the Issue Price

Details of Fees Payable

Fees payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as stated in the engagement letter signed and executed between our Company and the Book Running Lead Manager, a copy of which is available for inspection at our Registered Office from 10:00 am to 4:00 pm on all Working Days during the Bid / Issue Period.

Underwriting Commission, Brokerage and Selling Commission

The selling commission for this Issue is as set out in the Syndicate Agreement to be entered into between our Company and the BRLM. The underwriting commission shall be paid as set out in the Underwriting Agreement to be entered into between our Company and the BRLM based on the Issue Price and amount underwritten in the manner mentioned in the Prospectus. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

Fees payable to the Registrar to the Issue

The total fees payable to the Registrar to the Issue for processing of application, data entry, printing of CAN/ refund order, or Revised CANs if required, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated November 7, 2011, signed and executed between our Company and the Registrar to the Issue, a copy of which will be available for inspection at our Registered Office from 10:00 am to 4:00 pm during the Bid/ Issue Period.

The Registrar to the Issue will also be reimbursed with all relevant out-of-pocket expenses such as cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar

to the Issue to enable them to make refunds in any of the modes described in the Red Herring Prospectus and the Prospectus or send allotment advice by registered post / speed post.

Previous public or rights issues

Our Company has not made any public or rights issue since its incorporation.

Previous issue of Equity Shares otherwise than for cash

Our Company has not issued any Equity Shares for consideration otherwise than for cash, except as disclosed in the chapter titled '*Capital Structure*' beginning on page 46 of the Draft Red Herring Prospectus.

Commission or brokerage on previous issues

Since this is the initial public offering of our Company's Equity Shares no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

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 three years.

Except as disclosed in the chapter titled "*Our Group Entities*" 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 three years.

Performance vis-a-vis Objects Previous Issues of our Company and our Group / Associate Entities

Our Company has not made any public issue of Equity Shares since its incorporation. None of our Group/ Associate Entities has made any public issues in the past ten years except as disclosed in the chapter titled '*Our Group Entities*' beginning on page 125 of the Draft Red Herring Prospectus.

Outstanding debentures or bond issues

As on the date of the Draft Red Herring Prospectus, our Company does not have any outstanding debentures or bonds.

Outstanding Preference Shares

As on the date of the Draft Red Herring Prospectus, our Company does not have any outstanding preference shares.

Stock Market Data

Our Company is an "unlisted issuer" in terms of the SEBI ICDR Regulations, and this being the "Initial Public Offering" in terms of the SEBI ICDR Regulations no stock market data is available for the Equity Shares of our Company.

Disclosure on Investor Grievances and Redressal System

The Agreement signed between the Registrar to the Issue and our Company entered into on November 7, 2011 provides for retention of records with the Registrar to this Issue for a period of at least three years from the last date of dispatch of the letters of allotment or refund orders, demat credit and making refunds as per the modes disclosed to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs 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.

Disposal of Investor Grievances by our Company

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be ten 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. We have also constituted Shareholders' / Investors' Grievance Committee of the Board of Directors *vide* resolution passed as the Board Meeting held on May 4, 2011, to review and redress the shareholders and investors grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, please refer to the chapter titled '*Our Management*' beginning on page 108 of the Draft Red Herring Prospectus.

Our Company has appointed Mr. Martin Godinho, Manager – Accounts as the Compliance Officer for this Issue and he may be contacted for redressal of any complaints at:

Mr. Martin Godinho

Bluplast Industries Limited

113/114, Vivek Industrial Estate,
Uswala Road, Cama Estate,
Goregaon (East), Mumbai-400063
Tel No: +91 22 4099 1234
Fax No: +91 22 2685 1151
Email: ipo@bluplast.com
Website: www.bluplast.com

Investors can also contact the Registrar to the Issue for redressal of any complaints relating to the Issue at the following address:

Bigshare Services Private Limited

E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai – 400 072
Tel No: +91 22 4043 0200
Fax No: +91 22 2847 5207
Website: www.bigshareonline.com
Email: ipo@bigshareonline.com
Contact Person: Ashok Shetty
SEBI Registration No: INR000001385

Disposal of Investor Grievances by our listed Group Entities

For more information please refer to the chapter titled '*Our Group Entities*' beginning on page 125 of the Draft Red Herring Prospectus.

Changes in the Auditors during last three years and reasons thereof

There have been no changes in our auditors in the last three years.

Capitalisation of reserves or profits during the last five years

Our Company has not made any bonus issue or capitalised its reserves since incorporation

Revaluation of assets during the last five years

Our Company has not revalued its assets for a period of five years prior to the date of the Draft Red Herring Prospectus.

SECTION VIII - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the SCRR, the SCRA, our Memorandum and Articles of Association, conditions of RBI approval, if any, the terms of the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the ASBA Form, the Revision Form, the Allotment Advice and Confirmation of Allocation Note (“CAN”), Listing Agreements with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice, and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to applicable laws, 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, Stock Exchanges, RBI, FIPB, RoC and / or other 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 the Companies Act and our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends. The Allottees of the Equity Shares in this Issue shall be entitled to dividends and/or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled ‘*Main Provisions of the Articles of Association*’ beginning on page 221 of the Draft Red Herring Prospectus.

Mode of payment of dividend

We shall pay dividend, if declared, to our shareholders as per the provisions of the Companies Act, the Articles of Association of our Company and the Listing Agreements entered into with the Stock Exchanges.

Face Value and Price Band

The face value of each Equity Share is ₹ 10. The Issue Price is [●]. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. At any given point of time there shall be only one denomination of Equity Shares, subject to applicable law. The Price Band and Minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLM. These will be published by our Company at least two Working Days prior to the Issue/Bid opening date, in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated.

Compliance with SEBI Rules and Regulations

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, 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 poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Right of free transferability subject to applicable foreign direct investment policy, foreign exchange regulations and other applicable laws; and

- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreements executed with the Stock Exchanges, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of our Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page 221 of the Draft Red Herring Prospectus.

Market Lot and Trading Lot

Under section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, the trading in the Equity Shares shall only be in dematerialized form for all investors. Since trading of the Equity Shares is 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 multiple of one Equity Share, subject to a minimum allotment of [●] Equity Shares.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai, India.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, the sole or first bidder, along with other joint bidders, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint bidders, death of all the Bidders, as the case may be, the Equity Shares that are 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 such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to 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. Fresh nomination can be made only on the prescribed form available on request at our Company's Registered Office or with the Registrar of our 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 the 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, the 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 ninety (90) days, the 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 respective depository participant of the applicant will prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue including devolvement of the 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 as prescribed under Section 73 of the Companies Act.

Further, in terms of sub-regulation (4) of Regulation 26 of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will not be less than 1,000. If the number of allottees in the proposed Issue is less than 1,000 allottees, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after our Company becomes liable to pay the amount, our Company shall pay interest at the rate 15% per annum for the delayed period.

BID/ISSUE Program

	Bid/Issue closes on (For QIB Bidders)*: [●], 2011
Bid/Issue opens on: [●], 2011	Bid/Issue closes on (For NON QIB Bidders): [●], 2011

**Our Company may consider closing the Bidding by QIB Bidders one Working Day prior to the Bid/Issue Closing Date subject to the Bid/Issue period being for a minimum of three Working Days*

Arrangement for Disposal of Odd Lots

The Equity Shares of our Company will be traded in dematerialized form only and therefore the marketable lot is one (1) Equity Share. Hence, there is no possibility of any odd lots.

Restriction on transfer of Equity Shares

Except for lock-in as detailed in chapter titled 'Capital Structure' beginning on page 46 of the Draft Red Herring Prospectus, and except as provided in our Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to section titled 'Main Provisions of the Articles of Association' beginning on page 221 of the Draft Red Herring Prospectus.

Option to receive Equity Shares in Dematerialized Form

Investors should note that Allotment of Equity Shares to all successful Bidders will only be in the dematerialized form. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges

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 BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM 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 the 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

Public Issue of [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating upto to ₹ 6,000 lacs, (hereinafter referred to as the “Issue”).

The Issue will constitute [●]% of the fully diluted total post issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process:

Particulars	Qualified Institutional Bidders	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 Qualified Institutional Bidders and Retail Individual Bidders	Not less than [●] Equity Shares or Issue less allocation to Non-Institutional Bidders and Qualified Institutional Bidders
Percentage of the Issue Size available for allocation	<p>Not more than 50% of the Issue shall be available for allocation to QIBs.</p> <p>However, up to 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only.</p> <p>Mutual Funds participating in the QIB Portion will also be eligible for allocation in the remaining QIB Portion.</p>	Not less than 15% of the Issue shall be available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than 35% of the Issue shall be available for allocation or Issue less allocation to QIB Bidders and Non Institutional Bidders
Basis of Allotment, if respective category is oversubscribed	<p>(a) [●] Equity Shares, constituting 5% of the QIB portion, shall be available for allocation on a proportionate basis to Mutual Funds;</p> <p>(b) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above</p>	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter such that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid	Such number of Equity Shares in multiples of [●] not exceeding the size of the Issue subject to regulations as applicable to the Bidder	Such number of Equity Shares in multiples of [●] not exceeding the size of the Issue, subject to applicable investment limits	Such number of Equity Shares so as to ensure that the Bid Amount does not exceed ₹ 2,00,000.
Mode of Allotment	Compulsorily in dematerialized form	Compulsorily in dematerialized form	Compulsorily in dematerialized form

Particulars	Qualified Institutional Bidders	Non-Institutional Bidders	Retail Individual Bidders
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares.	[●] Equity Shares and in multiples of [●] Equity Shares.	[●] Equity Shares and in multiples of [●] Equity Shares.
Allotment Lot	[●] Equity Shares and in multiples of one Equity Shares.	[●] Equity Shares and in multiples of one Equity Shares.	[●] Equity Shares and in multiples of one Equity Shares.
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply **	Qualified Institutional Bidders	Resident Indian individuals, Eligible NRIs, HUF (applying through the Karta), companies, corporate bodies, scientific institutions, societies trusts, sub accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals.	Resident Indian individuals, Eligible NRIs, HUF (applying through the Karta), applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value.
Terms of Payment***	Full Bid Amount on bidding, to be blocked by the SCSBs pursuant to Bid being submitted by ASBA	Full Bid Amount on bidding, to be blocked by the SCSBs pursuant to Bid being submitted by ASBA	Full Bid Amount on bidding; in case of ASBA Bidders, full Bid Amount shall be blocked by the SCSBs pursuant to Bid being submitted by ASBA

**Subject to valid Bids being received at or above the Issue Price. The Issue is being made under sub-regulation (1) of Regulation 26 of the SEBI ICDR Regulations and through a Book Building Process wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion the "QIB Portion"). Such number of Equity Shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs, 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 from them at or above the Issue Price. Under-subscription, if any, in any category would be allowed to be met with spill over from any of the other categories at the discretion of our Company, the BRLM 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.*

***In case the Bid Cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and in the same sequence in which they appear.*

**** In case of ASBA Bidders, SCSBs shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.*

Withdrawal of the Issue

In accordance with the SEBI ICDR Regulations, our Company, in consultation with BRLM, reserve the right not to proceed with this Issue at anytime after the Bid / Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company withdraws the Issue after the Bid / Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published. Further, the Stock Exchanges shall be informed promptly in this regard and the BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. If Issue is withdrawn after the Bid / Issue Closing Date and a fresh public offering is intended, a fresh offer document will be filed with SEBI.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

If our Company withdraws the Issue and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus with SEBI.

ISSUE PROCEDURE

This section applies to all Bidders. All Bidders can participate in the Issue through the ASBA process. Furthermore, 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 should note that the ASBA process involves application procedures that are 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. Please note that all Bidders are required to make payment of the full Bid Amount with the Bid cum Application Form. In case of ASBA Bidders, an amount equivalent to the full Bid Amount will be blocked by the SCSB at the time of Bidding.

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

In terms of Rule 19(2)(b)(i) of the SCRR, this is an Issue for more than 25% of the post-Issue capital of our Company. Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, this Issue is being made through the Book Building Process wherein not more than 50% of the Issue shall be available for allocation to QIBs on a proportionate basis out of which 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% and 35% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received at or above the Issue Price.

In the event of under-subscription, if any, in any category, the unsubscribed portion 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 BRLM and the Designated Stock Exchange.

Any Bidder may participate in this Issue through the ASBA process by providing the details of their respective bank accounts / bank account held by a third party (subject to conditions as set forth hereinbelow) in which the corresponding Bid amounts will be blocked by SCSBs. Non- retail investors are mandatorily required to make use of the ASBA facility. All Bidders including ASBA Bidders can submit their Bids through the Syndicate (at ASBA bidding locations). Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, the Syndicate / sub-syndicate members may procure the ASBA Bid cum Application Form from investors in Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda, and Surat and submit the same 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.

Bidders (including ASBA Bidders) can submit their Bids through the Syndicate or their affiliates. In case of QIBs, our Company may, in consultation with BRLM, 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 Non-Institutional Bidders and Retail Individual Bidders, our Company will have the right to reject the Bids only on technical grounds.

Investors should note that Allotment of Equity Shares to all successful Bidders will be only in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository accounts including DP ID, PAN and beneficiary account number shall be treated as incomplete and rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only on the dematerialised segment of the Stock Exchanges.

Bidders are required to ensure that the PAN (of the sole/ first Bidder) provided in the Bid cum Application Form 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.

Any Bidder may participate in this Issue through the ASBA process by providing the details of their respective bank accounts / bank account held by a third party (subject to conditions as set forth herein below) in which the corresponding Bid amounts will be blocked by SCSBs.

ASBA Process

In accordance with the SEBI ICDR Regulations, all Bidders (including QIB 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 members of the Syndicate (at ASBA Bidding Locations) (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 or by the members of the Syndicate 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 BRLM and/or the Registrar. Our Company shall pay a commission to the Syndicate/Sub-syndicate members for the services rendered in relation to the ASBA Process.

Bid cum Application Form and ASBA Bid cum Application Form

As per SEBI circular no. CIR/CFD/DIL/4/2011 dated September 27, 2011 it has been decided that there would only be a single form for ASBA and Non-ASBA applicants.

Retail Bidders shall use only the specified Bid cum Application Form (except in case of ASBA Bidders) 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 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. Each bid-cum-application form shall bear a unique application number.

