



NU TEK INDIA LIMITED

(Our Company was originally incorporated as Nu Tek India Private Limited on July 6, 1993 under the Companies Act, 1956 at New Delhi. Subsequently our Company was converted into a public limited company and received fresh Certificate of Incorporation dated March 24, 2006 in the name of Nu Tek India Limited from the Registrar of Companies, ROC of Delhi and Haryana. For details of changes in Registered Office of our Company, please see the Section "History and Certain Corporate Matters" on page 68 of this Red Herring Prospectus)

Registered Office: B - 14 A, Devika Towers, Nehru Place, New Delhi - 110 019. Tel: +91 11 32694477; Fax: +91 11 30823984

Corporate Office: B - 27, Infocity, Sector-34, Gurgaon - 122 001, Haryana. Tel.: +91 124 3054600, Fax: +91 124 3054675

Email : ipo@nutek.in; Website : www.nutek.in

Company Secretary and Compliance Officer : Mr. Sanjay Kumar Singh

PUBLIC ISSUE OF 4,500,000 EQUITY SHARES OF Rs. 10 EACH OF NU TEK INDIA LIMITED ("NU TEK" OR THE "COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF Rs. [●] PER EQUITY SHARE, CONSISTING OF A FRESH ISSUE OF 3,500,000 EQUITY SHARES BY THE COMPANY AND AN OFFER FOR SALE OF 1,000,000 EQUITY SHARES BY YAMINI SUPPLIERS PRIVATE LIMITED (THE "SELLING SHAREHOLDER") AGGREGATING TO RS. [●] MILLION (THE "ISSUE"). THE ISSUE COMPRISES OF NET ISSUE TO THE PUBLIC OF 4,400,000 EQUITY SHARES OF Rs. 10 EACH (THE "NET ISSUE") AND A RESERVATION OF UPTO 100,000 EQUITY SHARES OF Rs. 10 EACH FOR THE ELIGIBLE EMPLOYEES ON A COMPETITIVE BASIS (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE WILL CONSTITUTE 26.07% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF THE COMPANY. THE NET ISSUE WILL CONSTITUTE 25.49% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF THE COMPANY.

PRICE BAND: RS. 170 TO RS. 192 PER EQUITY SHARE OF FACE VALUE RS. 10 EACH

THE ISSUE PRICE IS 17 TIMES OF THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND 19.2 TIMES OF THE FACE VALUE AT THE HIGHER END OF THE PRICE BAND

In case of revision in the Price Band, the Bidding / Issue Period shall be extended for three additional days after such revision, subject to the Bidding / Issue Period not exceeding ten working days. Any revision in the Price Band, and the revised Bidding / Offer Period, if applicable, shall be widely disseminated by notification to the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release and also by indicating the change on the web sites of the Book Running Lead Managers and the terminals of the Syndicate.

The Issue is being made through a 100% Book Building Process wherein atleast 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers, out of which 5% of QIB Portion shall be available for allocation on a proportionate basis to mutual funds only, and the remaining QIB portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including mutual funds, subject to valid bids being received at or above issue price. If atleast 50% of the Net Issue cannot be allocated to QIBs, then the entire subscription money will be refunded forthwith. Further upto 15% of the Net Issue shall be available for allocation on proportionate basis to Non-Institutional Bidders and upto 35% of the Net 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. Further, upto 100,000 Equity Shares shall be available for allocation on a proportionate basis to the Employees, subject to valid bids being received from them at or above the Issue Price.

RISK IN RELATION TO FIRST ISSUE

This being the first issue of Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company. The face value of the Equity Shares is Rs. 10 per Equity Share and the Issue Price is 17 times of the face value at the lower end of the Price Band and 19.2 times of face value at the higher end of Price Band. The Issue Price (as determined by the Company and the Selling Shareholder, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered by way of book building) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment 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 the Issue including the risks involved. The Equity Shares offered in this Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this offer document. **Specific attention of investors is invited to the section titled "Risk Factors" beginning on Page xi of this Red Herring Prospectus.**

ISSUER AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Issuer and the Selling Shareholder having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in the 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 omissions of which makes this offer document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). In-principle approvals for the listing of the equity shares of our Company from BSE and NSE has been received vide their letters dated February 13, 2008 and April 29, 2008 respectively. For the purpose of this Issue, BSE shall be the Designated Stock Exchange.

IPO GRADING

This Issue has been graded by CRISIL Limited and has been assigned CRISIL IPO Grade of 3/5 indicating average fundamentals. The IPO Grading is assigned on a 5 point scale from 1 to 5 with a CRISIL IPO Grade 5/5 indicating strong fundamentals and a CRISIL IPO Grade of 1/5 indicating poor fundamentals. For further details please see the chapter titled "General Information" beginning on page 8 of this Red Herring Prospectus.

BOOK RUNNING LEAD MANAGERS



SPA MERCHANT BANKERS LIMITED

25, C - Block, Community Centre,
Janak Puri, New Delhi - 110 058
SEBI Reg. No.: INM 000010825
Tel. +91 11 4567 5500;
Fax +91 11 2557 2763
Email: nutekipo@spacapital.com
Website: www.spacapital.com
Contact Person: Mr. Nitin Somani



INDIA INFOLINE LIMITED

15th Floor, P J Towers,
Dalal Street, Fort, Mumbai - 400 001
SEBI Reg. No.: INM 000010940
Tel. +91 22 67491700;
Fax +91 22 2272 2419
Email: nutekipo@indiainfoline.com
Website: www.indiainfoline.com
Contact Person: Mr. Pinkesh Soni / Mr. Kartik Shah



AARTHI CONSULTANTS PRIVATE LIMITED

1-2-285, Domalguda,
Hyderabad - 500 029.
SEBI Reg. No.: INR 000000379
Tel : +91 40 2763 8111;
Fax: +91 40 2763 2184
E-mail: info@aarthiconsultants.com
Website: www.aarthiconsultants.com
Contact Person: Mr. G. Bhaskara Murthy

BID/ISSUE PROGRAMME

BID / ISSUE OPENS ON

JULY 29, 2008

BID / ISSUE CLOSES ON

AUGUST 01, 2008

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DEFINITIONS AND ABBREVIATIONS

Company Related Terms

Term	Description
"Nu Tek", "the Company", "our Company" and "Issuer"	Unless the context otherwise requires, refers to, Nu Tek India Limited, a public limited company incorporated under the Companies Act, 1956
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to Nu Tek India Limited together with its Subsidiaries
Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time
Auditors	The statutory auditors of our Company, Vinod Kumar & Associates
Board of Directors / the Board / our Board	The Board of Directors of Nu Tek India Limited or a committee thereof
Directors / our Directors	The Director(s) of Nu Tek India Limited, unless otherwise specified
Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Registered Office / Our Registered Office	Registered Office of our Company situated at B-14A, Devika Towers, Nehru Place, New Delhi 110019

Issue Related Terms

Term	Description
Allotment/ Allot	Unless the context otherwise requires, the allotment and transfer of Equity Shares, pursuant to the issue
Allottee	The successful Bidder to whom the Equity Shares are/ have been issued
Banker(s) to the Issue	ABN Amro Bank NV, Development Credit Bank Limited, HDFC Bank Limited, The HongKong and Shanghai Banking Corporation Limited, ICICI Bank Limited and Standard Chartered Bank
Bid	An indication to make an offer during the Bidding Period by a prospective investor to subscribe to the Equity Shares of the Company at a price within the Price Band, including all revisions and modifications thereto
Bid / Issue Closing Date	The date after which the Syndicate will not accept any Bids for the Issue, which shall be notified in a widely circulated English national newspaper and a Hindi national newspaper
Bid / Issue Opening Date	The date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in a widely circulated English national newspaper and a Hindi national newspaper
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder on submission of the Bid in the Issue
Bid cum Application Form	The form in terms of which the Bidder shall make an offer to purchase Equity Shares of the Company in terms of this Red Herring Prospectus
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form
Bidding / Issue Period	The period between the Bid / Issue Opening Date and the Bid / Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids
Book Building Process / Method	Book building process as provided in Chapter XI of the SEBI DIP Guidelines, in terms of which this Issue is being made
BRLMs / Book Running Lead Managers	Book Running Lead Manager to the Issue, in this case SPA Merchant Banker Limited and India Infoline Limited