ASBA Bidders including QIBs and Non Institutional Bidders, shall submit the Bid cum Application Form either in physical or electronic form to the SCSB with whom the ASBA Account is maintained or to a member of the Syndicate (Syndicate / Sub – syndicate members at the ASBA Bidding Locations may procure the ASBA Bid cum Application Form from investors and submit the same to SCSBs) authorizing blocking funds that are available in the bank account specified in the Bid cum Application Form used by ASBA Bidders (through the internet banking facility available with the SCSBs or such other electronically enabled mechanism for Bidding). The ASBA Bid cum Application Form will also be available on the websites of the BSE and the NSE at least 1 day prior to the Bid/Issue Opening Date and shall bear a unique application number. The BRLM and the SCSBs will provide the hyperlink to BSE or NSE on their websites.

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 and the Bidder shall preserve this and should provide the same for any queries relating to non-Allotment of Equity Shares in the Issue.

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 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. 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.

The prescribed colour of the 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
Eligible NRIs, FIIs or Foreign Venture Capital Investors, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis (ASBA as well as non ASBA Bidders)	Blue

Who can Bid?

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or 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 under their respective constitutional and charter documents;
- 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, co-operative 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;
- Persons eligible to invest under all applicable laws, regulations, rules and guidelines;
- 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;
- 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 ₹ 2,500 lacs and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of ₹ 2,500 lacs 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
- All other persons eligible to invest under all applicable laws, rules, regulations and guidelines.

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.

Participation by Associates and Affiliates of BRLM and Syndicate Members

The BRLM and the Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and the Syndicate Members are entitled to Bid for Equity Shares in the Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis. Such Bidding and subscription may be on their own account or on behalf of their clients.

Bids by Mutual Funds

As per the SEBI ICDR Regulations, 5% of the QIB Portion, has been specifically reserved for Allocation to Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund in the Mutual Fund Portion shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event demand in the Mutual Fund Portion is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by Mutual Funds shall be available for allocation proportionately, after excluding the allocation in the Mutual Fund Portion, in the QIB Portion.

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own over 10% of any company's paid-up share capital carrying voting rights.

The Bids made by asset management companies or custodians of Mutual Funds shall clearly indicate the name of the concerned scheme for which Bids is being made.

Multiple Bids

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Bids by Non Residents including Eligible NRIs or FIIs or FVCIs on a repatriation basis

There is no reservation in the Issue for Eligible NRIs or FIIs or FVCIs registered with SEBI. Such Eligible NRIs, FIIs and FVCIs registered with SEBI will be treated on the same basis as other categories for the purpose of allocation. In accordance with FEMA and the regulations framed there under, OCB's cannot BID in the Issue.

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.

Bids by Eligible NRIs

1. Bid cum Application Forms for Eligible NRIs applying on a repatriation basis will be made available at our Registered Office and with the Syndicate (at ASBA bidding locations) or SCSBs and the Registrar to the Issue, as the case may be.
2. Only such applications as are accompanied by payment in freely convertible foreign exchange shall be considered for Allotment. Eligible NRIs who intend to make payment through Non Resident Ordinary ("NRO") accounts or by debits to their Non-Resident External ("NRE") or Foreign Currency Non-Resident ("FCNR") accounts should use the application form meant for Resident Indians and shall not use the form meant for any reserved category.

Bids by Eligible NRIs for a Bid Amount of up to ₹ 2 lacs would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 2 lacs would be considered under Non-Institutional Portion for the purposes of allocation. Eligible NRIs Bidding under the Non- Institutional Portion are required to utilise the ASBA facility to submit their Bids.

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. With the approval of the Board of Directors and the shareholders by way of a special resolution, the aggregate FII holding can go up to the applicable sectoral caps. As of the date of the Draft Red Herring Prospectus, our Company has not passed such resolution and the total foreign investment including FII investment cannot exceed 24% of our total issued capital unless approved by the shareholders of our Company.

A sub-account of an FII which is a foreign corporate or foreign individual shall not be considered to be a Qualified Institutional Buyer, as defined under the SEBI ICDR Regulations, for this Issue.

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 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 BRLM 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.

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 FVICI registered with the SEBI should not exceed 25% of the corpus of such venture capital fund or FVICI respectively. However, venture capital funds or FVCIs may invest only upto 33.33% of their respective investible funds in various prescribed instruments, including in initial public offers.

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.

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.

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 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).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, *i.e.* December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub-ceilings. Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lac, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Directors, the officers of the Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lacs (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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 with the Bid cum Application Form / ASBA 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 addition to the above, certain additional documents are required to be submitted by the following entities:

- (a). With respect to Bids by VCFs, FVCIs, FIIs and 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 with the Bid cum Application Form / ASBA 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 reasons thereof.

- (c). With respect to Bids made by provident funds with minimum corpus of ₹ 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lacs, 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 / ASBA Bid cum Application Form. Failing this, our Company reserves the right to accept or reject such 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, the BRLM 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 to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / refund orders / letters notifying the unblocking of the bank accounts of ASBA Bidders, 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 to the Issue shall use Demographic Details as given on the Bid cum Application Form / ASBA Bid cum Application Form instead of those obtained from the Depositories.

Bids and revision of Bids by Non-Residents, NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis.

Bids and revision to Bids must be made in the following manner:

1. On the prescribed Bid-cum-Application Form or the Revision Form, as applicable ([●] in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
2. In a single name or joint names (not more than three and in the same order as their Depository Participant details).
3. Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs for a Bid Amount of up to ₹ 2,00,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 2,00,000 would be considered under Non-Institutional Portion for the purposes of allocation.

The above information is given for the benefit of the Bidders. Our Company, its Directors, officers, the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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 the Red Herring Prospectus. Our Company, the BRLM do not accept any responsibility for the completeness and accuracy of the information stated above.

Maximum and Minimum Bid Size

- (a) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 2 lacs. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹ 2 lacs. If the Bid Amount is over ₹ 2 lacs due to revision of the Bid or revision of the Price Band or on exercise of the option to be Bid at the Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion only if the Bidding was done through ASBA. The option to Bid at the Cut-Off Price is 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.
- (b) **For Other Bidders (Non-Institutional Bidders and QIBs):** The Bid must be for a minimum of such number of Equity Shares in multiples of [●] such that the Bid Amount exceeds ₹ 2 lacs. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed

the investment limits prescribed for them by applicable laws. A QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay the entire Bid amount upon submission of the Bid. The identity of QIB Bidding in the Issue under the QIB Portion shall not be made public during the Issue Period.

In case of revision in Bids, Non-Institutional Bidders who are individuals have to ensure that the Bid Amount is greater than ₹ 2 lacs for being considered for allocation in the Non-Institutional Portion. If the Bid Amount reduces to ₹ 2 lacs 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 allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at the Cut-Off Price. **A QIB Bidder cannot withdraw its Bid after the Bid/ Issue Closing Date. The Company may close the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date. Accordingly, QIB Investors will not be allowed to withdraw their bids after Bid/Issue Closing Date or one Working Date prior to the Bid/Issue Closing Date as may be applicable.**

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.

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. The maximum and minimum Bid size applicable to a QIB, Retail Individual Bidder or a Non-Institutional Bidder shall be applicable to an ASBA Bidder in accordance with the category that such ASBA Bidder falls under.

Bidders are advised to 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:

- (a) The Red Herring Prospectus will be filed by our Company with the RoC at least 3 days before the Bid / Issue Opening Date.
- (b) Copies of the Bid cum Application Form / the ASBA Bid cum Application Form, as also the Red Herring Prospectus will be available with the members of the Syndicate and at our Registered Office. For ASBA Bidders, Bid cum Application Forms in physical form will be available with the Designated Branches and with the members of the Syndicate; and electronic ASBA Bid cum Application Forms will be available on the websites of the BSE and the NSE and the Designated Branches of the SCSBs.
- (c) 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.
- (d) Our Company, the BRLM shall declare the Bid / Issue Opening Date and the Bid / Issue Closing Date at the time of filing of the Red Herring Prospectus with the RoC and the same shall also be published in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated.
- (e) Eligible Bidders who are interested in Bidding for the Equity Shares should approach any of the BRLM 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.
- (f) The Bids should be submitted on the prescribed Bid cum Application Form or the ASBA Bid cum Application Form only, as the case may be. Bids by ASBA Bidders shall be accepted by the members of the Syndicate (and, in the ASBA Bidding Locations, by members of the Sub - syndicate) 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.

- (g) 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.

Bidders are advised not to submit the Bid cum Application Form to Escrow Collection Banks and the same will be rejected in such cases and the Bidders will not be entitled to any compensation whatsoever.

The applicants may note that in case the DP ID and Client ID and PAN mentioned in the Bid-cum-Application Form, ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate do not match with the DP ID and Client ID and PAN available in the Depository database, the application is liable to be rejected.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders can obtain Bid cum Application Forms and Revision Forms from the members of the Syndicate. ASBA Bidders can obtain Bid cum Application Forms and/or ASBA Revision Forms from the Designated Branches of the SCSBs and the members of the Syndicate (at ASBA Bidding Locations). ASBA Bidders can also obtain a copy of the ASBA Bid cum Application Forms and/or ASBA Revision Form in electronic form from the websites of the SCSBs and the Stock Exchanges.

Bids and revisions of Bids must be:

- i) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.
- ii) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained here, in the Bid cum Application Form or in the Revision Form. Bidders must provide details of valid and active DP-ID, client ID and PAN clearly and without error. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment. Incomplete Bid cum Application Forms, Revision Forms or ASBA Bid cum Application Form, or Revision Forms or in the ASBA Revision Form are liable to be rejected. Bidders should note that the members of 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 or Revision Forms.
- iii) Information provided by the Bidders will be uploaded in the online IPO system by the members of the Syndicate and the SCSBs, as the case may be, and the electronic data will be used to make allocation/Allotment. Bidders are advised to ensure that the details are correct and legible.
- iv) For Retail Individual Bidders (including Eligible NRIs), the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum Bid Amount of ₹ 2 lacs. In case the Bid Amount is over ₹ 2 lacs 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 option to Bid at cut-off price 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.
- v) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares in multiples of [●] thereafter such that the Bid Amount exceeds ₹ 2 lacs. Bids cannot be made for over 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.
- vi) In a single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- vii) 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.

- viii) Bids through ASBA must be made only in the prescribed ASBA Bid cum Application Form (if submitted in physical mode) or electronic mode. ASBA Bidders should correctly mention the ASBA Account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the ASBA Account before submitting the ASBA Form to the respective Designated Branch.
- ix) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms (other than Bid cum Application Forms or Revision Forms used by ASBA Bidders) 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.

In case of physical ASBA Bids, the ASBA Bidder shall submit the Bid cum Application Form bearing the stamp of the Designated Branch or the member of the Syndicate at the relevant Designated Branch or the relevant member of the Syndicate at Syndicate ASBA Bidding Locations, respectively. In case the ASBA Bidder submits its Bid through a member of the Syndicate at a Syndicate ASBA Bidding Location, the Bid will be uploaded by that member of the Syndicate in the electronic bidding system of the Stock Exchanges and the Bid cum Application Form will then be forwarded to the concerned SCSB for further action including signature verification and blocking of funds. 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 the SCSB, and accordingly register 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 members of the Syndicate or the SCSB, as the case may be, 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 and should be preserved for future reference including for investor grievances.

GENERAL INSTRUCTIONS

Dos:

- (a) Check if you are eligible to apply as per the terms of the Red Herring Prospectus under applicable laws, rules and regulations, guidelines and approvals;
- (b) Ensure that you have Bid within the Price Band;
- (c) Read all the instructions carefully and complete the Resident Bid cum Application Form ([●] in colour), the Non-Resident Bid cum Application Form ([●] in colour), Resident ASBA Bid cum Application Form ([●] in colour), the Non-Resident ASBA Bid cum Application Form ([●] in colour), as applicable;
- (d) Ensure that the details about PAN, Depository Participant and Beneficiary Account are correct, and the Beneficiary Account is activated, as Allotment of Equity Shares will be in the dematerialized 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 the SCSB in case of ASBA Bidders (except in case of electronic ASBA Bid cum Application Forms); In case you are a Bidder other than an ASBA Bidder, ensure that your Bid is submitted at the bidding center only on a form bearing the stamp of a member of the Syndicate. In case you are an ASBA Bidder, the Bid should be submitted to a Designated Branch of an SCSB / Syndicate member, with which the ASBA Bidder or a person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue or collecting banks (assuming that such collecting banks are not SCSBs), our Company or the Registrar. With respect to ASBA Bids, ensure that you use the ASBA Bid-cum-Application Form specified for this purpose, and that such 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;

- (f) Ensure that the full Bid Amount is paid for Bids submitted to the members of the Syndicate and funds equivalent to the Bid Amount are blocked by the SCSBs in case of Bids submitted through the ASBA process;
- (g) Ensure that you have funds equal to the Bid Amount in your ASBA bank account of the respective Designated Branch of the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of SCSB / Syndicate member;
- (h) Ensure that the DP ID, the Client ID and PAN mentioned in the Bid cum Application Form match with the DP ID, the Client ID and PAN available in the depository database;
- (i) Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
- (j) Ensure that you request for and have received a TRS for all your Bid options;
- (k) Submit revised Bids to the same member of the Syndicate or Designated Branch of the SCSB through whom the original Bid was placed and obtain a revised TRS/acknowledgement;
- (l) Except for Bids (i) on behalf of the Central or State Government and the officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Bidders should mention their PAN allotted under the I.T. Act. Applications in which the PAN is not matching with one entered by the Syndicate or the SCSB in the Bidding terminal and PAN as available with depositories for a given DP ID and client ID is liable to be rejected;
- (m) Ensure that the Demographic Details (as defined below) are updated, true and correct in all respects;
- (n) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. If the 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.
- (o) Ensure that the Depository Participant identification number (DP ID), the client identification number (Client ID) and PAN mentioned in the Bid-cum-Application Form/ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members 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/ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members 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 database of the depository, then such Bids are liable to be rejected.
- (p) Where the Bid cum Application Form / ASBA Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form / ASBA Bid cum Application Form. If the 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;
- (q) In addition, ASBA Bidders should ensure that:
 - a. the ASBA Bid-cum-Application Form is signed by the account holder in case the applicant is not the account holder;
 - b. the correct bank account numbers have been mentioned in the ASBA Bid-cum-Application Form;
 - c. the authorisation box in the ASBA Bid cum Application Form has been correctly checked, or an authorisation 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

- d. an acknowledgement from the Designated Branch of the concerned SCSB or the Syndicate/ sub-syndicate member in designated cities for the submission of the ASBA Bid cum Application Form has been obtained.

Dont's:

- (a) Do not Bid for lower than the minimum Bid size.
- (b) For Bidders other than ASBA Bidders, do not submit a Bid without payment of the entire Bid Amount. In case you are an ASBA Bidder, do not Bid on another ASBA Bid cum Application Form or Bid cum Application Form after you have submitted a Bid to a Designated Branch of an SCSB or a Syndicate Member;
- (c) Do not Bid/revise the Bid to less than the Floor Price or higher than the Cap Price;
- (d) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate or the Designated Branch. In case you are an ASBA Bidder, do not Bid on another ASBA Bid cum Application Form or Bid cum Application Form after you have submitted a Bid to a Designated Branch of an SCSB or a Syndicate Member;
- (e) Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest and in relation to ABSA Bidders in any other mode other than blocked amounts in the bank accounts maintained by SCSBs;
- (f) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate or Designated Branch, as applicable;
- (g) Do not Bid *via* any mode other than ASBA (for QIBs and Non-Institutional Bidders);
- (h) Do not Bid at the Cut-off Price (for QIB Bidders, Non-Institutional Bidders, for a bid amount exceeding ₹ 2 lacs);
- (i) Do not fill up the Bid cum Application Form or ASBA Bid cum Application Form such that the Equity Shares Bid for exceed the Issue size and/or investment limit or maximum number of Equity Shares that can be held under applicable laws or regulations or the maximum amount permissible under applicable regulations or under the terms of the Red Herring Prospectus;
- (j) Do not submit more than five ASBA Bid cum Application Forms per bank account;
- (k) Do not Bid for amount exceeding ₹ 2 lacs in case of a Bid by Retail Individual Bidders;
- (l) Do not submit the GIR number instead of the PAN as the Bid will be rejected on this ground;
- (m) Do not submit incorrect details of DP ID, Client ID and PAN or give details for which demat account is suspended or for which such details cannot be verified by the Registrar; and
- (n) Do not Bid for allotment of Equity Shares in physical form.
- (o) Do not submit the Bid cum Application Forms to Escrow Collection Bank(s);
- (p) Do not submit a Bid if not competent to enter into a contract under the Indian Contract Act, 1872, as amended;
- (q) Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or their relevant constitutional documents or otherwise;
- (r) Do not submit a Bid that does not comply with the securities laws of your respective jurisdictions;
- (s) Do not submit the Bids without the full Bid Amount.

Method and Process of Bidding

- (a) Our Company, the BRLM shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date at the time of filing the Red Herring Prospectus with the RoC and also publish the same in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated. This advertisement, subject to the provisions of Section 66 of the Companies Act shall be in the format prescribed in Schedule XIII of the SEBI ICDR Regulations.
- (b) The Price Band and the minimum Bid lot size for the Issue will be decided by our Company in consultation with the BRLM, and advertised in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated, at least two Working Days prior to the Bid/Issue Opening Date.
- (c) Bidders, who are interested in subscribing to the Equity Shares should approach any of the members of the Syndicate, their authorized agents or SCSBs to register their Bids, during the Bid / Issue Period. The members of the Syndicate shall accept Bids from the all Bidders and shall have the right to vet the Bids, during the Bid / Issue Period in accordance with the terms of the Syndicate Agreement and the Red Herring Prospectus. QIB and Non Institutional Bidders must necessarily use the ASBA process and Bidders using the ASBA facility to submit their Bids should approach the Syndicate members or Designated Branches of the SCSBs (at ASBA Bidding Locations) to register their Bids.

ASBA Bidders are required to submit their Bids either in physical or electronic mode to SCSBs or to the Syndicate/ sub-syndicate members (at ASBA Bidding Locations) in designated cities. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form should submit their Bids using the internet enabled bidding and banking facility of the SCSBs for bidding and blocking funds in the accounts of the bank account maintained with the SCSB specified in the ASBA Bid cum Application Form, and accordingly registering such Bids. Every Designated Branch of the SCSBs shall accept Bids from all such investors who wish to place Bids through them and the account in which funds are to be blocked is maintained with them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the SEBI ICDR Regulations and the Red Herring Prospectus.

The Designated Branches of the SCSBs shall provide to the ASBA Bidders an acknowledgment specifying the application number as proof of acceptance of the ASBA Bid cum Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares Bid for shall be allocated to the ASBA Bidders. Upon receipt of the ASBA Bid cum Application Form, submitted in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as specified 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 Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges

ASBA Bidders in ASBA Bidding Locations may also submit the ASBA Bid cum Application Form to the Syndicate/ sub-syndicate members. Each such Syndicate/ sub-syndicate member shall provide to the ASBA Bidders an acknowledgement as proof of acceptance of the ASBA Bid cum Application Form. The 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.

- (d) The Bid / Issue Period shall be for a minimum of three Working Days and not exceeding ten Working Days (including the days for which the Issue is open in case of revision in Price Band). If the Price Band is revised, the revised Price Band and the Bid/Issue Period will be published in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated, together with an indication of such change on the websites of the BRLM and SCSBs and at the terminals of the Syndicate Members and the Bidding Period shall be extended by a minimum period of an additional three Working Days, subject to the total Bidding Period not exceeding ten days
- (e) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details see “*Bids at Different Price Levels and Revision of Bids*” below, within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form and / or 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 Amount, will become automatically invalid.

- (f) The Bidder cannot Bid on another Bid cum Application Form after Bid(s) on one Bid cum Application Form have been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple bidding and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point in time before the Allotment of Equity Shares in the Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “*Build up of the Book and Revision of Bids*”.
- (g) An ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form after a Bid on one ASBA Bid cum Application Form, (i) either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs and uploaded by the ASBA Bidder, (ii) has been submitted to Syndicate / sub-syndicate members in the designated cities. Submission of a second ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form to either the same or to another Designated Branch of the SCSB or to the Syndicate/ sub-syndicate members in designated cities will be treated as multiple Bids and will be 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 ASBA Bidder can revise the Bid through the ASBA Revision Form, the procedure for which is detailed under the paragraph “*Build up of the Book and Revision of Bids*”.
- (h) The members of the Syndicate or 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 shall, on demand, 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.
- (i) With respect to ASBA Bidders who have submitted their physical ASBA Bid cum Application Form to the members of the Syndicate at the ASBA Bidding Locations, on receipt of the ASBA Bid cum Application Form from the relevant member of the Syndicate, the relevant Designated Branch of the SCSB will verify if sufficient funds equal to the Bid Amount are available in the ASBA Account. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB will reject the Bid and shall not upload such bids with the Stock Exchanges. If sufficient funds are available in the ASBA Account, the SCSB will block an amount equal to the Bid Amount and will carry out other procedures including signature verification.
- (j) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/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 finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.
- (k) The identity of the QIBs, who have been allocated Equity Shares, bidding in the Issue shall not be made public.
- (l) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled ‘*Payment Instructions*’ under the chapter titled ‘*Issue Procedure*’ beginning on page 185 of the 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

- (a) The Price Band and the minimum Bid lot size shall be decided by our Company in consultation with the BRLM and advertised at least 2 Working Days prior to the Bid / Issue Opening Date, in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated.
- (b) Our Company in consultation with the BRLM 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 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 either side *i.e.* the floor price can move upward or downward to the extent of 20% of the floor price disclosed at least two Working Days prior to the Bid / Issue Opening Date and the Cap Price will be revised accordingly.
- (c) In case of revision in the Price Band, the Bid / Issue Period will be extended for at least three additional Working Days after revision of Price Band subject to a maximum of ten Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated and also by indicating the change on the websites of the BRLM, SCSBs and at the terminals of the Syndicate Members.
- (d) Our Company in consultation with the BRLM can finalize the Issue Price within the Price Band in accordance with this section, without the prior approval of or intimation to, the Bidders.
- (e) The Bidder can Bid at any price within the Price Band in multiples of ₹ 1. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail individual Bidders may Bid at the Cut-Off Price. However, Bidding at Cut-off Price is prohibited for QIB or Non-Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.
- (f) Retail individual Bidders who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-off Price shall deposit the Bid Amount based on the Cap Price with the members of the Syndicate. In case of ASBA Bidders bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs (directly or through ASBA Bid cum Application Forms submitted to the Syndicate members) to block an amount based on the Cap Price. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at Cut-off Price, the Retail Individual Bidders and who Bid at Cut-off Price shall receive the refund of the excess amounts from the Escrow Account(s) in the manner described under the paragraph "*Payment of Refund*".
- (g) 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) make additional payment based on the revised Cap Price (such that the total amount *i.e.*, original Bid Amount plus additional payment does not exceed ₹ 2 lacs for Retail Individual Bidders, if the Bidder wants to continue to Bid at Cut-off Price), with the Syndicate member to whom the original Bid was submitted, or, in the case of ASBA Bidders, instruct the SCSB or the Syndicate/ sub-syndicate member (such Syndicate/ sub-syndicate member to further instruct the relevant SCSB) to whom the original Bid was submitted to block additional amounts based on the cap of the revised Price Band. In case the total amount (*i.e.*, original Bid Amount plus additional payment) exceeds ₹ 2 lacs for Retail Individual Bidders bidding at the Cut-off Price 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 Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, 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.
- (h) 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(s) or unblocked by the SCSBs.
- (i) Our Company in consultation with the BRLM 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 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.

- (j) When a Bidder has revised his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. It is the Bidder's responsibility to request for and obtain the revised TRS, which will act as proof of revision of the previous Bid.
- (k) 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 or the Syndicate/ sub-syndicate member (such Syndicate/ sub-syndicate member to further instruct the relevant SCSB) to whom the original Bid was submitted 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. 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 the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus.

Bidder's Depository Account and Bank Account Details, PAN

Bidders should note that on the basis of the Sole/First Bidder's Permanent Account Number, Depository Participant's name, DP ID number and beneficiary account number provided by them in the Bid cum Application Form / ASBA Bid cum Application Form and as entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate and the SCSBs as the case may be, the Registrar to the Issue will obtain from the Depository the demographic details including the Bidder's address, occupation, category, age and bank account details including the nine-digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf ('**Demographic Details**'). These Demographic Details would be used for giving refunds and allotment advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS) to the Bidders. It is mandatory to provide the bank account details in the space provided in the Bid cum Application Form / ASBA Bid cum Application Form and Bid cum Application Forms / ASBA Bid cum Application Forms that do not contain such details are liable to be rejected. Hence, Bidders are advised to immediately update their bank account details, PAN and Demographic Details as appearing on the records of the Depository Participant and ensure that they are true and correct. Failure to do so could result in delays in dispatch/credit of refunds to Bidders at the Bidders sole risk and neither the BRLM or the Registrar to the Issue 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. Please note that in case the DP ID, Client ID and PAN mentioned in the Bid cum Application Form / ASBA Bid cum Application Form and entered into the electronic Bidding system of the Stock Exchanges by the members of the Syndicate, do not match with the DP ID, Client ID and PAN available in the depositories' database, such Bid cum Application Form / ASBA Bid cum Application Form is liable to be rejected.

IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR PAN, DP NAME, DP ID NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM / ASBA BID CUM APPLICATION FORM AS THE CASE MAY BE. INVESTORS MUST ENSURE THAT THE PAN, DP ID NUMBER AND BENEFICIARY ACCOUNT NUMBER GIVEN IN THE BID CUM APPLICATION FORM / ASBA BID CUM APPLICATION FORM AS THE CASE MAY BE IS EXACTLY THE SAME AS PROVIDED IN THE DEPOSITORY ACCOUNT. 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 ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM / ASBA BID CUM APPLICATION FORM.

Since these Demographic Details will be used for all correspondence with the Bidders, they are advised to update the Demographic Details as provided to their Depository Participants. The Demographic Details given by Bidders in the Bid cum Application Form / ASBA Bid cum Application Form will not be used for any other purposes by the Registrar to the Issue.

By signing the Bid cum Application Form / ASBA Bid cum Application Form, the Bidder would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund Orders (where refunds are not being made electronically) / Allotment Advice / 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/ Allotment Advice / 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 in the Bid cum Application Form / ASBA Bid cum Application Form would be used only to ensure dispatch of refund orders. Any such delay shall be at the Bidders sole risk none of neither our Company, nor Escrow Collection Banks, the Designated Branch of the SCSBs, the Syndicate Members, the BRLM nor the Registrar to the Issue 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 of refunds through electronic modes as detailed in the Red Herring Prospectus, Bidders may note that refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, Bidder's PAN (in case of joint Bids, PAN of first applicant), the DP ID and the beneficiary's identity, such Bids are liable to be rejected.

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.

Terms of Payment for Retail Individual Bidders other than ASBA Bidders and Payment into the Escrow Account

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.

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 through the RTGS mechanism. 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 7 days after the Basis of Allotment 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: “Escrow Account – Bluplast Public Issue - R”
 - In case of Non-Resident Retail Bidders: “Escrow Account - Bluplast Public Issue - NR”
 - (d) In case of Bids by Eligible Retail Individual NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of NRO Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting an NRE Account or FCNR Account.
 - (e) In case of Bids by Eligible Retail Individual NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a NRO Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
- In case of Bids by FIIs, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
- (f) The monies deposited in the Escrow Account(s) will be held for the benefit of the Bidders until the Designated Date.
 - (g) 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.
 - (h) Within twelve 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.

- (i) 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.
- (j) 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.
- (k) 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.
- (l) Payments should be made by cheque, or 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 center 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.**

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 by Stockinvest

Under the terms of the RBI Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use stockinvest instruments in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Accordingly, payment through stockinvest will not be accepted in the Issue.

Other Instructions

Joint Bids in 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, as the case may be. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one (common PAN as per Depository records) and the same.

In this regard, the procedures to be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name, age, status and first line address will be accumulated and taken into a separate process file which would serve as a multiple master document.
2. In such master, a check will be carried out for the same PAN numbers. In cases where the PAN numbers are different, the same will be deleted from this master.
3. The Registrar to the Issue will obtain from the Depositories the details of the applicant's address based on the DP ID and Client ID provided in the Bid cum Application Form/ASBA Bid cum Application Form and create an address master.
4. The addresses of all these applications from the multiple master will be strung from the address master. This involves including the addresses in a single line after deleting non-alpha and non-numeric characters, i.e., commas, full stops, hashes etc. Sometimes, the name, the first line of the address and pin code will be converted into a string for each application received and a photo match will be carried out among all the applications processed. A print-out of the addresses will be made to check for common names. Applications with the same name and same address will be treated as multiple applications.
5. The applications will be scanned for similar DP ID and Client ID. In cases where applications bear the same numbers, these will be treated as multiple applications.