Term	Description
CAN / Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revision thereof
Cap Price	The higher end of the Price band, above which no Bids will be accepted
Closing Date	August 01, 2008
CRISIL / IPO Grading Agency	CRISIL Limited, the IPO Grading Agency appointed by the Company
Cut-off Price	The Issue Price finalized by the Company in consultation with the BRLM.
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account after the Prospectus is filed with the Registrar of Companies, NCT of Delhi & Haryana, following which the Board of Directors shall allot Equity Shares to successful Bidders
Draft Red Herring Prospectus	This Draft Red Herring Prospectus, dated January 08, 2008, issued in accordance with Section 60B of the Companies Act, 1956, and the SEBI Guidelines which does not contain, <i>inter alia</i> , complete particulars on the price at which the Equity Shares are offered and the size (in terms of value) of the Issue
ECS	Electronic Clearing Service
Eligible NRI	NRI from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP constitutes an invitation to subscribe to the Issue
Employee Reservation Portion	The portion of the Issue being upto 100,000 Equity Shares available for allocation to Eligible Employees (excluding employees who are promoters) on a proportionate basis
Equity Shares	Equity Shares of our Company of Rs 10 each, unless otherwise specified in the context thereof
Escrow Account	Account opened with Escrow Collection Bank(s) for the issue and in whose favour the bidder will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement dated [●] entered into by the Company, Registrar to the Issue, BRLM & Co-BRLM (the Syndicate Members) and the Escrow Collection Bank(s) for collection of the Bid Amounts and refunds, if any to the Bidders
Escrow Collection Bank(s)	The banks, which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account have been opened, in this case being ABN Amro Bank NV, Development Credit Bank Limited, HDFC Bank Limited, The HongKong and Shanghai Banking Corporation Limited, ICICI Bank Limited and Standard Chartered Bank
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form
Floor Price	The lower end of the Price Band, below which no bids will be accepted
Fresh Issue	Issue of 3,500,000 Equity Shares of Rs. 10 each at a cash price of Rs. [●] each by the Company
IIL	India Infoline Limited
Issue	The public issue of 4,500,000 Equity Shares of Rs. 10 each for cash at a price of Rs. [●] each comprising of fresh issue of 3,500,000 Equity Shares by the Company and an offer for sale of 1,000,000 Equity Shares by the Selling Shareholder.
Issue Price	The price at which Equity Shares will be issued and allotted in terms of the Red Herring Prospectus or the Prospectus.

Term	Description
Margin Amount	The amount paid by the Bidder at the time of submission of the Bid, being 10% or 100% as applicable
Mutual Fund	A Mutual Fund as registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the QIB portion or 110,000 Equity Shares available for allocation to Mutual Funds only, out of the QIB portion
Net Issue to the Public / Net Issue	The Issue less the Employee Reservation Portion
Net Proceeds	The proceeds of the Fresh Issue, after deducting the Issue related expenses attributable to the Company
Non-Institutional Bidders	All Bidders who are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 100,000 (but not including NRIs other than eligible NRIs)
Non-Institutional Portion	The portion of the Net Issue being upto 15% of Net Issue i.e. 660,000 Equity Shares available for allocation to Non-Institutional Bidders
Offer for Sale	Offer for Sale of 1,000,000 Equity Shares of Rs. 10 each at a cash price of Rs. [●] each by the Selling Shareholder
Opening Date	July 29, 2008
Pay-in Date	Bid Closing Date or the last date specified in the CAN sent to Bidders, as applicable
Pay-in-Period	This term means a) With respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid Issue Opening Date and extending until the Bid/Issue Closing Date, and b) With respect to Bidders whose Margin Amount is less than 100% of the Bid amount, the period commencing on the Bid Opening Date and extending until the closure of the Pay-in-Date.
Price Band	Price band of a minimum price (floor price) of Rs. 170 and the maximum price (cap price) of Rs. 192 and includes revisions thereof
Pricing Date	The date on which Company in consultation with the BRLM finalizes the Issue Price
Promoters / Our Promoters	Mr. Inder Sharma and Mrs. Sumati Sharma.
Prospectus	The Prospectus to be filed with the RoC in terms of Section 60 of the Companies Act, containing, inter alia, the Issue Price that is determined at the end of the Book Building process, the size of the Issue and certain other information, and including any corrigendum thereof
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account on the Designated Date
QIB Margin Amount	An amount representing atleast 10 % of the Bid Amount, being the amount the QIBs are required to pay at the time of submitting the Bid
QIB Portion	The portion of the Issue being atleast 50 % of the Net Issue, i.e., 2,200,000 Equity Shares, to be allotted to QIBs at the Issue Price on a proportionate basis
Qualified Institutional Buyers / QIBs	Public financial institutions as specified in Section 4A of the Companies Act, FIIs registered with SEBI, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory

Term	Description
	and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million.
Red Herring Prospectus / RHP	This document dated July 17, 2008 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 become Prospectus after filing with ROC on finalisation of Price.
Refund Banker(s)	HDFC Bank Limited
Refund through electronic transfer of funds	Refunds through ECS, Direct Credit or RTGS as applicable
Registrar to the Issue	Registrar to the Issue, in this case being Aarthi consultants Private Limited, having its registered office as indicated on the cover page
Retail Bidder(s)	Individual Bidders (including HUFs and eligible NRIs) who have not Bid for Equity Shares for an amount more than or equal to Rs. 100,000 in any of the bidding options in the Issue
Retail Portion	The portion of the Issue being upto 35% of the Net Issue i.e. 1,540,000 Equity Shares available for allocation to Retail Bidder(s)
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)
RHP / Red Herring Prospectus	The Red Herring Prospectus which will be filed with RoC in terms of Section 60B of the Companies Act, atleast three days before the Bid / Issue Opening Date
RTGS	Real Time Gross Settlement
Selling Shareholder	Yamini Suppliers Private Limited
SPA	SPA Merchant Bankers Limited
Stock Exchanges	National Stock Exchange of India Limited & Bombay Stock Exchange Limited
Syndicate Agreement	Agreement to be entered into between the Syndicate and our company in relation to the collection of bids in this Issue
Syndicate Members or Syndicates or Members of the Syndicate	SPA Securities Limited, India Infoline Limited and JM Financial Services Private Limited
TRS/ Transaction Registration Slip	The slip or document issued by the Syndicate to the Bidder as proof of registration of the Bid
Underwriters	SPA Merchant Bankers Limited, India Infoline Limited, SPA Securities Limited and JM Financial Services Private Limited
Underwriting Agreement	The Agreement between the Underwriters and our Company to be entered into on or after the Pricing Date
Venture Capital Funds / VCF	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended from time to time

Conventional and General Terms / Abbreviations

Term	Description
Act or Companies Act	The Companies Act, 1956, as amended from time to time
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India

Term	Description
BIFR	Board for Industrial and Financial Reconstruction
BSE	Bombay Stock Exchange Limited
CARO	Companies (Auditors' Report) Order, 2003
CDSL	Central Depository Services (India) Limited
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL
Depository Participant / DP	A depository participant as defined under the Depositories Act
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings per Equity Share
Equity Shares or Shares	Equity shares of the Company of face value of Rs.10/- each unless otherwise specified in the context thereof
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed hereunder
FII/ Foreign Institutional Investor	Foreign institutional investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995) registered with SEBI under applicable laws in India
Financial Year / Fiscal Year / FY	Twelve months ending on March 31 of a particular year
FIPB	Foreign Investment Promotion Board
FIs	Financial Institutions
FVCI	Foreign venture capital investor, registered with SEBI under the SEBI (foreign venture Capital Investor) Regulations, 2000
GIR Number	General Index Registry Number
HUF	Hindu Undivided Family
I.T. Act	The Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public issue/ offering
IRR	Internal rate of return
NAV	Net Asset Value
Non Residents	All Bidders who are not NRIs or FIIs and are not persons resident in India
NRE Account	Non Resident External Account
NRI / Non Resident Indian	A person resident outside India, as defined in FEMA and who is a citizen of India or a Person of Indian Origin, and as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
ROC	Registrar of Companies
RONW	Return on Net Worth
SCRR	Securities Contracts (Regulations) Rules, 1957 as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to

Term	Description
	time
SEBI DIP Guidelines	SEBI (Guidelines for Disclosure and Investor Protection) 2000 issued by SEBI effective from January 27, 2000, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI MAPIN Regulations	The SEBI (Central Database of Market Participants) Regulations, 2003, as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997, as amended

Industry related terms / Abbreviations

Term	Description
2G	Second Generation technology in wireless telecommunication, which supports voice and data applications with upto 14.4 kbps on the downlink, utilizing various digital protocols, including GSM, CDMA, TDMA and PDC
3G	A new wireless standard with increased capacity and high-speed data applications upto 2Mbps. Networks must be able to transmit wireless data at 144 kbps at mobile user speeds. Implemented in Europe as UMTS and in North America as CDMA 2000
3G Nodes	3 rd Generation Nodes
ADSL	Asymmetric Digital Subscriber line
AMC	Annual Maintenance Contract
Analog	Transmission method employing a continuous (rather than pulsed or digital) electrical signal that varies in amplitude of frequency in response to changes of sound, light or position. The opposite of 'Digital'
ASP	Authorized Service Provider
AT Certificate	Acceptance Test Certificate
Bandwidth	Quantitative measure of the capacity of a communication channel to carry information under given constraints of performance
Broadband	Describes a communications medium capable of transmitting a relatively large amount of data over a given period of time. A descriptive term for evolving digital technologies that offers integrated access to voice, high-speed data service, video-demand services, and interactive delivery services
BSC - Base Station Controller	The part of the wireless system's infrastructure that controls one or multiple cell sites' radio signals
BOQ	Bill of Quantity
BSS – Base Station System	BSS is a part of telecommunication networks consist of BTS and BSC. Its main function is to perform all radio related functions.
BTS - Base Transceiver Station	The name for the antenna and radio equipment necessary to provide wireless service in an area. Also called a base station or cell site
BSNL	Bharat Sanchar Nigam Limited
CDMA - Code-Division Multiple Access	A digital cellular technology. Unlike competing systems, such as GSM, CDMA does not assign a specific frequency to each user
CDOT	Centre for Development of Telematics (Telecom Technology Centre of Govt. of India)
CTIA	Cellular Telecommunications & Internet Association
DG sets	Diesel Generators
DMRC	Delhi Metro Railway Corporation
Digital	Describes any system based on discontinuous data or events

Term	Description
DLC(Digital Loop Carrier)	The local loop is the physical connection between the main distribution frame in the user's premises to the telecommunications network provider, Digital loop carrier (DLC) technology makes use of digital techniques to bring a wide range of services to users via twisted-pair copper lines
DoT	Department of Telecommunication
DSL - Digital Subscriber Line	DSL is a data communication technology that allows communication at different rates upto 1.5 Mbps over normal telephone lines. DSL can be either symmetric (in which the transmission and reception capacity of the user is equal) or asymmetric (in which the transmission capacity of the user is considerably less than the reception capacity)
DWC	Dence Wavelength Communication
GSM- Global System For Mobile Communications	A system for cell phone services, the Standards are provided by ETSI
GPRS- General Packet Radio Service	A standard for wireless communications which runs at speeds upto 144 kbps, compared with current GSM (Global System for Mobile Communications) systems' 14.4 kbps
Inventory Database	In telecommunication networks, the repository of information regarding physical assets (such as ports, cards) and logical assets (such as services that run on the physical assets)
Inventory Management	In telecommunication networks, the method of managing information regarding physical assets (such as ports, cards) and logical assets (such as services that run on the physical assets)
ITU - International Telecommunication Union	International statutory body, which provides Standards for service definition, implementation, design, testing and management for all aspects of telecommunications in the form of recommendations. ITU-T, is a sector of ITU that defines Standards for telecommunication
Mbps - Megabits Per Second	Measure of rate of data transmission measured as million of bits per second. Each bit is one unit of information i.e. it can be either a '1' or a '0'
MSC - Mobile Switching Center	A component that routes traffic from BSC within the core network
MTNL	Mahanagar Telephone Nigam Limited
MW	Microwave
NMS	Network Management System
NSS – Network Support System	Comprises a suite of programs that provides an enterprise with information on the network and helps in managing the network. NSS includes OSS and BSS
NMC	Network Management Controller
OEM - Original Equipment Manufacturer	Companies that manufacture terminal equipment based on designs specified by design companies
Operators	Enterprises that provide mobile communication services to consumers through owned or leased networks
OSP	Optical Storage Processor
OSS - Operation Support System	A suite of programs that enable an enterprise to monitor, analyze and manage a network system
O&M SERVICES	Operational Maintenance Services
OFC	Optical Fibre Cable
ONU	Optical Network Unit
PDH- Plesiochronous Digital Hierarchy	The PDH is a technology used in telecommunications networks to transport large quantities of data over digital transport equipment such as fibre optic and microwave radio systems

Term	Description
PMC	Planning and Maintenance Service
RF Surveys	Radio Frequency Survey
RF Optimization	Radio Frequency Optimisation
RFQ	Radio Frequency Quality
OSS	Operation and Maintenance Support Centre
QoS	Quality of Service
RNCs	Radio Network Controller
ROW	Right of Way
STM	Synchronous Transport Module
SDH	Synchronous Digital Hierarchy, is a method for communicating digital information over optical fiber or MW system
SACFA	Standing Advisory Committee on Radio Frequency Allocation
STM	Synchronous Transport Module
TTSL	Tata Tele Services Limited
WPC	Wireless Planning and Coordination
WiFi	Wireless Fidelity
TRAI	Telecom Regulatory Authority of India
WiMax	World Interoperability for Microwave Access
WLL	Wireless in Local Loop
WLL-F	Wireless in Local Loop in Fiber

CURRENCY OF FINANCIAL PRESENTATION

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Nu Tek India Ltd”, unless the context otherwise indicates or implies, refers to Nu Tek India Limited. In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac/Lakh” means “one hundred thousand”, the word “million (million)” means “ten lac/lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Throughout this Red Herring Prospectus, all figures have been expressed in Million. Unless indicated otherwise, the financial data in this Red Herring Prospectus is derived from our restated financial statements prepared in accordance with Indian GAAP and included in this Red Herring Prospectus. Unless indicated otherwise, the operational data in this Red Herring Prospectus is presented on a basis and refers to the operations of our Company. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

There are significant differences between Indian GAAP and U.S. GAAP; accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

For additional definitions used in this Red Herring Prospectus, see the section Definitions and Abbreviations on page i of this Red Herring Prospectus. In the section entitled “Main Provisions of Articles of Association”, defined terms have the meaning given to such terms in the Articles of Association of our Company.

USE OF MARKET DATA

Unless stated otherwise, market data used throughout this Red Herring Prospectus was obtained from internal Company reports, data, websites and industry publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe market data used in this Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source.

FORWARD LOOKING STATEMENT

We have included statements in this Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industries in which we operate;
- Increased competition in these industries;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our actual results to differ, please refer to the sections titled “Risk Factors” “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of the Operations” beginning on pages xi, 46 and 118 of this Red Herring Prospectus respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither we, the selling shareholder, our Directors nor the members of the Syndicate, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the Company the selling shareholder and the BRLMs will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all of the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a complete understanding you should read this section in conjunction with the sections titled "Our Business" beginning on page 46 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 118. If any of the following risks actually occur, our business, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. Unless otherwise stated in the relevant risk factors set below, we are not in a position to specify or quantify the financial or other implications of any risk mentioned herein. The numbering of the Risk Factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

INTERNAL RISK FACTORS

Risks relating to Our Business

1. *We are party to certain legal proceedings that, if decided against us, could have an adverse effect on our business prospects and results of operations.*

Nature of Litigations	Amount (in Rs.)	No. of Cases Against Us
Criminal Proceedings	*1,462	1
Civil Proceedings	*3,94,120	2
Notices from Regulatory authorities	**	3

* Excluding penalty and interest

** Cannot be ascertained

Criminal Proceedings:

- I. A criminal complaint under Section 138 of the Negotiable Instruments Act was filed by Bharti Airtel Limited for the recovery of its payment of Rs. 1,462/- for return of cheque towards payment of telephone bill. However, we have already deposited an amount of Rs. 3,440/- including penal charges. The case is pending and next hearing is on September 16, 2008.

Civil Proceedings:

- I. A workmen compensation case has been instituted against us before the Compensation Commissioner Bareilly by the wife of one of our technician who died after falling from the telecom tower. The petition has sought compensation of Rs. 394,120/- with interest @12% along with 50% of penalty of the compensation amount.

We have opposed the allegation that the said person has died of falling from the telecom tower and has argued that he died naturally. We have however till date paid an amount of Rs. 84,000/- to the petitioner through account payee cheques. The matter is listed for July 18, 2008.

- II. A complaint has been filed by Labour Inspector, Rewari, against us and our Managing Director before the court of Chief Judicial Magistrate, Rewari, for non-compliance of the Minimum Wages Act, 1942.

We are contesting the case and the matter is due for next hearing.