After the aforesaid procedures, a print-out of the multiple master will be taken and the applications physically verified to tally signatures and also the father's/husband's names. On completion of this, the applications will be identified as multiple applications. In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made. Bids by QIBs will not be considered as multiple Bids.

After Bidding on an ASBA Bid cum Application Form either in physical or electronic mode, where such ASBA Bid has been submitted to the Designated Branches of SCSBs and uploaded with the Stock Exchanges, an ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form. Submission of a second Bid cum Application Form, whether an ASBA Bid cum Application Form, to either the same or to another Designated Branch of the SCSB, or a Non-ASBA Bid cum Application Form, will be treated as multiple Bids and will be 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 this Issue. However, the ASBA Bidder can revise the Bid through the Revision Form, the procedure for which is detailed in “*Build up of the Book and Revision of Bids*”.

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 five ASBA Bid cum Application Forms from such ASBA Bidders with respect to any single ASBA Account.

Our Company, in consultation with the BRLM, reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories. A check will be carried out for the same PAN. In cases where the PAN is same, such Bids will be treated as multiple applications.

For Bids from Mutual Funds and FII sub-accounts which are submitted under the same PAN, as well as Bids on behalf of the central or state government, an official or receiver appointed by a court and residents of Sikkim for whom submission of PAN is not mandatory, the Bids will be scrutinised for DP ID and beneficiary account numbers. In case these Bids have the same DP ID and beneficiary account numbers, these will be treated as multiple Bids and will be rejected.

‘PAN’ or ‘GIR’ Number

Except for Bids on behalf of the Central or State Government, exempted persons, residents in Sikkim 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 ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction.

Bidders residing in the State of Sikkim are exempted from the mandatory requirement of PAN. The exemption is subject to the Depository Participants verifying the veracity of the claim of the investors that they are residents of Sikkim, by collecting sufficient documentary evidence in support of their address.

Any Bid cum Application Form / ASBA Bid cum Application Form without the PAN is liable to be rejected. 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.

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 Bidding Period by submitting a request for the same to the concerned SCSBs / the concerned Syndicate members who shall do the requisite, including deletion of details of the withdrawn ASBA 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 bidding through an ASBA Form) wishes to withdraw the Bid after the Bid Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue. 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 finalization of the Basis of Allocation.

Right to Reject Bids

Our Company has a right to reject Bids based on technical grounds. In case of QIB Bidders Bidding in the QIB Portion, the Syndicate may reject Bids provided that such rejection shall be made at the time of acceptance of the Bid and the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders and Retail individual Bidders, our Company has the right to reject Bids based only on technical grounds and/or as specified in the Red Herring Prospectus. Consequent refunds shall be made through any of the modes described in the Red Herring Prospectus and will be sent to the Bidder’s address at the Bidder’s risk.

With respect to ASBA Bids, the Designated Branches of the SCSBs shall have the right to reject ASBA Bids 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 ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds and/or as specified in the Red Herring Prospectus. Bids submitted by QIBs or Non Institutional Bidders who do not utilise the ASBA facility shall be rejected.

The Bidders may note that in case the DP ID, Beneficiary Account Number and PAN mentioned in the Bid cum Application Form and as entered into the electronic Bidding system of the Stock Exchanges by the members of the Syndicate and the SCSBs, as the case may be, do not match with the DP ID, Beneficiary Account Number and PAN available in the depository database, the Bid is liable to be rejected.

Bids by persons prohibited from buying, selling or dealing in securities directly or indirectly by SEBI or any other regulatory authority shall be rejected by the BRLM.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected on technical grounds including:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to ASBA Bids, the amounts mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of the Equity Shares Bid for;
2. Application on plain paper;
3. Applications by QIBs and Non Institutional Bidders which are not made through the ASBA facility;
4. 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 partnerships can apply in its name;
5. Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, including minors;
6. Age of first bidder not mentioned;
7. PAN not stated in the Bid cum Application Form (except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts);
8. GIR number furnished instead of PAN
9. Bids for lower number of Equity Shares than specified for that category of investors;
10. Bids at a price less than the Floor Price;
11. Bids at a price over the Cap Price;
12. Bids at Cut off Price by Non-Institutional Bidders and QIB Bidders;
13. Submission of more than five ASBA Bid cum Application Forms per ASBA Account;
14. Bids for number of Equity Shares which are not in multiples of [●];
15. Category not ticked;
16. Multiple Bids as described in the Red Herring Prospectus;
17. In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted;
18. Bids accompanied by cash, stockinvest, money order or postal order;

19. Signature of sole and/or joint Bidders missing. In addition, with respect to ASBA Bids, the ASBA Bid cum Application form not being signed by the account holders, if the account holder is different from the Bidder;
20. Bid cum Application Form does not have the stamp of the BRLM, the Syndicate Members or Designated Branches of the SCSBs (except for electronic ASBA Bids);
21. Bid cum Application Form does not have Bidder's depository account details or the details given are incomplete or incorrect;
22. Bid cum Application Forms / ASBA Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Form / ASBA Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms / ASBA Bid cum Application Forms;
23. In case no corresponding record is available with the Depositories that matches three parameters namely, PAN (in case of joint Bids, PAN of the first applicant), the DP ID and the beneficiary's account number;
24. Authorisation for blocking funds in ASBA not ticked or provided;
25. With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
26. Bids not uploaded in the electronic bidding system;
27. Bids for amounts greater than the maximum permissible amounts prescribed by applicable law;
28. Bids by OCBs;
29. Bids from within the United States or by U.S. persons (as defined in Regulation S);
30. Bids where clear funds are not available in the Escrow Accounts as per the final certificate from the Escrow Collection Banks;
31. Bids by QIBs uploaded after 4.00 p.m. on the Issue Closing Date applicable to QIBs, Bids by Non-Institutional Bidders uploaded after 4.00 p.m. on the Issue Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Issue Closing Date.
32. Bank account details for the refund not given;
33. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
34. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and
35. Bids that do not comply with the securities laws of their respective jurisdictions;
36. In case of ASBA Bid cum Application Forms submitted to the members of the Syndicate, if the SCSB whose name has been included in the ASBA Bid cum Application Form does not have a branch at the relevant ASBA Bidding Locations, as displayed on the websites of SEBI, to accept the ASBA Bid cum Application Forms; and

Electronic Registration of Bids

- (a) The members of the Syndicate and the SCSBs will register the Bids received, using the online facilities of the Stock Exchanges. There will be at least one online connectivity in each city, where the Stock Exchanges are located in India and where such Bids are being accepted. A SCSB shall not upload bids received through any ASBA in the electronic bidding system of the Stock Exchanges unless:
 - (i) it has received the ASBA Bid cum Application Form in a physical or electronic form; and

- (ii) it has blocked the application money in the ASBA Account specified in the ASBA Bid cum Application Form or has systems to ensure that electronic ASBA Bid cum Application Form are accepted in the system only after blocking of application money in the relevant bank account opened with it. A member of the Syndicate/ sub-syndicate member shall not upload any Bid received through ASBA in the electronic bidding system of the Stock Exchanges unless it has received the ASBA Bid cum Application Form in a physical or electronic form.
- (b) The Stock Exchanges will offer a screen-based facility for registering such Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents and the SCSBs during the Bid / Issue Period. The members of Syndicate and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids subject to the condition that it will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis.
- (c) On the Bid / Issue Closing Date, the members of the Syndicate and the Designated Branches of the SCSBs shall upload the Bids until such time as may be permitted by the Stock Exchanges. This information will be available with the BRLM on a regular basis. In order to ensure that the data uploaded is accurate, the Syndicate may be permitted one Working Day after the Bid/Issue Closing Date to amend some of the data fields (currently DP ID, Client ID) entered by them in the electronic bidding system. Bidders are cautioned that a high inflow of Bids typically experienced on the last Working Day of the Bidding may lead to some Bids received on the last Working Day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded will not be considered for allocation. Bids will only be accepted on Working Days, *i.e.*, Monday to Friday (excluding any public holiday).
- (d) The bidding terminals of the Stock Exchanges shall contain an online graphical display of demand and Bid prices updated at periodic intervals not exceeding 30 minutes. 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 would be made available at the bidding centres and at the websites of each of the Stock Exchanges during the Bid/Issue Period along with category wise details.
- (e) At the time of registering each Bid, the members of the Syndicate or the Designated Branches of the SCSBs in case of ASBA Bids shall enter the following details of the Bidder in the electronic system:
- Name of the Bidder
 - ASBA Bid cum Application Form number
 - Investor Category – Individual, Corporate, non-institutional, qualified institutional buyer, Eligible NRI, FII, or Mutual Fund, financial institutions, insurance companies, etc.
 - PAN (of first Bidder, if more than one Bidder)
 - Depository Participant Identity (“**DP ID**”)
 - Client ID
 - Beneficiary account number of the Bidder
 - Numbers of Equity Shares Bid for.
 - Price option.
 - Amount.
 - Cheque number and cheque amount, in case of Bidder other than ASBA Bidders.
 - Bank Account Details in case of ASBA Bidders

In case of submission of the Bid by an ASBA Bidder through the electronic mode, the ASBA Bidder shall complete the above-mentioned details, except the ASBA Bid cum Application Form number which shall be system generated.

- (f) Upon request, a system generated TRS, on demand, will be given to the Bidder as a proof of the registration of each of the Bidding options. **It is the Bidder’s responsibility to obtain the TRS from the members of the Syndicate or Designated Branches.** The registration of the Bid by the member of the Syndicate or the Designated Branches does not guarantee that the Equity Shares shall be allocated / Allotted by our Company.
- (g) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (h) In case of QIB Bidders the BRLM has a right to accept the Bid or reject it. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids will not be rejected except on technical

grounds. The SCSB may reject the Bids made through the ASBA process if the ASBA Account maintained with the SCSB as specified in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Furthermore, the SCSBs shall have no right to reject Bids except on technical grounds. Syndicate members may also reject Bids if all information required is not provided and Bid cum Application Form / ASBA Bid cum Application Forms is incomplete in any respect. Subsequent to the acceptance of the Bid by the Designated Branch, the Company will have a right to reject the Bids only on technical grounds listed in the Red Herring Prospectus and the Prospectus.

- (i) The permission given by the Stock Exchanges to use their network and software of the online IPO 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 BRLM 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, our Promoters, our 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 the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- (j) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Member of the Syndicate 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. The members of the Syndicate shall be given one Working Day after the Bid / Issue Closing Date to verify the information uploaded on the online IPO system during the Bidding Period after which the Registrar to the Issue shall proceed with the Allotment of Equity Shares.
- (k) It is to be noted that Syndicate Members or the SCSB, as the case may be, shall be responsible for any error in the Bid details uploaded by them. In case of apparent data entry error by either Syndicate Member or collecting bank in entering the application number in their respective schedules other things remaining unchanged, the Bid may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s). In the event of mistake in capturing the application number by either the Syndicate Member or collecting bank leading to rejection of Bid, the Registrar may identify based on the Bid form, the entity responsible for the error. Valid records in electronic file will be those for which money is received.

The BRLM, the Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commission in relation to Bids accepted by SCSBs or Syndicate members, Bids uploaded by SCSBs or Syndicate members, Bids accepted but not uploaded by SCSBs or Syndicate members, or Bids accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Bids uploaded by SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.

Build up of the book and revision of Bids

- (a) The Bidding process shall be only through an electronically linked transparent bidding facility provided by the Stock Exchanges. Bids received from various Bidders through the members of the Syndicate and the SCSBs shall be electronically uploaded to the Stock Exchanges' mainframe on a regular basis.
- (b) The book gets built up at various price levels. At the end of each day of the Bidding Period, the demand shall be shown graphically on the bidding terminals of the Syndicate and the websites of the Stock Exchanges. This information will be available with the BRLM at the end of the Bidding Period.
- (c) 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 / ASBA Bid cum Application Form. Retail Individual Bidders may revise their Bids within the Price Band at any time until finalization of the Basis of Allotment.
- (d) 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, as the case may be. Apart from mentioning the revised options in the Revision Form / ASBA Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form / ASBA Bid cum Application Forms or earlier Revision Form / ASBA Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form / ASBA Bid cum Application Forms and such Bidder is changing only one of the options in the Revision

Form / ASBA Revision Form, he must still fill the details of the other two options that are not being revised, in the Revision Form / ASBA Revision Form. The members of the Syndicate and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms/ ASBA Revision Form.

- (e) The Bidder can make this revision any number of times during the Bid / Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate or the Designated Branch of the SCSB through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form / ASBA Revision Form and the revised Bid must be made only in such Revision Form / ASBA Revision Form or copies thereof.
- (f) Any upward 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. Retail Individual Bidders Bidding in such categories should note that the revised amount should not exceed ₹ 2 lacs. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus. With respect to ASBA Bids, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid amount or the relevant Syndicate/ sub-syndicate member shall instruct the SCSB to block any incremental amount, on account of the upward revision of the Bid in case of Bids submitted through ASBA to the Syndicate/ sub-syndicate members. 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 ASBA Bids, if revision of the Bids results in an incremental amount, the SCSBs shall block the additional Payment Amount. In case of Bids other than ASBA Bids, the members of 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. In such cases the members of the Syndicate will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the basis of Allotment. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus.
- (g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and will, on demand, receive a revised TRS from the members of the Syndicate or Designated Branches, as applicable. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.
- (h) In the case of ASBA Bids, after the Bid/Issue Closing Date, the SCSBs shall provide to the Registrar to the Issue aggregate information relating to the total number of ASBA Bid cum Application Forms uploaded and the total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Forms. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs.

Price Discovery and Allocation

- (a) After the Bid / Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process with the Bids received under the non-ASBA process to determine the demand generated at different price levels. Thereafter, the BRLM shall analyze the demand generated at various price levels and discuss pricing strategy with the Company. Based on the demand generated at various price levels, our Company in consultation with the BRLM shall finalize the Issue Price.
- (b) In case of over-subscription in all categories, 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 available for allocation to Mutual Funds. Mutual Funds participating in the 5% share in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. However, if the aggregate demand by Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares from the portion specifically available for allocation to Mutual Funds in the QIB Portion will first be added to the QIB Portion and be allocated proportionately to the QIBs in proportion to their Bids. In the event that the aggregate demand in the QIB Portion has been met, under-subscription, if any, will be met with spill-over from any other category or combination of categories at the discretion of the Company, in consultation with the BRLM and the Designated Stock Exchange
- (c) Under-subscription, if any, in any category may be met with spill over from any other category or combination of categories at the sole discretion of our Company in consultation with the BRLM. However,

if the aggregate demand by Mutual Funds in the Mutual Fund Portion is less than [●] Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. In the event the aggregate demand in the QIB Portion has been met, under subscription, if any, 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 BRLM and the Designated Stock Exchange.

- (d) Allocation to Non-Residents, including Eligible NRIs, FIIs and foreign venture capital funds registered with SEBI, applying on repatriation basis will be subject to applicable law.
- (e) Our Company reserves the right to cancel or withdraw the Issue at any time after the Bid/Issue Opening Date but before the Board meeting for Allotment. If our Company withdraws from the Issue, it shall issue a public notice that shall include reasons for such withdrawal within two days of the closure of the Issue. The notice of withdrawal shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid / Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, it shall file a fresh draft red herring prospectus with the SEBI.
- (f) If an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bidding Period, the ASBA Bidder shall submit the withdrawal request to a Syndicate member the SCSB, through whom the applicant had placed the original bid, which shall perform the necessary actions, including deletion of details of the withdrawn ASBA Bid cum Application Form from the electronic bidding system of the Stock Exchanges and unblocking of funds in the relevant bank account.
- (g) If an ASBA Bidder, excluding QIB Bidder wants to withdraw the ASBA Bid cum Application Form after the Bid / Issue Closing Date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB once the basis of Allotment has been approved by the Designated Stock Exchange.
- (h) QIB Bidders shall not be allowed to withdraw their Bid after the QIB Bid / Issue Closing Date.
- (i) Allotment status details shall be available on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

- (a) Our Company, the BRLM and the Syndicate Members intend to 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 terms of Section 56, 60 and 60B of the Companies Act, and other provisions of applicable laws which then would be termed the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, underwriting arrangements and will be complete in all material respects.

Filing of the Red Herring Prospectus and the Prospectus with the RoC

Our Company will file a copy of the Red Herring Prospectus and the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

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 ICDR Regulations, in two national daily newspapers (one each in English and in Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated. In the pre-Issue advertisement, we shall state the Issue Opening Date, the Issue Closing Date and the Issue Closing Date applicable to QIBs.

Advertisement regarding Issue Price and Prospectus

Our Company will issue a statutory advertisement in two national daily newspapers (one each in English and in

Hindi) of wide circulation, and one regional (Marathi) daily newspaper of wide circulation, where the Registered Office of our Company is situated, 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 Allotment Advice

- (a) On approval of the basis of Allotment by the Designated Stock Exchange and on Allotment by the Board of Directors or any committee constituted thereof, the Registrar to the Issue shall send to the members of the Syndicate and SCSBs a list of their Bidders who have been Allotted Equity Shares in the Issue. The approval of the basis of allocation by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or before the approval of the basis of allocation for the Retail Individual Bidders and Non-Institutional Bidders. However, investors should note that our Company shall ensure that the instructions by our Company for demat credit of the Equity Shares to all investors in the Issue shall be given on the same date as the date of Allotment.
- (b) The Registrar to the Issue will then dispatch an Allotment Advice / CAN to the Bidders who have been Allotted Equity Shares in this Issue. The dispatch of Allotment Advice / CAN shall be a valid, binding and irrevocable contract for the Bidders.

Unblocking of ASBA Account

Once the basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall provide the following details to the Controlling Branches of each SCSB, along with instructions to unblock the relevant bank accounts and transfer the requisite money to the Public Issue Account designated for this purpose within the timelines specified in the ASBA facility: (i) the number of Equity Shares to be Allotted against each valid ASBA Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each valid ASBA Bid, (iii) the date by which funds referred to in (ii) 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

- Our Company will ensure that (i) Allotment of Equity Shares; (ii) credit to successful Bidder's depository account will be completed within 12 Working Days of the Bid/Issue Closing Date.
- In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the successful bidders. Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to this Issue.

Basis of Allotment

A. For Retail Individual Bidders

- Bids received from Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. Allotment to all 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, see 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. Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less Allotment to QIBs and Retail Portion 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.
- If 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 see below.

C. For QIBs in the QIB Portion

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. Allotment to all successful 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 Mutual Fund Bids exceed 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 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 of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
 - (ii) Mutual Funds, which have received allocation as per (a) above for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
 - (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

The BRLM, the Registrar to the Issue and the Designated Stock Exchange shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the SEBI ICDR Regulations. The drawing of lots (where required) to finalise the Basis of Allotment shall be done in the presence of a public representative on the Governing Board of the Designated Stock Exchange.

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA Bidders will be that applicable to non-ASBA Retail Individual

Bidders, Non-Institutional Bidders and QIB Bidders, as applicable. ASBA Bidders who are Retail Individual Bidders (including HUFs) and who have Bid for Equity Shares for an amount less than or equal to ₹ 2 lacs in any of the Bidding options in the Issue, will be categorized as Retail Individual Bidders. ASBA Bidders that are not Retail Individual Bidders and who have Bid for Equity Shares for an amount over ₹ 2 lacs will be categorized as Non-Institutional Bidders or QIBs, as the case may be. No preference shall be given to ASBA Bidders vis-à-vis non-ASBA Bidders and vice versa.

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 BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorised according to the number of Equity Shares applied for.
- b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate Allotment is less than [●] Equity Shares per Bidder, the Allotment shall be made as follows:
 - i) 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 as far as possible, equal to the number of Equity Shares calculated in accordance with (b) above; and
 - ii) Each successful Bidder shall be allotted a minimum of [●] Equity Shares.
- e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted 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.

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 to the Issue:

- Agreement dated March 2, 2006, between NSDL, our Company and the Registrar to the Issue;
- Agreement dated January 2, 2006, between CDSL, our Company and the Registrar to the Issue.

Bidders will be Allotted Equity Shares in dematerialised mode only. 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 valid beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.
- (b) The Bidder must necessarily fill in the details (including the PAN, Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form / ASBA Bid cum Application Forms 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 / ASBA Bid cum Application Forms 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 / ASBA Bid cum Application Forms or Revision Form, it is liable to be rejected.
- (f) With effect from August 16, 2010, the demat accounts of Bidders for whom PAN details have not been verified shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
- (g) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form / ASBA Bid cum Application Forms vis-à-vis those with his or her Depository Participant.
- (h) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- (i) Trading in the Equity Shares would be in dematerialised form only, on the demat segment of the respective Stock Exchanges.
- (j) Non-transferable Allotment 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 to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form / ASBA Bid cum Application Form number, PAN, Bidders depository account details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch or the Collection Centre of the SCSBs where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, the bank account number in which an amount equivalent to the Bid Amount was blocked.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted with the members of the Syndicate / Designated Branches, Bidders can contact the relevant Designated Branch of the SCSBs. The SCSB or the Syndicate/ Sub-syndicate Member, as applicable, shall be responsible for any damage or liability resulting from any errors, fraud or willful negligence on the part of any employee of the concerned SCSB or the Syndicate/ sub-syndicate member, as applicable, including its Designated Branches and the branches where the ASBA Accounts are held. Our Company, the BRLM, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, 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.”

Payment of Refund

Within twelve Working Days of the 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 BRLM 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 Refunds

For Bidders other than ASBA Bidders

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through any of the following modes:

1. **NECS** – Payment of refund would be done through NECS for Bidders having an account at any of the centres where such facility has been made available specified by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories.
2. **Direct Credit** – Bidders having bank accounts with the Refund Bank, as per the Demographic Details received from the Depositories shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank for the same would be borne by our Company.
3. **NEFT** (National Electronic Fund Transfer) – Payment of refund shall be undertaken through NEFT wherever the Bidders' bank branch is NEFT enabled and has been assigned the IFSC, which can be linked to an MICR code of that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date prior to the date of payment of refund, duly mapped with an MICR code. Wherever the Bidders have registered their 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 Bidders through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency and the past experience of the Registrars to the Issue. In the event NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in this section.

4. For all other Bidders, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under certificate of posting for value up to ₹ 1,500 and through ordinary post for refund orders exceeding ₹ 1,500. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Bank 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 centers will be payable by the Bidders.

Refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account 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 twelve Working Days of the Bid/Issue Closing Date.

Interest on refund of excess Bid Amount

Our Company shall pay interest at the rate of 15% p.a. on the excess Bid Amount received if refunds are not made within a period of seven days after the Basis of Allotment or fifteen days from the Bid / Issue Closing Date, whichever is earlier.

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 and submit the documents pertaining to the Allotment to the Stock Exchanges within twelve Working Days of the Bid / Issue Closing Date. Our Company shall dispatch refunds above ₹ 1,500, if any, by registered post or speed post at the sale or First Bidder's sale risk, except for refunds through the NECs facility or Direct Credit.

In case of Bidders who receive refunds through NECS, NEFT or direct credit, the refund instructions will be given to the clearing system within twelve Working Days from the Bid / Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within twelve Working Days of the Bid / Issue Closing Date, giving the 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 is completed and trading commences within twelve Working Days of the Bid / Issue Closing Date at all the Stock Exchanges where the Equity Shares are proposed to be listed.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI ICDR Regulations, our Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form, including the credit of Allotted Equity Shares to the beneficiary accounts of the Depository Participants, within twelve Working Days of the Bid / Issue Closing Date;
- 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 twelve Working Days from the Bid / Issue Closing Date would be ensured. With respect to the ASBA Bidders' instructions for unblocking of the ASBA Bidder's bank account shall be made within twelve Working Days from the Bid / Issue Closing Date; and
- Our Company shall pay interest at 15% per annum for any delay beyond the time period 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 within eight days from the day the Company becomes liable to repay. If such money is not repaid within seven days from the day the Company becomes liable to repay, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days or after fifteen days from the Bid / Issue Closing Date whichever is earlier, 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.

Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to the Issue.

Save and except for refunds effected through the electronic mode, i.e., NECS, NEFT or direct credit, refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as a Refund Banker which shall be 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.

Letters of Allotment or Refund Orders or instructions to the SCSBs

Our Company shall ensure dispatch of refund orders, if any, of value up to ₹ 1,500, under certificate of posting, and shall dispatch refund orders above ₹ 1,500, if any, by registered or speed post at the sole or first Bidder's sole risk within twelve Working Days from the Bid / Issue Closing Date. Applicants residing at any of the centers where clearing houses are managed by the RBI will get refunds through NECS only (subject to availability of all information for crediting the refund through NECS) except where the applicant is otherwise disclosed as eligible to receive refunds through Direct Credit, NEFT. In the case of other applicants, our Company shall ensure the dispatch of refund orders, if any, of value less than ₹ 1,500 by ordinary post, and shall dispatch refund orders, if any, of ₹ 1,500 and above by registered post or speed post at the sole or First Bidder's sole risk within twelve Working Days of the Bid / Issue Closing Date. Applicants 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 twelve Working Days from Bid / Issue Closing Date.

In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account 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 twelve Working Days of the Bid / Issue Closing Date, which shall be duly completed after the receipt of such instruction from the Registrar.

Interest in case of delay in dispatch of Allotment Letters or Refund Orders/instruction to SCSB by the Registrar to the Issue

Allotment of Equity Shares in the Issue, including the credit of Allotted Equity Shares to the beneficiary accounts of the Depository Participants, shall be made not later than twelve Working Days of the Bid / Issue Closing Date. Our Company further agrees that it shall pay interest at the rate of 15% per annum if the allotment letters or refund orders have not been dispatched to the Bidders 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 eight days from the day our Company becomes liable to repay. If such money is not repaid within eight days from the day our Company becomes liable to repay, 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 as prescribed under sub-section (2) and (2A) of section 73 of the Companies Act.

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.

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 twelve Working Days of the Bid/Issue Closing Date;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within twelve Working Days from 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 the refund orders or Allotment Advise / CAN to Eligible NRIs shall be dispatched within specified time;
- That no further issue of Equity Shares shall be made until 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 arrangements shall be made to collect all ASBA and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

Our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserves the right not to proceed with the Issue anytime after the Bid / Issue Opening Date but before the Allotment of Equity Shares. In such an event our Company would issue a public notice in the newspapers within two days, in which the pre-Issue advertisements were published, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the day of receipt of such notification. Our Company shall also promptly inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

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 only after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

In the event our Company, in consultation with the BRLM, withdraws the Issue after the Bid / Issue Closing Date, a fresh offer document will be filed with SEBI in the event we subsequently decide to proceed with the initial public offering.

Utilisation of Issue Proceeds

The Board of Directors certifies that:

- All monies received in the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- Details of all monies utilised out of Issue shall be disclosed, and continue to be disclosed until the time any part of the Issue proceeds remains unutilised, under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised; and
- Details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

Our Company shall not have recourse to the proceeds of the Issue until the final listing and trading approvals from all the Stock Exchanges have been obtained.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated primarily by the FEMA and the policy prescribed by the Department of Industrial Policy and Promotion, GoI through circular 1 of 2011 with effect from April 1, 2011 (“**FDI Policy**”). While the FDI Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the FDI Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

FIIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“**FDI**”) Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

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. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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.

SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Main Provisions of the Articles of Association of our Company

The Authorised capital of our Company is ₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 each.

(THE COMPANIES ACT, 1956)
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
BLUPLAST INDUSTRIES LIMITED

Title of Article	Article Number and contents
Table "A" not to apply but company to be governed by these Articles	1. The regulations contained in Table "A" in the First Schedule of the Companies Act, 1956 shall not apply to this Company, but these Articles for the management of the Company and for the observance of the Members thereof and their representatives shall subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations/Articles by Special Resolution, as prescribed by the Companies Act 1956 be such as are contained in these Articles.

INTERPRETATION

Title of Article	Article Number and contents
Interpretation Clause	2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:
the Act	(a) "the Act" means the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.
these Articles	(b) "these Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.
Auditors	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.
Board or Board of Directors	(d) "Board" or "Board of Directors" means the Board of Directors of the Company or the Directors of the Company collectively.
Capital	(e) "Capital" means the share capital for the time being raised or authorised to be raised for the purpose of the Company.
Chairman	(f) "The Chairman" means the Chairman of the Board of Directors, for the time being, of the Company.
Charge	(g) "Charge" includes a mortgage.
Company	(h) The "Company" shall mean BLUPLAST INDUSTRIES LIMITED.
Debenture	(i) "Debenture" includes debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.
Directors	(j) "Directors" means the Board of Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a circular resolution under the Articles.
Director	(ja) "Director" includes any person occupying the position of a director, by whatever name called including any member of the Board of Directors.
Dividend	(k) "Dividend" includes bonus unless otherwise stated.
Executor or Administrator	(l) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorising the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
Gender	(m) Words importing the masculine gender shall be deemed to include the feminine gender and vice versa.
In writing and written	(n) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.
Legal Representative	(o) "Legal Representative" means a person who in law represents the estate of a deceased Member.