Notices from Regulatory authorities

- I. A notice has been issued on January 20, 2007, by Deputy Provident Fund Commissioner, Jammu, for deposition of amount Rs. 126,595/- as provident fund contribution for period May 05, 2006 to June 12, 2006 along with damages and administration charges.

We have been deducting and depositing the PF contribution of all the employees including those of Jammu branch with PF Commissioner, Gurgaon. We have obtained registration under J&K Employees Provident Fund Act, and are now depositing PF contribution of employees of our Jammu Branch with Dy PF Commissioner, Jammu. Further we are in the process of transferring the amount of Rs. 126,595/- from PF Commissioner, Gurgaon to Dy PF Commissioner, Jammu.

- II A notice has been issued by Asst Commissioner of Labour, Mumbai in the matter of dispute under the Industrial Dispute Act, 1947 pursuant to the complaint filed by one of our ex employee for non payment of bonus and wages of privilege leave. He has demanded an amount of Rs. 29104.

We had made our representation on 25.10.07 and the matter is next listed for July 12, 2008.

- III A show cause notice was issued by Labour Enforcement office, Mysore against our Managing Director and Manager Project for non compliance of some procedural requirements under Minimum wages act 1948 and Child Labour Act 1970 found during the inspection on November 29, 2007.

We have not committed any of the non compliance and have sent our reply to the notice. We have not received any communication thereafter from the Labour Enforcement Office.

For further details on the legal proceedings / notice mentioned above, please refer to section titled "Outstanding Litigation and Material Developments" on page 125 of this Red Herring Prospectus.

We cannot assure you that these legal proceedings will be decided in favour of our Company and Directors. Decisions in such proceedings adverse to the interests of our Company and Directors may have an adverse effect on us, our business and operations.

- 2. *We derive major portion of our revenues from few customers, loss of any such customer will have a material adverse impact on our business and revenue.***

Our top client, i.e. ZTE Telecom India Private Limited contributed Rs. 168.91 million representing 17.75% of our total revenues whereas our top 5 clients, i.e. ZTE Telecom India Private Limited, Ericsson Telecommunication Private Limited, Dishnet Wireless Limited, Motorola India Limited and Tata Teleservices Limited contributed 547.82 million representing 57.57% of our total revenues in FY 2008. We render telecom infrastructure related services to the telecom industry which presently has limited number of players. Consequently, our business is dependent on few customers. In the event any one or more customers cease to continue doing business with us, our business may be adversely affected. The loss of such clients may be caused mainly because of competition.

There may be factors other than our performance, which may not be predictable, which could cause loss of clients. Further, any significant reduction in demand for our services from our key clients, any requirement to lower the price offered by these clients, or any loss or financial difficulties caused to these clients, change in relationship with the clients could have a material adverse effect on our business, result of operations, financial conditions and cash flow. Besides, most of our customers being large and established players like Huawei Telecommunications (India) Company Private Limited, ATC Tower Company of India Private Limited, Aircel Limited, Shyam Telelink Limited, Ericsson Telecommunication Private Limited, Bharti Airtel Limited, have a better bargaining power. This may adversely affect our margins and profitability.

Our business is non customer-exclusive and our top clients have been varying each year depending on the volume of potential business with them. Besides, this is peculiar to the industry in which we operate.

- 3. *A significant portion of our revenues and projects are concentrated in northern India, Our failure to successfully expand in other parts of the Country may adversely affect our business and result of operations.***

Most of our infrastructure roll out experience is concentrated in the northern region of the country, while our exposure to the southern and eastern regions is limited to smaller projects. In the financial year ended March 31, 2008, Rs. 661.01 million representing 70% of our total income from operations in North India. However, as on June 15, 2008, 46% of our order book and Letter of Intent is from northern region. There is a huge amount of capex lined-up by all the telecom operators for the rollout of infrastructure across India, of which a sizable spending is expected in the under penetrated eastern part of the country. We are working aggressively on strengthening our presence in the eastern and southern regions, so as to address the opportunities arising out of the regional growth. We are also expanding into regions outside of India, such as, Turkey and Gulf where we expect a growth in Telecom Services requirements, thereby mitigating the geographic concentration risk.

4. *Any decrease in demand for telecom sites may affect our operating results.*

There are factors which may affect the demand for telecom sites which in turn may affect our operating results. These factors include:

- passive infrastructure sharing amongst wireless service providers
- consumer demand for wireless services;
- the financial condition of wireless service providers;
- the ability and willingness of wireless service providers to maintain or increase their capital expenditures;
- the growth rate of wireless communications or of a particular wireless segment;
- governmental licensing of spectrum;
- mergers or consolidations among wireless service providers;
- increased use of network sharing arrangements or roaming and resale arrangements by wireless service providers;
- delays or changes in the deployment of 3G or other technologies;
- zoning, environmental, health and other government regulations; and
- technological changes.

The demand for telecom sites is dependent on the needs of wireless service providers. In the event that there is a significant variation in any of the aforesaid factors, our business, our growth plans and results of operations may be significantly affected.

Telecom Regulatory Authority of India (TRAI) allows sharing of infrastructure by telecom operators. In the event these operators agree for the same it could have an adverse impact on the number of telecom sites being installed across India. This would eventually affect our business and consequently our revenues and profitability. However, these shared sites generally have higher capital cost involved which implies higher per unit of revenue for telecom infrastructure providers like us.

For further details please refer paragraph "Factors Affecting Our Business" under the chapter "Management's Discussion and Analysis of Financial Conditions and Results of Operation" on page 118 of this RHP.

5. *Setting up of telecom sites is subject to receipt of regulatory approvals, absence or delay in receipt of the requisite regulatory approvals could affect our business and results of operations.*

In case of civil construction items such as tower/pole/foundations, supporting structures, antenna mounting structures etc, generally it is our responsibility to obtain the structural safety certificates from the agencies nominated by the local authorities. It is also our responsibility to get electricity connection of suitable capacity in the name of our customer for the telecom infrastructure sites from the concerned State Electricity Board.

In some of our projects, we are also responsible for clearance from SACFA (Standing Advisory Committee on Radio Frequency Allocation) for construction of towers (Roof Top Tower or Ground Base Tower) from the WPC

(Wireless Planning & Coordination wing of Ministry of Communications) on behalf of the Telecom Service Provider.

Any delay or inability in obtaining any such statutory and regulatory permits and licenses may have an adverse effect on our business.

6. *Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been independently appraised.*

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been appraised by any bank or financial institution. Further, such estimates are based on market conditions and management expectations as of the date they were made. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. Significant revisions to our funding requirements or the deployment of Issue proceeds may result in the rescheduling of our project expenditure programs and an increase or decrease in our proposed expenditure for a particular project.

7. *We have not entered into any definitive agreements to utilise a portion of the proceeds of the Fresh Issue. Any failure to enter into arrangements on favourable terms and conditions, in a timely manner or at all, may have an adverse affect on our business and financial results.*

We intend to use the net proceeds of the Fresh Issue for capital expenditures, overseas acquisitions, augmenting long term working capital resources and general corporate purposes.

Of the net proceeds of the Issue, we propose to use Rs. 210 Mn for overseas acquisitions. We have not finalized any target acquisitions as of date. However, we are in the process of evaluating targets and investment options in such regard. Pending use of the funds for these purposes, we intend to invest the funds in high quality, interest/dividend bearing liquid instruments, including deposits with banks.

We have estimated capital expenditures to the extent of Rs. 235.79 Mn in our objects of the issue. However, we have not placed any orders for the same as on the date of filing this RHP. This estimate is based on the quotations obtained. With increase in costs, our actual capital expenditures may exceed our estimates and may cause us an additional burden on our finance plans. For further details please refer section titled "Objects of the Issue" on page 24 of this RHP.

8. *Our success depends upon our ability to retain the Key Management and other personnel.*

Our success will significantly depend on the expertise, experience and continued efforts of our whole time directors, including our promoter Mr. Inder Sharma, and our key managerial personnel. Our future performance may be affected by any disruptions in the continued service of these persons. There is a dearth of talent, including key managerial personnel, with related business experience.

Any cause leading to loss of service of any of them could seriously impact our ability to continue to manage and expand our business, thus adversely affecting our operations and financial condition.

9. *We may fail to attract and retain trained employees as competition for skilled personnel is intense and we experience significant attrition rates.*

We operate in an industry which requires skilled technical resources and our success depends in large part upon our ability to attract, hire, train and retain qualified employees, including our ability to attract employees with needed skills in the geographic areas in which we operate. In the event we are not be able to attract a high degree of talented employees, or experience high attrition levels which are largely out of our control or are

unable to motivate and retain our existing employees, the future of our business and operations may be affected.

Our company's attrition rates were 6%, 7% and 6% for the years ended on March 31, 2006, 2007 and 2008 respectively. We have taken measures to control the attrition. However, we cannot assure that we shall be successful in reducing attrition rate or ensuring that the attrition rate does not rise further in the future. Given the present scenario, high attrition rate being an industry phenomenon, we have taken recourse by training the new recruits. This has helped us to have duly trained manpower to fill in the vacancy on an immediate basis.

10. *We have a number of contingent liabilities aggregating Rs. 64.14 millions as on March 31, 2008, and our profitability could be adversely affected if any of these contingent liabilities materializes.*

Our contingent liability of Rs. 64.14 millions as of March 31, 2008 is on account of bank guarantees. We have given bank guarantees to secure the advance payment received by us. In the event of invocation of some or all of the bank guarantees given by us at the same time may affect our financial position, which may in turn adversely impact our results of operations and financial condition.

For more details of our contingent liabilities for the fiscals ended March 31, 2004, 2005, 2006, 2007 and 2008, refer to page 92 of this RHP under the section titled "Financial Statements".

11. *Our insurance coverage may not adequately protect us against certain operating hazards and this may have an adverse affect on our business operations*

Our insurance coverage may not adequately protect us against certain operating hazards and this may have a material adverse effect on our business. Our insurance coverage is likely to cover all normal risks associated with our operations but there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected.

For further details, see the paragraph titled "Insurance" on page 63 of this RHP.

12. *Our income from operations have grown 50%, 36%, and 54% respectively in the FY 2008, 2007 and 2006 respectively and our operating expenses have grown 50%, 13% and 52% respectively in the FY 2008, 2007 and 2006, showing significant variations, which could cause our share price to decline.*

Our revenues have grown in recent years and may vary significantly in the future from period to period. Therefore, we believe that period-to-period comparisons of our results of operations may not be necessarily meaningful and may not be relied upon as an indication of our future performance. It is possible that in the future some of our results of operations may be below the expectations of market analysts and our investors, which could cause the share price of our Equity Shares to decline significantly.

Factors which affect the fluctuation of our operating results include:

- the size, timing and profitability of our significant service projects;
- the mix of our business segments;
- the ability to modify and enhance our suite of offerings based on customer needs and evolving technologies;
- changes in our pricing policies or those of our competitors;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- unanticipated cancellations, contract terminations or deferrals of projects; and
- unanticipated variations in the duration, size and scope of our projects.

In addition, a significant portion of our revenues is dependent upon the timely completion of various project milestones; any delay may cause cost overruns and adversely affect our working capital. For further details regarding factors affecting our operating results, please refer to chapter “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 118 of this RHP.

13. *Our success depends upon our ability to manage the growth of our business.*

Our Income from operations have grown at a compounded annual growth rate of 46% over the last three years. Our income from operations and profit after tax increased to Rs. 951.63 Mn and Rs. 212.65 Mn, respectively in FY 2008 from Rs. 304.51 Mn and Rs. 54.59 Mn in FY 2005. We may not be able to sustain our growth or maintain a similar rate of growth in the future due to a variety of reasons including a decline in the demand for our services, increased competition, non-availability of professionals with necessary skill sets, lack of management resources or due to a general slowdown in the economy. Our inability to execute our growth strategy, to ensure the continued adequacy of our current systems or to manage our expansion effectively could have a material adverse effect on our business, results of operations, financial condition and cash flows.

14. *We operate in a highly competitive industry, which could limit our ability to grow.*

The market for Telecom Infrastructure Service Providers is highly competitive with few organized players and localised smaller unorganised players. Important factors affecting competition in the telecom infrastructure space include project management ability, past track record, existing relationship with the clients, reliability, technical knowledge, price, scope and quality of services offered to customers.

Some of our competitors like GTL Ltd. may have greater financial, technical and other resources, which may enable them to react faster to trends and change in customer demand. Our competitors may be willing and able to develop and provide better service offerings faster or at a lower price than us. Growing competition may result in a decline in our market share and force us to reduce our margins and revenues. For further details refer paragraph on “Competition” under the chapter “Our Business” on page 60 of this RHP.

15. *Our agreements / work orders with customers expose us to certain risk, which may negatively impact our revenue and profitability.*

In the agreements / work orders with our customers, we are required to deliver the services to the customer within the scheduled time lines. Further, each order is customized to the customer’s requirement. Termination of agreement / work order, inadequate performance and/or failure on our part or any third party to meet quality and/or scheduled timelines set by our customers could result in a loss of our business or result in non-compliance with our contractual obligations and could materially or adversely affect our business, profit and results of operation.

Besides, our work orders can be terminated with or without cause and at short notice usually after paying costs incurred by us. Additionally, most of our agreements with our customers are without any commitment to future work. Our business is dependent on the decisions and actions of our customers, and there are a number of factors relating to our customers that are outside our control that might result in the termination of a project or the loss of a customer. Any of these factors may adversely affect our revenues and profitability.

16. *We have high Working Capital requirements. In case there is insufficient cash flow to meet our requirement of working capital or pay our debts, there may be adverse effect on the results of our operation.*

Our business requires a substantial amount of working capital to finance the purchase of materials and execution of projects before payment is received from clients. In certain cases, we are contractually obligated to our clients to fund working capital on our projects. Most of our project orders provide for progressive payments from clients with reference to the value of work completed upon reaching certain milestones.

Generally, in our projects, the payments are effected based on the progress certificates, certifying the work progress in the preceding contract stage. As a result, we are often required to commit resources to projects prior to receiving payment from clients in amounts sufficient to cover expenditures on the projects as they are incurred.

Our working capital requirements may increase if, in certain agreements / work orders, payment terms include reduced or no advance payments or payment schedules that specify payment towards the end of a project or are less favorable to us. Moreover, if a client defaults in making its payments on a project to which we have devoted resources, it could also affect our profitability and liquidity and decrease the capital resources that are otherwise available for other uses.

In addition, a portion of the project value, generally 5-10%, is usually withheld by the client as retention money and is generally released upon the testing of the site and completion of the Defect Liability Period which is usually 12 months. There can be no assurance that the progressive payments and the retention money will be remitted by our clients to us on a timely basis or that we will be able to efficiently manage the level of bad debt arising from such payment practice. Our average debtors outstanding as on March 31, 2008 is 113 days. As at March 31, 2008 our debtors are of Rs. 471.67 Mn of which Rs. 108.22 Mn is outstanding in our books for more than six months.

In addition, it is customary in the industry in which we operate to provide, bank guarantees or performance bonds in favour of clients to secure obligations under contracts. We currently provide performance guarantees to our clients for the course of the warranty period which generally is 12 months. If we are unable to provide bank guarantees or performance bonds, our ability to get new business could be limited. Providing margins to obtain bank guarantees or performance bonds increases our working capital needs and limits our ability to provide bonds, guarantees and pay dividends.

Continued increases in working capital requirements and insufficient cash flows from our operations to meet any of the above requirements may have an adverse effect on our financial condition and results of operations. Moreover, we may need to incur additional indebtedness in the future to satisfy our working capital needs.

17. *We may be subject to restrictive covenants under working capital facilities provided to us by our lender(s).*

We have availed certain working capital facilities from our bankers. As per the agreements executed with the banker, there are certain restrictions imposed on us. As per these restrictions; neither sale of any kind nor mortgage, charge, lien or encumbrance, other than the existing charges shall be made or allowed to be made over the currency of the facility without the banker's prior written consent during the currency of the said working capital facility. Our banker - ABN Amro Bank NV has given its consent for this Issue.

18. *Our Company has had negative cash flows in recent fiscal years.*

Our Company has had negative cash flows in recent fiscal years, as indicated in the table below:

In Rupees Millions

Particulars	Year Ended Mar 31, 2008	Year Ended Mar 31, 2007	Year Ended Mar 31, 2006
Net cash generated from / (used in) operating activities	(105.74)	(61.62)	(155.10)
Net cash generated from / (used in) investing activities	(137.03)	(7.58)	88.53
Net cash generated from / (used in) financing activities	262.59	64.81	75.17

Our cash flows have been negative mainly because of increase in our operations which have resulted in substantial increase in projects under execution and sundry debtors. We expect our operating expenses to continue to increase as we continue to grow. If we do not achieve positive cash flow, we cannot assure you that we will be able to sustain our growth or achieve profitability in future periods.