Title of Article	Article Number and contents
Marginal Notes	(p) The marginal notes hereto shall not affect the construction thereof.
Members	(q) "Members" means the duly registered holders, from time to time of the Shares of the Company and includes the subscribers to the Memorandum of the Company.
Board Meeting or Meeting of Board	(r) "Board Meeting" or "Meeting of Board" means meeting of the Board of Directors held pursuant to the provisions of the Act and Article 193 to Article 196 of these Articles.
Annual General Meeting	(s) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 166 of the Act and includes any adjourned holding thereof.
Extra-Ordinary General Meeting	(t) "Extra-Ordinary General Meeting" means an extraordinary General Meeting of the Members duly called and constituted in accordance with the provisions of Section 169 of the Act, and any adjourned holding thereof.
General Meeting	(u) "General Meeting" means the Annual General Meeting and / or Extra- Ordinary General Meeting as the case maybe.
Memorandum	(v) "Memorandum" means the Memorandum of Association of the Company as originally framed and/or altered from time to time.
Month	(w) "Month" means a calendar month.
Office	(x) "Office" means the registered office for the time being of the Company.
Ordinary Resolution	(y) "Ordinary Resolution" shall have the meanings assigned to it by Section 189(1) of the Act.
Paid Up	(z) "Paid-up" includes capital credited as paid up.
Person	(aa) "Person" shall be deemed to include corporations, artificial persons, Companies, associations of persons, society and firms as well as individuals.
Proxy	(ab) "Proxy" means any other person appointed by a Member of the Company, who is entitled to attend and vote at a General Meeting of the Company, to attend and vote instead of himself and as more particularly mentioned under Section 176 of the Act.
Public Holiday	(ac) "Public Holiday" means public holiday within the meaning of the Negotiable Instruments Act, 1881 provided that no date declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.
The Register of Members	(ad) "The Register of Members" means the Register of Members to be kept pursuant to Section 150 of the Act
The Registrar	(ae) "The Registrar" means the Registrar, or an Additional, a Joint, a Deputy or an Assistant Registrar, of the State in which the Registered Office of the Company is for the time being situated, having the duty of registering companies under the Act.
Seal	(af) "Seal" means the common seal for the time being of the Company.
Secretary	(ag) "Secretary" means any individual possessing the prescribed qualifications under the Companies (Secretary's Qualification) Rules, 1975 appointed by the Board to perform the duties of a Secretary.
Shares	(ah) "Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied.
Special Resolution	(ai) "Special Resolution" shall have the meanings assigned to it by Section 189(2) of the Act.
The Statutes	(aj) "The Statutes" means the Companies Act, 1956 and every other Act for the time being in force affecting the Company.
Year	(ak) "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.
Singular Number	(al) Words importing the Singular number include where the context admits or requires the plural number and vice versa.
These presents	(am) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
Variation	(an) "Variation" shall include abrogation; and "vary" shall include abrogate.
Expressions in the Act to bear the same meaning in Articles	(ao) Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	3. The authorised share capital of the Company shall be prescribed under clause V of the Memorandum of Association of the Company with power to increase or reduce the share capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, or such other rights, privileges or conditions as may be determined in accordance with the regulations of the Company and to vary, modify, abrogate any such rights, privileges or conditions in such manner as may be provided by the regulations of the Company and consolidate, sub-divide the shares and issue shares of

Title of Article	Article Number and contents
	<p>higher or lower denomination.</p> <p>Further, the Company may from time to time by Ordinary Resolution increase its authorised share capital by such sum and to be divided into Shares of such amount as may be specified in the resolution.</p>
Increase of capital by the Company how carried into effect	<p>4.</p> <p>The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97 of the Act.</p>
New Capital same as existing capital	<p>5.</p> <p>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 existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p>
Non Voting Shares	<p>6.</p> <p>The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.</p>
Redeemable Preference Shares	<p>7.</p> <p>Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.</p>
Voting rights of preference shares	<p>8.</p> <p>The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.</p>
Provisions to apply on issue of Redeemable Preference Shares	<p>9.</p> <p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.</p> <p>(b) No such Shares shall be redeemed unless they are fully paid.</p> <p>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</p> <p>(e) Subject to the provisions of Section 80 of the Act. The redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.</p>
Reduction of capital	<p>10.</p> <p>The Company may (subject to the provisions of section 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account.</p> <p>in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
Purchase of own Shares	<p>11.</p> <p>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p>
Sub-division	<p>12.</p> <p>Subject to the provisions of Section 94 and other applicable provisions of the Act, the</p>

Title of Article	Article Number and contents
consolidation and cancellation of Shares	Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which 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.

MODIFICATION OF RIGHTS

Title of Article	Article Number and contents
Modification of rights	<p>13.</p> <p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall <i>mutatis mutandis</i> apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be varied by the creation or issue of further Shares ranking <i>pari passu</i> therewith.</p>

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Restriction on allotment and return of allotment	<p>14.</p> <p>The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.</p>
Further issue of shares	<p>15.</p> <p>(1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares then:</p> <p>(a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date;</p> <p>(b) 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 and the offer, if not accepted, will be deemed to have been declined;</p> <p>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;</p> <p>(d) 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 of Directors may dispose of them in such manner as they think most beneficial to the Company.</p> <p>(2) Notwithstanding anything contained in sub-clause (1), the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever.</p> <p>(a) If a Special Resolution to that effect is passed by the Company in General Meeting; or</p> <p>(b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.</p> <p>(3) Nothing in sub-clause (c) of (1) hereof shall be deemed;</p> <p>(a) To extend the time within which the offer should be accepted; or</p> <p>(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.</p>

Title of Article	Article Number and contents
	<p>(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:</p> <p>(i) To convert such debentures or loans into Shares in the Company; or</p> <p>(ii) To subscribe for Shares in the Company</p> <p>PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:</p> <p>(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that government in this behalf; and</p> <p>(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the loans.</p>
Shares at the disposal of the Directors	<p>16.</p> <p>(1) 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 person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p> <p>(2) Subject to the provisions of section 81(1A) of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, provision of these articles and such other rules, procedures, Regulations and Guidelines as may be applicable any preferential issue of equity shares/warrants/fully convertible debentures/partially convertible debentures or any other financial instruments by the company which would be converted into or exchanged with equity shares at a later date shall be under the control of the Board which may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times either at par or at a premium and for such consideration as the Board thinks fit.</p>
Power to offer Shares/options to acquire Shares	<p>16A</p> <p>(i) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>(ii) In addition to the powers of the Board under Article 16A(i), the Board may also allot the Shares referred to in Article 16A(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p> <p>(iii) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(i) and (ii) above.</p>
Application of premium received on Shares	<p>17.</p> <p>(1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the security 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 security premium account were paid up share capital of the Company.</p> <p>(2) The security premium account may, notwithstanding anything in clause (I) thereof be applied by the Company:</p> <p>(a) In paying up unissued Shares of the Company, to be issued to the Members of the</p>

Title of Article	Article Number and contents
	<p>Company as fully paid bonus;</p> <p>(b) In writing off the preliminary expenses of the Company;</p> <p>(c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or</p> <p>(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.</p>
Power also to Company in General Meeting to issue Shares	<p>18.</p> <p>In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.</p>
Power of General Meeting to authorize Board to offer Shares/Options to employees	<p>18A</p> <p>Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose</p> <p>In addition to the powers contained in Article 18A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.</p>
Shares at a discount	<p>19.</p> <p>The Company may issue at a discount Shares in the Company of a class already issued, if the following conditions are fulfilled, namely:</p> <p>(a) The issue of the Shares at discount is authorised by resolution passed by the Company in the General Meeting and sanctioned by the Company Law Board;</p> <p>(b) The resolution specifies the maximum rate of discount (not exceeding ten percent or such higher percentage as the Company Law Board may permit in any special case) at which the Shares are to be issued; and</p> <p>(c) The Shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.</p>
Installments of Shares to be duly paid	<p>20.</p> <p>If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.</p>
The Board may issue Shares as fully paid-up	<p>21.</p> <p>Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.</p>

Title of Article	Article Number and contents
Acceptance of Shares	<p>22.</p> <p>Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.</p>
Deposit and call etc., to be debt payable	<p>23.</p> <p>The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.</p>
Liability of Members	<p>24.</p> <p>Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.</p>
Dematerialisation of securities	<p>25.(A)</p> <p>Definitions</p> <p>Beneficial Owner "Beneficial Owner" means a person whose name is recorded as such with a Depository.</p> <p>SEBI "SEBI" means the Securities and Exchange Board of India as established under section 3 of Securities and Exchange Board of India Act, 1992.</p> <p>Bye-Laws "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p> <p>Depositories Act "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;</p> <p>Depository "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p>Record "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p>Regulations "Regulations" mean the regulations made by SEBI;</p> <p>Security/ Securities "Security" means such security/ securities as may be specified by SEBI.</p>
Dematerialisation of securities	<p>25.(B)</p> <p>Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.</p>
Options to receive security certificates or hold securities with depository	<p>25.(C)</p> <p>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.</p> <p>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p>
Securities in depositories to be in fungible form	<p>25.(D)</p> <p>All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.</p>

Title of Article	Article Number and contents
Rights of depositories and beneficial owners	<p>25.(E)</p> <p>(1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</p> <p>(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;</p> <p>(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.</p>
Depository To Furnish Information	<p>25.(F)</p> <p>Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.</p>
Service of documents	<p>25.(G)</p> <p>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.</p>
Option to opt out in respect of any security	<p>25.(H)</p> <p>If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.</p>
Sections 83 and 108 of the Act not to apply	<p>25.(I)</p> <p>Notwithstanding anything to the contrary contained in the Articles,</p> <p>(1) Section 83 of the Act shall not apply to the Shares held with a Depository;</p> <p>(2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.</p>
Share certificate	<p>26.</p> <p>(a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.</p> <p>(b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.</p> <p>(c) The Board may, from time to time, subject to the provisions of the Act and these Articles sub-divide/consolidate Share Certificates.</p>
Limitation of time for issue of certificates	<p>26A.</p> <p>Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.</p>

Title of Article	Article Number and contents
Renewal of share certificates	<p>27.</p> <p>No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.</p> <p>PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.</p>
Issue of new certificate in place of one defaced, lost or destroyed	<p>28.</p> <p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.</p> <p>The provision of this Article shall <i>mutatis mutandis</i> apply to Debentures of the Company.</p>
The first name joint holder deemed sole holder	<p>29.</p> <p>If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.</p>
Issue of Shares without Voting Rights	<p>30.</p> <p>In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.</p>
Buy-Back of Shares and Securities	<p>31.</p> <p>Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 77 and SEBI (Buy back of Shares) Regulations as may be permitted by law.</p>
Employees Stock Options Scheme/ Plan	<p>32.</p> <p>The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.</p>

Title of Article	Article Number and contents
Sweat Equity	<p>33.</p> <p>Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.</p>
Postal Ballot	<p>34.</p> <p>The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.</p>
Company not bound to recognize any interest in Shares other than of registered holder	<p>35.</p> <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p>
Trust recognised	<p>36.</p> <p>(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> <p>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</p>
Declaration by person not holding beneficial interest in any Shares	<p>37.</p> <p>(1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act</p> <p>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act</p> <p>(3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>(4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p>
Funds of Company not to be applied in purchase of Shares of the Company	<p>38.</p> <p>No funds of the Company shall except as provided by Section 77 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 78, 80 and 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.</p>

UNDERWRITING AND BROKERAGE

Title of Article	Article Number and contents
Commission may be paid	39. Subject to the provisions of Section 76 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed in the case of the Shares five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.
Brokerage	40. The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	41. Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Part I of Schedule V to the Act.

INTEREST OUT OF CAPITAL

Title of Article	Article Number and contents
Interest out of capital	42. Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up, for the period at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of the plant.

DEBENTURES

Title of Article	Article Number and contents
Debentures with voting rights not to be issued	43. (a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business. (b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act. (c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act. (d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act. (e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance. (f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred. (g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof. (h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges.

CALLS

Title of Article	Article Number and contents
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Title of Article	Article Number and contents
Directors may make calls	<p>44.</p> <p>(a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
Notice of call when to be given	<p>45.</p> <p>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 call shall be paid.</p>
Call deemed to have been made	<p>46.</p> <p>A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.</p>
Directors may extend time	<p>47.</p> <p>The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call and may extended such time to call or any of the Members, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favour.</p>
Amount payable at fixed time or by installments to be treated as calls	<p>48.</p> <p>If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.</p>
When interest on call or installment payable	<p>49.</p> <p>If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.</p>
Evidence in action by Company against share holder	<p>50.</p> <p>On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p>
Payment in anticipation of calls may carry interest	<p>51.</p> <p>The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay</p>

Title of Article	Article Number and contents
	<p>the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>The provisions of these Articles shall <i>mutatis mutandis</i> apply to the calls on Debentures of the Company.</p>

LIEN

Title of Article	Article Number and contents
Partial payment not to preclude forfeiture	<p>52.</p> <p>Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.</p>
Company's lien on Shares/ Debentures	<p>53.</p> <p>The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article. Further, the fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares;</p>
As to enforcing lien by sale	<p>54.</p> <p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:-</p> <p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members</p> <p>(c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.</p>
Application of proceeds of sale	<p>55.</p> <p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p>

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on Shares not paid notice to be given	<p>56.</p> <p>If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.</p>
Sum payable on allotment to be deemed a call	<p>57.</p> <p>For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.</p>

Title of Article	Article Number and contents
Form of notice	<p>58.</p> <p>The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>
In default of payment Shares to be forfeited	<p>59.</p> <p>If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.</p>
Notice of forfeiture to a Member	<p>60.</p> <p>When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.</p>
Forfeited Shares to be the property of the Company and may be sold etc.	<p>61.</p> <p>Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.</p>
Member still liable for money owing at the time of forfeiture and interest	<p>62.</p> <p>Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.</p>
Effects of forfeiture	<p>63.</p> <p>The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.</p>
Power to annul forfeiture	<p>64.</p> <p>The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.</p>
Declaration of forfeiture	<p>65</p> <p>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.</p>
Provisions of these	<p>66.</p> <p>The provisions of these Articles as to forfeiture shall apply in the case of non-payment of</p>

Title of Article	Article Number and contents
articles as to forfeiture to apply in case of nonpayment of any sum.	any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in respect of forfeited Shares	67. Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
Evidence of forfeiture	68. The declaration as mentioned in Article 65(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
Validity of sale	69. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Surrender of Shares	70. The Directors may subject to the provisions of the Act, accept a surrender or any share from any Member desirous of surrendering on such terms and conditions as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	71. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument of transfer	72. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. Further, a common transfer form shall be used.
Application for transfer	73. (a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee. (b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice (c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	74. The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	75. A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	76. The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five

Title of Article	Article Number and contents
	days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	<p>77.</p> <p>Subject to the provisions of Section 111A, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the 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 where the Company has a lien on partly paid up Shares.</p>
Death of one or more joint holders of Shares	<p>78.</p> <p>In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.</p>
Titles of Shares of deceased Member	<p>79.</p> <p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 109A and 109B of the Companies Act.</p>
Notice of application when to be given	<p>80.</p> <p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.</p>
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	<p>81.</p> <p>Subject to the provisions of the Act and Article 78 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".</p>
Refusal to register nominee	<p>82.</p> <p>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.</p>
Person entitled may receive dividend without being registered as a Member	<p>83.</p> <p>A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.</p>
No fee on transfer or transmissions	<p>84.</p> <p>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.</p>
Transfer to be presented with evidence of title	<p>85.</p> <p>Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall</p>

Title of Article	Article Number and contents
	remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	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, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

SHARE WARRANTS

Title of Article	Article Number and contents
Power to issue share warrants	87. The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
Deposit of share warrants	88. (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant (b) Not more than one person shall be recognized as depositor of the Share warrant (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor
Privileges and disabilities of the holders of share warrant	89. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
Issue of new share warrant coupons	90. The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and contents
Share may be converted into stock	91. The Company may, by Ordinary Resolution: (a) convert any fully paid up Share into stock, and (b) reconvert any stock into fully paid-up Shares.
Transfer of stock	92. The several holders of such stock may transfer there respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose.
Right of stock holders	93. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them Shares from which the stock arose; but no such privilege or

Title of Article	Article Number and contents
	advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	94. Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively.

BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	95. Subject to the provisions of Sections 58A, 292 & 293(1)(d) of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
The payment or repayment of moneys borrowed	96. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	97. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
Terms of issue of Debentures	98. Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise; However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled capital	99. If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.

MEETING OF MEMBERS

Title of Article	Article Number and contents
Statutory meeting	100. The statutory meeting shall be held in accordance with the provisions of Section 165 of the Act within a period of not less than one month and not more than six months from the date on which the Company shall be entitled to commence business and the provisions related to the Statutory Report shall be complied with.
Annual General Meeting	101. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of

Title of Article	Article Number and contents
	<p>next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Register under the provisions of Section 166 (1) of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify as the Annual General Meeting. Then company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company, shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report and audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.</p>
Report statement and registers to be laid before the Annual General Meeting	<p>102. The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.</p>
Extra-Ordinary General Meeting	<p>103. All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.</p>
Requisitionists' meeting	<p>104. (1) Subject to the provisions of Section 188 of the Act, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:- (a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting. (b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting. (2) The number of Members necessary for a requisition under clause (1) hereof shall be (a) Such number of Members as represent not less than one-twentieth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or (b) not less than one hundred Members having the rights aforesaid and holding Shares in the Company on which there has been paid up an aggregate sum of not less than Rupees one lac in all. (3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter. (4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless: (a) A copy of the requisition signed by, the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company. (i) In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting. (ii) the case of any other requisition, not less than two weeks before the Meeting, and (b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company expenses in giving effect thereto. PROVIDED THAT if after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, and an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes also thereof. (5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Article are being abused to secure needless publicity for</p>

Title of Article	Article Number and contents
	<p>defamatory matter.</p> <p>(6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p>
Extra-Ordinary General Meeting by Board and by requisition	<p>105.</p> <p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p>
Contents of requisition, and number of requisitionists required and the conduct of Meeting	<p>106.</p> <p>(1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (3) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>(i) By the requisitionists themselves ; or</p> <p>(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) which ever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.</p> <p>(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but</p> <p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> <p>(3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p> <p>(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p>
Length of notice of Meeting	<p>107.</p> <p>(1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.</p> <p>(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
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Title of Article	Article Number and contents
Contents and manner of service of notice	<p>(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>(2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>(a) to every Member of the Company, in any manner authorised by sub-sections (1) to (4) Section 53 of the Act;</p> <p>(b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>(c) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of Members of the Company.</p> <p>PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.</p> <p>(3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p>
Special and ordinary business and explanatory statement	<p>109.</p> <p>(1)(a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <p>(i) the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors;</p> <p>(ii) the declaration of dividend;</p> <p>(iii) the appointment of Directors in the place, of those retiring; and</p> <p>(iv) the appointment of, and the fixing of the remuneration of the Auditors, and</p> <p>(b) In the case of any other meeting, all business shall be deemed special.</p> <p>(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.</p> <p>(3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give notice not to invalidate proceedings	<p>110.</p> <p>The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.</p>

MEETING OF MEMBERS

Title of Article	Article Number and contents
Notice of business to be given	<p>111.</p> <p>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.</p>
Quorum	<p>112.</p> <p>Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 187 of the Act.</p>
If quorum not present when Meeting to be	<p>113.</p> <p>If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand</p>

Title of Article	Article Number and contents
dissolved and when to be adjourned	dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjournment meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution passed at adjourned Meeting	114. Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	115. At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required.	115(A) Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	116. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	117. (a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place. (b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. (c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting. (d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	118. Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	119. A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	120. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	121. A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	122. In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a

Title of Article	Article Number and contents
	Member.
Appointment of scrutineers	123. Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	124. The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	125. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Title of Article	Article Number and contents
Member paying money in advance not to be entitled to vote in respect thereof	126. A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	127. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	128. Subject to the provisions of Article 126, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of subsection (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.
Votes of Members of unsound mind	129. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Votes of joint Members	130. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be

Title of Article	Article Number and contents
	deemed joint holders thereof.
Representation of body corporate	<p>131.</p> <p>(a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
Votes in respects of deceased or insolvent Members	<p>132.</p> <p>Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.</p>
Voting in person or by proxy	<p>133.</p> <p>Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.</p>
Rights of Members to use votes differently	<p>134.</p> <p>On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses</p>
Proxies	<p>135.</p> <p>Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.</p>
Proxy either for specified meeting or for a period	<p>136.</p> <p>An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.</p>
No proxy to vote on a show of hands	<p>137.</p> <p>No proxy shall be entitled to vote by a show of hands.</p>
Instrument of proxy when to be deposited	<p>138.</p> <p>The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.</p>
Form of Proxy	<p>139.</p> <p>Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.</p>
Validity of votes given by proxy notwithstanding	<p>140.</p> <p>A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in</p>

Title of Article	Article Number and contents
revocation of authority	respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	141. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	142. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	143. If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	144. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.
Directors	144A. The First Directors of the Company are: <ol style="list-style-type: none"> 1. SHRI INDERMAL JAIN 2. SMT. REKHA K. JAIN 3. SMT. NAYANA JAIN 4. SHRI PANKAJ KUMAR GAGGAR
Appointment of Directors	145. The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Debenture Directors	146. Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or Corporation Director	147. a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places.

Title of Article	Article Number and contents
	<p>b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p> <p>c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall <i>ipso facto</i> vacate such office immediately on the moneys owing by the Company to the Corporation being paid off</p> <p>d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p> <p>e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..</p> <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p>
Special Director	<p>148.</p> <p>The Company shall subject to the provisions of the Act, be entitled to agree with any person, firm or corporations that he or it shall have the right to appoint him or its nominee or nominees on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit.</p> <p>Such nominee and their successors in office appointed under this Article shall be called "Special Director" of the Company.</p> <p>The Special Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meeting, Board Meeting and meetings of the committee of which the Special Director/s is/are members/s as also the minutes of such meetings. Such Special Directors shall not be required to hold any qualification shares nor be liable to retire by rotation.</p> <p>The Special Directors appointed hereof shall be entitled to hold office until requested to retire by the Person, firm or corporation which may have appointed him/them and not will be liable to retire by rotation. As and when the Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the Person, firm corporation who are or which appointed such Director may appoint any other Director in his place. A Special Director may, at any time, by notice in writing to the Company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as may other Director of the Company</p>
Limit on number of retaining Directors	<p>149.</p> <p>The provisions of Articles 146, 147, 148 and 149 are subject to the provisions of Section 256 of the Act and number of such Directors appointed under Article 147 shall not exceed in the aggregate one third of the total number of Directors for the time being in office.</p>
Alternate Director	<p>150.</p> <p>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall</p>

Title of Article	Article Number and contents
	vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Directors may fill in vacancies	151. The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	152. The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.
Qualification shares	153. A Director need not hold any qualification shares.
Directors' sitting fees	154. The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.
Extra remuneration to Directors for special work	155. Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided. Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii) by way of commission if the Company by a Special Resolution authorised such payment.
Traveling expenses incurred by Directors on Company's business	156. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	157. The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.
Board resolution necessary for certain contracts	158. (1) Subject to the provisions of Section 297 of the Act, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company. (a) For the sale, purchase or supply of goods, materials or services; or (b) for underwriting the subscription of any Share in or debentures of the Company; (c) nothing contained in clause (a) of sub-clause (1) shall affect:- (i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or (ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials

Title of Article	Article Number and contents
	<p>and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business, PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts;</p> <p>(2) Notwithstanding any contained in sub-clause(1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(3) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which was entered into.</p> <p>(4) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(5) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.</p>
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholetime Director	<p>159.</p> <p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.</p>
Directors of interest General notice of disclosure	<p>160.</p> <p>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act.</p> <p>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 299(3)(a) shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.</p>
Directors and Managing Director may contract with Company	<p>161.</p> <p>Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 299 of the Act and in this respect all the provisions of Section 300 and 301 of the Act shall be duly observed and complied with.</p>
Disqualification of the Director	<p>162.</p> <p>A person shall not be capable of being appointed Director of the Company if:-</p> <p>(a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;</p> <p>(b) he is an undischarged insolvent;</p> <p>(c) he has applied to be adjudged an insolvent and his application is pending;</p> <p>(d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</p> <p>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or</p> <p>(f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that Section.</p>

Title of Article	Article Number and contents
Vacation of office by Directors	<p>163.</p> <p>The office of Director shall become vacant if:-</p> <p>(a) he is found to be of unsound mind by a Court of competent jurisdiction; or</p> <p>(b) he applies to be adjudged an insolvent; or</p> <p>(c) he is adjudged an insolvent; or</p> <p>(d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or</p> <p>(e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or</p> <p>(f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or</p> <p>(g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or</p> <p>(h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 299 of the Act; or</p> <p>(i) he becomes disqualified by an order of the Court under Section 203 of the Act; or</p> <p>(j) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or</p> <p>(k) if by notice in writing to the Company, he resigns his office, or</p> <p>(l) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p>
Vacation of office by Directors (contd.)	<p>164.</p> <p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 162 hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or order;</p> <p>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
Removal of Directors	<p>165.</p> <p>(a) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 190 of the Act; shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.</p> <p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <p>(i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</p> <p>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\ or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved by the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 262 of the Act be filled by the: appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under Article 163 hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p>

Title of Article	Article Number and contents
	<p>(f) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 153 or Section 162 of the Act, and all the provisions of that Article and Section shall apply accordingly</p> <p>(g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(h) Nothing contained in this Article shall be taken:-</p> <p>(i) as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or</p> <p>(ii) as derogating from any power to remove a Director which may exist apart from this Article.</p>
Interested Directors not to participate or vote in Board's proceedings	<p>166.</p> <p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:-</p> <p>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;</p> <p>(i) in his being:</p> <p>(a) a director of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>(ii) in his being a member holding not more than two percent of its paid-up share capital.</p>
Director may be director of companies promoted by the Company	<p>167.</p> <p>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.</p>
Appointment of Sole Selling Agents	<p>168.</p> <p>a) The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 294 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable.</p> <p>b) The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 294A of the Act.</p>

ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and contents
Rotation of Directors	<p>169.</p> <p>Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p>
Retirement of Directors	<p>170.</p> <p>Subject to the provisions of Articles 148 and 150, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.</p>
Retiring Directors	<p>171.</p> <p>Subject to the provisions of Section 256 of the Act and Articles 146 to 153, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 184, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.</p>
Appointment of Technical or Executive Directors	<p>172.</p> <p>a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p>

Title of Article	Article Number and contents
	b) Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire 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 up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
Ascertainment of Directors retiring by rotation and filling of vacancies	173. Subject to Section 288 (5) of the Act, the Directors retiring by rotation under Article 174 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	174. A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.
Company to fill vacancies	175. Subject to Sections 258, 259 and 294 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of appointment	176. (a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place. (b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless: (i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost. (ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed. (iii) he is not qualified or is disqualified for appointment (iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or (v) the provision of the sub-section (2) of section 263 of the Act is applicable to the case.
Company may increase or reduce the number of Directors or remove any Director	177. Subject to the provisions of Section 252, 255 and 259 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	178. (a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it. (b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply. (c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.
Notice of candidature for office of Directors except in certain cases	179. (1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director. (2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place. (3) Every person (other than Director retiring by rotation or otherwise or person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office a

Title of Article	Article Number and contents
	<p>Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>(4) A person other than a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 252 of the Act, appointed as a Director re-appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p>
Disclosure by Directors of their holdings of their Shares and debentures of the Company	<p>180.</p> <p>Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.</p>
Votes of Body Corporate	<p>181.</p> <p>A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.</p>

MANAGING DIRECTOR

Title of Article	Article Number and contents
Powers to appoint Managing Director	<p>182.</p> <p>(1) Subject to the provisions of the Act, the Board may from time to time appoint one or more of their body to the office of Managing Directors for such period and on such terms it may think fit and subject to the terms of any agreement entered into with him may revoke such appointment, in making such appointment(s) the Board shall ensure compliance with the requirements of law and seek and obtain such approvals as are prescribed by the Act.</p> <p>(2) Subject to the provisions of the Act and these Articles, the Managing Directors or Managing Director shall not while he or they continue to hold that office be subject to retirement by rotation but he or they shall be subject to the provisions of any contract between him and them and the Company, be subject to same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Managing Director or Managing Directors if he or they cease to hold the office of the Director for any cause.</p>
Remuneration of Managing Director	<p>183.</p> <p>The Managing Director or Managing Directors may be paid remuneration either by way of monthly payment or a specified percentage of the net profit of the Company or partly by one way and partly by other or any other mode not expressly prohibited by the Act.</p>
Certain persons not to be appointed Managing Director(s)	<p>184.</p> <p>The Company shall not appoint or employ or continue the appointment or employment of a person as its Managing Director or Whole-time Director who-</p> <p>(a) is an undischarged insolvent or has at any time been adjudged an insolvent;</p> <p>(b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them;</p> <p>(c) is or has at any time been convicted by a court of an offence involving moral turpitude</p>
Powers of Managing Director	<p>185.</p> <p>The Directors may from time to time entrust to and confer upon a Managing Director or Wholetime Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.</p>
	<p>186.</p> <p>The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p>
	<p>187.</p> <p>Receipts signed by the Managing Director for any moneys, goods or property received in the usual</p>

Title of Article	Article Number and contents
	course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company.
	188. The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
	189. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	189A The Board may, from time to time, appoint any Manager (under Section 2(24) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.