19. *Our inexperience in overseas business may adversely affect us.*

Historically, we have earned all our revenues from domestic markets. Our inexperience in new geographies may affect our execution capabilities and may lead to any adverse effect on our business, profitability, financial conditions and results of operation. To accelerate our growth we are exploring new geographies. We have set up a subsidiary in Turkey on December 14, 2007 by the name 'Nutek Telekomunikasyon Danismanlik Muhendislin Ve Dis Ticaret Sanayi Limited Sirketi' which has started its operations on January 06, 2008. Further recently we have entered into a contract with M/s Ericsson AB, Dubai for providing services for their operations in Middle East and West Asia excluding Saudi Arabia.

Risks relating to Our Company

20. *Our registered office and other premises from which we operate are not owned by us.*

We do not own the premises on which we have our registered office and other facilities. We operate from rented and leased premises. The lease agreements for facilities are renewable on mutual consent upon payment of such rates as stated in these agreements. If any of the owners of these premises do not renew the agreements under which we occupy the premises or renew such agreements on terms and conditions that are unfavorable to us, we may suffer a disruption in our operations which could have an adverse effect on our business, financial condition and results of operations.

21. *The registration of our logo is pending. We have limited protection of our trademark and thus any infringement of our intellectual property rights could harm our competitive position. Further we have applied for certain registrations, for which we have not received approvals. If we do not receive the registrations, we may not be able to carry on our operations from such locations and it could adversely affect our business.*

Our Corporate logo "Nu Tek" is not registered and we do not enjoy the statutory protections accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party.

We have filed an application on November 24, 2006 with the Trade Marks Registry, New Delhi for registration of logo and corporate name under Classes 9, 16, 38 of the Trade Marks Act. The application is pending before the Registrar of Trademarks. In the event our logo is not registered, we would not enjoy the statutory protections accorded to a registered trademark and our ability to use our logo may be impaired.

Further we have applied for registration under Bihar Value Added Tax Act, 2005 at Patna and Central Sales Tax Act, 1956 at Patna and New Delhi. We are yet to receive the registrations from the appropriate authorities.

For further details please refer to section titled "Our Intellectual Property" on page 63 and "Government and Other Approvals" on page 128 of this RHP.

22. *Our Corporate Office is taken on lease from one of our Promoter Group Companies; the promoters being majority shareholders, the terms of the lease agreement may not be favourable to the company.*

Our Corporate Office is taken on lease for a sum of Rs. 350,000 per month from Oriental Stitch Private Limited, one of our promoter group company. Both our promoter directors, Mr. Inder Sharma and Mrs. Sumati Sharma, are shareholders and directors in this company. Our promoters are, thus, further interested in our company to that extent. For further details please refer to section titled "Interest of Promoters / Directors" on page 78 of this RHP.

23. Any failure in our IT systems could adversely affect our business.

Any delay in implementation or disruption of the functioning of our IT systems could disrupt our ability to track, record and analyse work in progress or causing loss of data and disruption to our operations, including an inability to assess the progress of our projects, process financial information or manage creditors or debtors or engage in any normal business activities. This could have an adverse effect on our business.

24. Our restated financial statements contain auditors' qualifications for certain years.

Following are the audit qualifications under the Companies (Auditor's Report) Order for the financial year ended March 31 2008:

"The Company is *not regular* in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it."

According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31.03.2008 for the period of more than six months from the date they become payable, *excepting in cases mentioned here under* :

Name of the Statute	Nature of Dues	Amount (Rs.) (Excluding Interest)	Period to which dues relates
Finance Act	Service Tax	5,860,423/-	April 2007-August 2007
Income Tax Act, 1961	Tax Deducted at Source	50,843/-	May 2007 - June 2007
Local Sales Tax	Works Contract Tax	108,203/-	A.Y. 2003-04
Income Tax Act, 1961	Fringe Benefit Tax	1,440,567/-	A.Y. 2008-2009
VAT	Value Added Tax	123,489/-	April 2007
Central Sales Tax Act	Central Sales Tax	140,456/-	June 2006 - March 2007

The above amounts do not include interest and other dues as may be payable on account of non-payment / delay in payments of statutory dues, which could not be quantified.

All the aforesaid dues have been duly deposited by the Company before the approval of final accounts by the Board of Directors and signing of the Audit Report."

For details, please refer to page 92 of this Red Herring Prospectus under the section titled "Financial Statements".

25. The financial results of our subsidiary has not been consolidated, thereby financials of our company may not provide the complete financial position.

We have incorporated a subsidiary in Turkey under the name M/s 'Nutek Telekomunikasyon Danismanlik Muhendislin Ve Dis Ticaret Sanayi Limited Sirketi' on December 14, 2008 which has commenced business on January 06, 2008. As no financial results have been prepared for its financial year ended December 31, 2007, the financial statement have not been consolidated. For details, please refer to page 116 of this Red Herring Prospectus under the chapter titled "Financial Statements of Subsidiary".

Risks relating to Our Shareholders and Equity Shares

26. We have entered into a Shareholders Agreement dated October 14, 2007 with Balyasny SI Limited, which contains certain restrictive covenants that may restrict our ability to raise funds.

We have restrictive covenant in the shareholders agreement like alternative exit rights, right to cause sale of company, issue of securities, approval for certain corporate actions, nomination of director etc. Our ability to raise funds may be restricted if we are not able to obtain suitable consents from Balyasny SI Limited, in the manner required by us or at all. However, we have received consent from Balyasny SI Limited for this Issue. For details on restrictive covenants of this Shareholders Agreement, please see the chapter titled “History and Certain Corporate Matters” beginning on page 68 of this RHP.

27. *The Offer for Sale proceeds will not be available to us.*

This Issue includes an offer for sale of 1,000,000 Equity Shares aggregating to Rs. [•] Mn by Yamini Suppliers Private Limited, an existing shareholder of our Company. Therefore, the proceeds to the Offer for Sale shall be remitted to the Selling Shareholder and we will not benefit from such proceeds.

28. *Some of our promoter group companies / entities have objects conflicting with our business*

We have three promoter group companies / entities viz. Nu Tek Cellulars Private Limited, Nu Tek Structures Private Limited and Nutek Infrastructure, which have objects similar to our company and is of conflicting nature. However, we have entered into Non-Compete Agreements with all these entities whereby they have agreed not to execute any of the services offered by us. For details on these Non-Compete Agreements, please see the chapter titled “History and Certain Corporate Matters” beginning on page 68 of this RHP.

29. *Certain of our promoter group entities and ventures of our Promoters have incurred losses during recent fiscal years.*

Some of our Promoter Group entities have incurred losses in recent fiscal years, details of which are given below:

(Rs. Millions)		
Name of the Company	2008	2005
M/s Nutek Infrastructure	*	(0.03)
Nu Tek Cellulars Private Limited	(0.01)	-
Nu Tek Structures Private Limited	(0.19)	-

* The financial statements for the year ended March 31, 2008 is yet to be finalized.

For details please refer to page 85 of this RHP under the chapter “Our Promoters and Promoter Group”

30. *We have entered into a number of related party transactions, which may involve conflict of interest*

We have entered into a number of related party transactions. Such transactions or any future transactions with related parties may potentially involve conflicts of interest and impose certain liabilities on our Company. For further details, see the section titled “Financial Statements” beginning on page 92 of this RHP.

31. *We have in the last 12 months, issued Equity Shares at a price that could be lower than the Issue Price.*

We have, in the last 12 months, issued Equity Shares at a price that could be lower than the Issue Price, details of which are given below. For further details, please refer to the section titled “Capital Structure” on page 16 of this RHP.

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of payment / consideration
September 28, 2007	448,000	10	125	Conversion of Optionally Convertible Preference Shares
October 24, 2007	1,650,000	10	149.92	Allotment to strategic investor for cash

32. *Our Promoters may have the ability to determine the outcome of any shareholder resolution.*

Mr. Inder Sharma and Mrs. Sumati Sharma are the largest shareholders, holding 53.21% of the pre-issue equity capital and 42.42% of post-issue equity capital of the company. As significant shareholders, Mr. Inder Sharma, may have interests which may affect the interests of shareholders and/or our interests and may have the ability to determine the outcome of any shareholder resolution.

33. *Any future equity offerings or issue of options under future employee stock option scheme may lead to dilution of investor's shareholding in our company.*

Purchasers of Equity Shares in this Issue may experience dilution of their shareholding to the extent we make future equity offerings and to the extent we decide to grant options to be issued under an employee stock option scheme. We do not have any ESOP scheme currently.

34. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.*

Our company has not declared any dividend on equity shares till date. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to pay dividends.

EXTERNAL RISK FACTORS

1. *We provide services to a highly regulated telecom industry and the legal and regulatory framework is still evolving. Any new regulations may hamper the business of our company*

Our major customers are Telecom Service Providers & Telecom Equipment Manufacturers in India who operate in a highly regulated business environment and are subject to conditions, restrictions and obligations under various agreements executed with Department of Telecommunication under the Ministry of Communication and Information Technology, GOI pursuant to the National Telecom Policy 1994 ("NTP 94"), as modified by the New Telecom Policy 1999 ("NTP 99"). The legal & regulatory framework under which they operate is still evolving.

2. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance.*

We are operating in Telecom Infrastructure Space. Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the services provided by us. All our facilities are located in India and most of our officers and directors are residents in India. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

3. *Regional or International hostilities, terrorist attack or other acts of violence of war could have a significant adverse impact on international or Indian financial markets or economic conditions or on Government Policy. Such incidents could also create a greater perception that investment in Indian Companies involves a higher degree of risk and could have an adverse impact on our business and on the market price of our company's equity shares.*

4. *An economic downturn may negatively impact our company's operating results.*

Our revenues are largely dependent on service provided in Telecom Infrastructure Space to Telecom Service Providers and Telecom Equipment Manufacturers. Any economic slowdown may affect the economic health of these companies restricting their expenditures on new projects and future expansion plans. In an economic slowdown our customers may reduce or postpone their contracts, thereby negatively impacting our revenue and profitability.

5. *We depend on banks and financial institutions and other sources for meeting our short and medium term financial requirements.*

Any delay in the disbursal of funds from these bodies can be a bottleneck to our project execution capabilities and thereby our results of operations.

6. *Investors will not receive the Equity shares purchased in this issue until several days after they have paid for them, which will subject them to market risk.*

The Equity Shares purchased in this issue will not be credited to investor's demat account with depository participants until approximately 15 working days from the Bid/Issue closing date. Investors can start trading only after receipt of listing and trading approvals in respect of these Equity Shares which will require additional time after the credit of Equity shares into Investors demat account. Further, there can be no assurance that the equity Shares allocated will be credited to investor's demat account, or that the trading in the equity shares will commence, within the time periods specified above.

7. *An active market for the Equity shares may not develop which may cause the price of the equity shares to fall and may limit investor's ability to sell the Equity Shares.*

The Equity Shares are new issues of securities for which there is currently no trading market. Applications have been made to the BSE and NSE for the Equity Shares to be admitted to trading on the BSE and NSE. No assurance can be given that an active trading market for the equity shares will develop or as to the liquidity or sustainability of any such market, the ability of the holders of the Equity Shares to sell their Equity Shares or the price at which share holders will be able to sell their Equity Shares if an active market for the Equity Shares fail to develop or be sustain, the Trading price of the Equity Shares could fall. If an active trading market were to develop, the Equity Shares could trade at price that could be lower than the original Equity price of the issue.

8. *The market value of the Equity Shares may fluctuate due to the volatility of the securities markets.*

The securities markets are volatile and stock exchanges have in the past, experienced substantial fluctuations in the prices of listed securities. The stock exchanges have experienced problems, which, if these were to continue or recur, could affect the market price and liquidity of the securities of Indian Companies, including the Equity Shares. The governing bodies of the various Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, time to time disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on the market sentiment.

9. *Shareholders will bear the risk of fluctuation in the price of Equity Shares.*

The market price of the Equity shares may be affected by fluctuations in the stock markets and it is impossible to predict whether the price of the Equity Shares will rise or fall. Trading prices of the Equity Shares will be influenced by, among other things, our financial position, the results of operations and political, economic, financial and other factors.

10. Future issues or sales of equity Shares of our company may significantly affect the trading price of the Equity Shares.

Future issue of Equity Shares / convertible instruments by our company or the disposal of Equity Shares by any of the major shareholders or the perception that such issues or sales may occur may significantly affect trading price of the Equity Shares. Other than the lock-in of Pre-issue capital as prescribed under SEBI Guidelines, none of the shareholders are subject to any lock-up arrangements restricting their ability to issue Equity Shares or the Shareholder's ability to dispose of their Equity Shares, and there can be no assurance that any shareholder will not dispose of, encumber, or pledge, his shares.

NOTES TO RISK FACTORS:

1. Public Issue of 4,500,000 Equity Shares of Rs. 10/- for cash at a price of Rs. [●] per Equity Share including a Share Premium of Rs. [●] per Equity Share aggregating Rs. [●] Mn. The Issue comprises a Fresh Issue of 3,500,000 Equity Shares by our Company and an Offer for Sale of 1,000,000 Equity Shares by the Selling Shareholder. The Issue comprises of net issue to the public of 4,400,000 equity shares of Rs. 10 each and a reservation of upto 100,000 equity shares of Rs. 10 each for the eligible employees on a competitive basis (excluding employees who are promoters). The Issue would constitute 26.07 % of the post issue paid-up capital of the Company and the Net issue will constitute 25.49 % of our post issue paid-up capital.
2. Under subscription, if any, in Retail and Non-Institutional Category would be met with spill-over from other categories or a combination of categories. Under subscription, if any in the Employees Reservation Portion will be added back to the Net Issue to the Public. Such inter-se spill over, if any, would be affected in accordance with applicable laws, regulations and guidelines. In case of under subscription in the Net Issue, spill-over to the extent of under subscription shall be permitted from the Employees Reservation Portion. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders, Retail Bidders and Eligible Employees bidding under Employees Reservation Portion shall be on a proportionate basis.
3. The Average Cost of Acquisition of our Equity Shares by our Promoters, Mr. Inder Sharma and Mrs. Sumati Sharma is Rs. 0.11 and Rs. 3.33 per Equity Share, respectively. For more information, see the section titled "Capital Structure" beginning on page 16 of this RHP. The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking the average of the amounts paid by them to acquire the Equity Shares currently held by them.
4. The Net Worth of our Company is Rs. 865.06 million, as at March 31, 2008, as per the restated financial statements of our Company under Indian GAAP in the section titled "Financial Statements" beginning on page 92 of this RHP.
5. The Net Asset Value/ Book Value per Equity Share was Rs. 62.87 as at March 31, 2008, as per the restated financial statements of our Company under Indian GAAP in the section titled "Financial Statements" beginning on page 92 of this RHP.
6. No part of the issue proceeds will be paid as consideration to our Promoters, our Directors, our key managerial employees or our promoter group companies or ventures except as mentioned in section "Interest of Promoters / Directors" on page 78 of this RHP or in normal course of business.
7. For details on related party transactions, please refer to the section titled "Related Party Transaction" beginning on page no. 90 of this Red Herring Prospectus.

- 8 Our Company has not made any loans and advances to any person(s)/company in which the Directors are interested.
- 9 For details of transactions in the securities of the Company by our Promoters in the last six months, refer to the section titled "Capital Structure" beginning on page 16 of this RHP.
- 10 Other than as stated in the section titled "Capital Structure" on page 16 of this RHP, our Company has not issued any Equity Shares for consideration other than cash.
- 11 The Investors are advised to refer to the paragraph on "Basis for Issue Price" on page no. 33 of this Red Herring Prospectus before making any investment in this Issue and "Basis of Allotment or Allocation" on page no. 165 of this Red Herring Prospectus.
- 12 Trading in the Equity Shares of our Company for all investors shall be in dematerialised form only, after the Equity Shares are fully paid-up. For further details, see the section titled "Issue Procedure" beginning on page 144 of this RHP.
- 13 Our Company and the BRLMs will update the offer document in accordance with the Companies Act and the SEBI DIP Guidelines and our company and the BRLMs will keep the public informed of any material changes relating to our company till the listing of our shares on the Stock Exchanges. No selective or additional information would be made available to a section of investors in any manner whatsoever.
- 14 Any clarification or information relating to the Issue shall be made available by the BRLMs, Compliance Officer and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact any of the BRLMs, Registrar to the Issue and Compliance Officer for any complaints, clarifications, etc. pertaining to the Issue.
- 15 The name of our Company was changed from "Nu Tek India Private Limited" to "Nu Tek India Limited" on March 24, 2006. The name of the Company was changed pursuant to the conversion of our Company from private to public limited company.

SUMMARY OF BUSINESS, STRENGTHS AND STRATEGIES

This is only a summary and does not contain all the information that you should consider before investing in our Equity Shares. You should read the following summary with the risk factors beginning on page xi of this Red Herring Prospectus and the more detailed information about Nu Tek India Limited and the financial statements included in this Red Herring Prospectus.