WHOLE TIME DIRECTOR

Title of Article	Article Number and contents
Power to appoint Whole Time Director and/or Whole-time Directors	190. (1) Subject to the provisions of the Act in force from time to time, the Board may appoint one or more of their body to the office of the Whole Time Director of Whole Time Directors for a term not exceeding five years at a time as may be thought fit and may from time to time (subject to provisions of any contract between him/them and the Company) remove or dismiss him or them from office and appoint any or others in or their place or places. (2) Subject to the provisions of the Act and these Articles, the Whole-time Directors or Whole-time Directors shall not while he or they continue to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him and them and the Company, be subject to same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Whole-time Director or Whole-time Directors if he or they cease to hold the office of the Director for any cause.
To what provisions Whole time Directors shall subject	191. Whole Time Director or Whole Time Directors shall carry out such functions as may be assigned to him/them by the Managing Director from time to time or the Board of directors as it may deem fit. Whole Time Director or Whole Time Directors shall not be paid sitting fees for attending meeting of the Board of Directors or any committee(s) thereof.
Resignation of office of Managing Director & Whole Time Director	Acceptance by the Company of the resignation laid by the Managing or Whole Time Director is necessary for the resignation to be effective.
Applicability of certain sections.	Subject to the provisions of Sections 198, 269, 309, 310 and 311 of the Act, the appointment and payment of remuneration to the Managing Director, Whole Time Director or Manager shall be subject to approval of the members in general meeting subject to the conditions of Schedule XIII of the Act and/or with the approval of the Central Government.
Seniority of Whole Time Director and Managing Director	192. If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company

PROCEEDINGS OF THE BOARD OF DIRECTORS

Title of Article	Article Number and contents
Meeting of Directors	193. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 285 of the Act allow otherwise, Directors shall so meet at least once in every three months and atleast four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	194. (a) Subject to Section 287 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time. (b) for the purpose of clause(a) (i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and (ii) "Interested Directors" means any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Procedure when Meeting adjourned for want of quorum	195. If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	196. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Question at Board meeting how decided	197. Subject to the provisions of Section 316, 372(5) and 386 of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	198. A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	199. The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	200. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	201. (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 201 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number

Title of Article	Article Number and contents
	than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	202. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

Title of Article	Article Number and contents
General powers of management vested in the Board of Directors	203. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting :- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking; (b) remit, or give time for the repayment of, any debt due by a Director, (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time; (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body; (i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e) (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.
Certain powers to be exercised by the Board only at Meetings	204. (1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board; (a) the power to make calls, on shareholders in respect of money unpaid on their Shares, (b) the power to issue Debentures, (c) the power to borrow moneys otherwise than on Debentures,

Title of Article	Article Number and contents
	<p>(d) the power to invest the funds of the Company, and</p> <p>(e) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c) (d) and (e) to the extent specified below:</p> <p>(2) Every resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>(3) Every resolution delegating the power referred to in sub-clause (1) (d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>(4) Every resolution delegating the power referred to in sub-clause (1) (e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
Certain powers of the Board	<p>205.</p> <p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <ol style="list-style-type: none"> 1. To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. 2. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act. 3. Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. 4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. 5. To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. 6. To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed. 7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees. 8. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon. 9. To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies. 10. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. 11. Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name. 12. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon. 13. To open bank account and to determine from time to time who shall be entitled to

Title of Article	Article Number and contents
	<p>sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>14. To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>15. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>16. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>17. To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general conferred by this sub-clause.</p> <p>18. To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>19. From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>20. Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill</p>

Title of Article	Article Number and contents
	<p>up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> <p>21. At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>22. Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>24. To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>25. To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>26. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>27. To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>28. To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>29. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>30. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>31. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>32. To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>33. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>34. To comply with the requirements of any local law which in their opinion it shall in the</p>

Title of Article	Article Number and contents
	interest of the Company be necessary or expedient to comply with.

MANAGEMENT

Title of Article	Article Number and contents
Prohibition of simultaneous appointment of different categories of managerial personnel	206. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :- a) Managing Director and b) Manager.

MINUTES

Title of Article	Article Number and contents
Minutes to be made	207. (1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered. (2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed: (a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. (b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	208. (a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein. (b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.
Presumptions	209. Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

THE SECRETARY

Title of Article	Article Number and contents
Secretary	210. The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Appointment and Qualifications of Secretary) Rules, 1988.
The Seal, its custody and use	211. (a) Seal The Board shall provide a Common Seal for the purpose of the Company and shall have

Title of Article	Article Number and contents
	<p>power from time to time to destroy the same and substitute a new seal in lieu thereof.</p> <p>(b) Common Seal for use outside India The Board may for the purpose of use of the Common Seal outside India, cause a facsimile of the Common Seal to be made and authorize the use of it in the manner provided under Section 50 of the Companies Act, 1956</p> <p>(c) Safe Custody of Seal The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company.</p> <p>(d) Affixing of Seal on deeds and instruments' On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed.</p> <p>(e) Affixing of Seal on Share Certificates Notwithstanding anything contained in Clause (d) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are Authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Issue of Share Certificates) Rules in force for the time being.</p> <p>(f) Removal of Common Seal outside the office premises The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office inside or outside for affixture and for return to safe custody to the Registered Office.</p>

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	<p>212.</p> <p>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares.</p> <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p>
The Company at General Meeting may declare dividend	<p>213.</p> <p>The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.</p>
Dividends out of profits only	<p>214.</p> <p>No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.</p>
Interim dividend	<p>215.</p> <p>The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.</p>
Debts may be deducted	<p>216.</p> <p>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p> <p>(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.</p>
Capital paid-up in advance to carry interest, not the right to earn dividend	<p>217.</p> <p>Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.</p>
Dividends in proportion to amounts paid-up	<p>218.</p> <p>All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.</p>
	219.

Title of Article	Article Number and contents
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	220. A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	221. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	222. The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	223. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	224. The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.
Dividend to be paid within time required by law.	225. The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:- (a) where the dividend could not be paid by reason of the operation on any law; or (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or (c) where there is dispute regarding the right to receive the dividend; or (d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or (e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
Unpaid or unclaimed dividend	226. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank and to be called "[●] Limited ____ (year) Unpaid Dividend Account". Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205C of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law
Set-off of calls against dividends	227. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.
Dividends in cash	228. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held

Title of Article	Article Number and contents
	by Members of the Company.
Capitalisation	<p>229.</p> <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.</p> <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;</p> <p>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or</p> <p>(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or</p> <p>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause (b)</p> <p>(3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.</p>
Board to give effect	<p>230.</p> <p>The Board shall give effect to the resolution passed by the Company in pursuance of above Article.</p>
Fractional certificates	<p>231.</p> <p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall; make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and Generally do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power:</p> <p>(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also</p> <p>(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such Members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p>

ACCOUNTS

Title of Article	Article Number and Contents
Books to be kept	<p>232.</p> <p>(1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:</p> <p>a. all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place</p> <p>b. all sales and purchases of goods by the Company</p> <p>c. the assets and liabilities of the Company and</p> <p>d. if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.</p>
Inspection by	<p>233.</p> <p>No Members (not being a Director) shall have any right of inspecting any account books or</p>

Title of Article	Article Number and Contents
Members	documents of the Company except as allowed by law or authorised by the Board.
Statements of accounts to be furnished to General Meeting	234. The Board of Directors shall from time to time in accordance with Sections 210, 211, 212, 216 and 217 of the Act, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 219	235. (1) The Company shall comply with the requirements of Section 219 of the Act. (2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.
Accounts to be audited	236. Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.
Appointment of Auditors	237. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act. (2) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a retiring Auditor. (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless: (a) he is not qualified for re-appointment; (b) he has given to the Company notice in writing of his unwillingness to be re-appointed; (c) a resolution has been passed at that Meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or (d) where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons as the case may be, the resolution cannot be proceeded with. (4) Where at any Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy. (5) The Company shall within seven days of the central government's power under sub-clause (4) becoming exercisable give notice of that fact to that Government. (6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of art Auditor, the vacancy shall only be filled by the Company in General Meeting. (7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	238. Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.

DOCUMENTS AND NOTICES

Title of Article	Article Number and Contents
	239.

Title of Article	Article Number and Contents
To whom documents must be served or given	Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the Company under Article 109, a statement of material facts referred to in Article 100 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.
Members bound by documents or notices served on or given to previous holders	240. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	241. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	242. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company.

REGISTERS AND DOCUMENTS

Title of Article	Article Number and Contents
Registers and documents to be maintained by the Company	243. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: (a) Register of investments made by the Company but not held in its own name, as required by Section 49(7) of the Act (b) Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act. (c) Register and index of Members and debenture holders as required by Sections 150, 151 and 152 of the Act. (d) Foreign register, if so thought fit, as required by Section 157 of the Act (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 301 of the Act. (f) Register of Directors and Secretaries etc. as required by Section 303 of the Act. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act. (h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act. (i) Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act. (j) Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act.
Inspection of Registers	244. The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.

WINDING UP

Title of Article	Article Number and Contents
Distribution of assets	245. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such

Title of Article	Article Number and Contents
	assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
Distribution in specie or kind	<p>246.</p> <p>(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p>
Right of shareholders in case of sale	<p>247.</p> <p>A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.</p>
Directors and others right to indemnity	<p>248.</p> <p>Subject to the provisions of Section 201 of the Act, every Director of officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.</p>
Director, officer not responsible for acts of others	<p>249.</p> <p>Subject to the provisions of Section 201 of the Act no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.</p>

SECRECY CLAUSE

Title of Article	Article Number and Contents
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Secrecy Clause	<p>250.</p> <p>Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>
No Member to enter the premises of the Company without permission	<p>251.</p> <p>No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.</p>

SECTION 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 of the 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 Draft Red Herring Prospectus have been delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 113/114, Vivek Industrial Estate, Uswala Road, Cama Estate, Goregaon (East), Mumbai-400063, from 10.00 a.m. to 4.00 p.m. on Working Days from the date of filing of the Draft Red Herring Prospectus until the Bid / Issue Closing Date of this Issue.

Material Contracts for Inspection

1. Issue Agreement dated December 16, 2011 between our Company and the BRLM to the Issue.
2. Memorandum of Understanding dated November 7, 2011, between our Company and Bigshare Services Private Limited as Registrar to the Issue.
3. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated March 2, 2006.
4. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated January 2, 2006.
5. Escrow agreement dated [●] between our Company, the BRLM, Escrow Collection Banks, and the Registrar to the Issue.
6. Syndicate agreement dated [●] between our Company, the BRLM and the Syndicate Members.
7. Underwriting agreement dated [●] between us, our Company, the BRLM and the Syndicate Members.

Material Documents for Inspection

1. Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including Certificates of Incorporation.
2. Resolution of the Board of Directors dated November 5, 2011, authorising the Issue.
3. Special resolution of the shareholders passed at the Extraordinary General Meeting dated December 5, 2011 authorising the Issue.
4. Copies of our annual reports for the past five Financial Years and audited financial results for the 7 months period ending October 31, 2011.
5. Resolution of the shareholders passed at their EGM dated September 2, 2010, for fixing the term of appointment and the remuneration of our Managing Director Mr. Kamlesh L. Jain.
6. Resolution of the shareholders passed at their EGM dated September 2, 2010, for fixing the term of appointment and the remuneration of our Whole Time Director Mr. Indermal P. Jain.
7. Copy of Restated Audit report by our Statutory Auditor dated December 19, 2011, included in the Draft Red Herring Prospectus.
8. Copy of Certificate dated December 19, 2011, from the statutory auditors detailing the tax benefits.
9. Copy of the Certificate from the statutory auditors dated December 19, 2011, regarding the sources and deployment of funds as on October 31, 2011.
10. Copy of IPO Grading Report issued by [●] dated [●] and the IPO Grading perspective.

11. Copies of Consents in writing from our Directors, Company Secretary and Compliance Officer, Statutory Auditors, Bankers to our Company, Bankers to the Issue, Book Running Lead Manager, Syndicate Member(s), Underwriter(s), IPO Grading Agency, Registrar of the Issue, Legal Advisor to the Issue to act in their respective capacities.
12. Copies of NOC cum Consent letter dated December 12, 2011; December 2, 2011 and December 14, 2011 received from ICICI Bank Limited, HDFC Bank Limited and The Shamrao Vithal Co-operative Bank Limited respectively for the present issue.
13. Copy of agreement for Mark Licence User dated April 01, 2011 with Bluplast Corporation (licensor) for the assignment of the trademark 'Bluplast' in favour of our Company.
14. Copy of Due diligence Certificate dated December 19, 2011 to SEBI from the BRLM.
15. Copies of Initial Listing applications dated [●] and [●] and filed with the BSE and NSE.
16. Copies of In-principle listing approvals dated [●] and [●] from BSE and NSE respectively.
17. Copy of SEBI observation letter no. [●] dated [●].
18. Copy of reply by BRLM dated [●] for the above SEBI observation letter.

Any of the contracts or documents mentioned in the Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors of our Company, hereby declare, that all the relevant provisions of the Companies Act, 1956, 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, including SEBI ICDR Regulations and guidelines issued by the Government of India, as the case may be, have been complied with and that no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or regulations or rules or guidelines issued thereunder, as the case may be. We further certify that all the disclosures and statements made in the Draft Red Herring Prospectus are true, fair, accurate and correct.

Signed by all the Directors of Bluplast Industries Limited

Name	Signature
Mr. Kamlesh L. Jain	
Mr. Indermal P. Jain	
Mr. Prince H. Jain	
Mr. Shivram U. Choudhary	
Mr. Anandilal Jailal Oza	
Mr. Jitendra K. Gala	

Signed by the Finance Head

Mr. Satyanarayan Parashar
General Manager - Finance & Accounts

Signed by the Compliance Officer

Mr. Martin Godinho
Manager – Accounts

Place: Mumbai

Date: December 19, 2011