OVERVIEW

We are a Telecom infrastructure services provider offering Infrastructure rollout solutions for both mobile and fixed telecommunication networks. Our core expertise lies in the breadth of services we offer in the telecom infrastructure space. We offer services to Telecommunication Equipment Manufacturers, Telecom operators as well as third party infrastructure leasing companies in installing and maintaining Telecom Network Equipment & Infrastructure. We, in the process of creating a total solution undertake initial feasibility studies, prepare strategies, and undertake engineering, electronics, construction, installation, integration and maintenance of network components for our customers. We are also registered with Department of Telecommunication as Infrastructure Provider - Category I.

The continued growth in the number of cellular subscribers and service provider alongwith increasing minutes of usage per subscriber will require telecom operators to add additional equipments and investment on cell sites to maintain optimum performance of their networks. Today, the cellular operator have to continuously increase their foot-print by offering services to areas where there is no coverage. In order to meet the growing demand of new subscribers and the market conditions, the telecom operators are resorting more and more to outsourcing their network roll out components. The activities like operation and maintenance is now being routinely outsourced by all major telecom operators. Alongwith Operations and maintenance, several outsourcing deals like Network Management and Managed Services are being structured. At Nu tek, we offer all outsourced services related to design, installation, construction, operation and maintenance of telecom networks.

We undertake turnkey projects, provide management expertise to our clients for infrastructure creation and installation for telecom sites which includes Passive Infrastructure like Towers, Telecom Shelters, Backup Power - DG sets and Battery Banks, Electrical Infrastructure and Earthing Stations etc. and active infrastructure like Base Transceiver Station (BTS), microwave, optic fibre, Base Station Controller (BSC), Mobile Switching Centres (MSC), IN (Intelligent networks), Value added services (VAS) equipments, transmission equipment such as STM's and Microwaves to the most advanced World Interoperability for Microwave Access (WIMAX) equipment and future ready 3G Nodes.

With site-offices and facilities located in major cities and having executed projects in all the 23 telecom circles, we have the wherewithal to undertake multi-site projects pan India. We cater to almost all the Telecom Operators and Telecom Equipment Manufacturers. We have a fully equipped Maintenance team which is responsible to regularly maintain the Telecom Infrastructure so built and also the Maintenance of Passive Infrastructure built by other infrastructure service providers.

We also provide technical support services in the High End Telecom segments such as Radio Frequency and Transmission Planning, Network Tuning & Optimization and Quality of Service (QoS) to our clients. This activity is undertaken through our engineers and technical staff deputed on client sites/offices.

Our business model works in three ways. One, getting direct orders of installation and maintenance of telecom tower infrastructure and equipments from telecom operators, secondly, getting orders from leading Telecom Equipment Manufacturers, who are engaged by telecom operators and thirdly from telecom infrastructure leasing companies for creation of telecom infrastructure.

Our major clients amongst Telecom Equipment Manufacturers for whom we have successfully implemented various projects are:

- Nokia Siemens Networks Pvt. Ltd.

- Ericsson India Pvt. Ltd.
- Motorola India Pvt. Ltd.
- Nortel Networks India Pvt. Ltd.
- Huawei Telecommunications (India) Co Pvt. Ltd
- ZTE Telecom India Pvt. Ltd.

Among the Telecom Operators, for whom we have successfully implemented various projects / currently working are

- Tata Teleservices Ltd.
- Reliance Communications Ltd.
- Bharti Airtel Ltd.
- Idea Cellular Ltd.
- Vodafone Essar South Ltd.
- Videsh Sanchar Nigam Limited
- Aircel / Dishnet Wireless Ltd.
- Shyam Telelink Ltd.

Among the third party infrastructure leasing companies, our major clients are

- Quipo Telecom Infrastructure Ltd.
- Xcel Telecom Ltd.
- ATC Tower Company of India Pvt. Ltd (Unit of American Tower Corporation)
- Wireless – TT Info Services Ltd.
- IMI Ltd.

We also undertake Optical Fibre Cable backbone projects which include a range of activities involving Right of Way (ROW) Permissions, Optic Fiber cable laying, installing Optical Network Units (ONUs) and Digital Loop Carrier (DLCs), maintenance of existing OSPs etc. We have executed such projects for Lucent Technologies in Mumbai and Bharti Airtel Ltd. in UP (East).

For the financial years ended March 31, 2008, 2007 and 2006, our income from operations was Rs. 951.63 Million, Rs. 635.70 Million and 469.08 Million and profit after tax was Rs. 212.65 Million , Rs. 115.87 Million and Rs. 50.87 Million respectively as per restated financial statements dated 27th June 2008.

OUR STRENGTHS

We have 15 years of industry experience which coupled with our expertise and knowledge of the industry positions us very well to exploit the growth opportunities which India's rapidly growing telecommunications market is presently offering. Our following strengths and experience helps us to compete successfully in our industry:

- **Project expertise and track record**

Over a period of 15 years, we have developed skills and expertise in managing various challenging projects, which demand a high level of engineering and technology skills. In project management, we have a track record in designing, constructing, commissioning, networking and maintaining tower sites and equipment. We also have experience in executing turnkey projects, which consist of a number of systems and equipments, civil works, integration of all the systems and equipment and demonstration of performance for project as a whole. Our knowledge in designing and servicing provided us with valuable experience, for the broader scope of business we undertake.

- **Qualified and motivated employee base and management team**

Our management team is well-qualified and experienced in the industry and has been responsible for the growth in our operations. Our Chairman & Managing Director is a technocrat and has driven our growth since inception. In addition, our board of directors includes a combination of management as well as independent

members that bring significant business experience to our Company. Our senior management, listed in “Key Management Personnel” on page 81, has extensive experience in the industry. We believe that a motivated and empowered employee base is essential to maintain our competitive advantages. As of June 15, 2008 we employ 1083 full-time employees, of which approximately 70% are technical. The skills and diversity of our employees gives us the flexibility to best adapt to the needs of our clients. We are dedicated to the development of the expertise and skill sets of our employees and continue to invest in them to ensure that they have the training and tools needed to be successful in today’s challenging environment.

- **Ability to offer end to end telecom solutions**

We provide services and solutions for Wireless networks (GSM & CDMA), Fixed line networks (Switching Equipments), Broadband (Voice & Data) and Transmission Networks (MW & OFC). We have the ability to undertake projects from concept to design to implementation to maintenance of networks. We provide breadth of services which includes conducting feasibility studies, strategizing and rolling out networks. Our gambit of services ranges from undertaking Turnkey Infrastructure Rollouts including Civil & Electrical Infrastructure, construction, installation and integration of telecom equipment to taking up Operation & Maintenance contracts. Our composite offering to build passive infrastructure and to operate and maintain them for the cellular operators allow us to offer a single window to address the infrastructure needs of the service providers.

- **Ability to execute projects in difficult operating conditions in difficult terrains**

We have successfully executed projects in difficult operating terrains such as Jammu & Kashmir and in adverse weather conditions. Despite facing unavailability of key resources like manpower & material at local level, we were able to mobilize resources, materials and personnel to our project site at short notices.

- **Pan India reach and Strong execution Team**

We are equipped to take up projects in any geographical areas because of our pan India presence. We have offices at strategic locations. We appoint individual Project Managers for all projects acting as an interface, supported by a team of professionals integrating into a project organisation. We combine services of experienced professionals to deliver desired solutions.

- **Established relationship with our clients**

We have developed strong and sustaining relationships with our clients i.e., Telecom Operators, Telecom Equipment manufacturers and Tower infrastructure leasing companies. We have the distinction of having worked with almost all the leading equipment manufacturers as well as telecom operators. The establishment of this relationship is the basis of ongoing and repeat orders. In the course of executing projects for the Telecom Equipment manufacturers, we are able to establish good relation with the Telecom Operators also, enabling us to receive long term direct orders for their Telecom service requirements.

- **Technology driven**

Telecom market specifically the mobile technology in India is set to see revolutionary changes with telecom operators going for superior technical rollover from the existing mobile technology. This involves installation and maintenance of new telecom infrastructure equipment and technology. Our experience and expertise makes us a strong contender to take up projects involving new equipments and technology rollover. We have successfully implemented projects involving various telecom technologies like GSM-2G, 2.5G, 3G, CDMA and transport technologies like MW Access, Backbone, Optical Transport, Wi Max, etc.

OUR GROWTH STRATEGIES

We believe that we are well positioned to grow in the rapidly expanding Telecom Infrastructure Services space. We aim to emerge as the most preferred partner of telecom service providers and telecom equipment manufacturers by offering end to end solutions and by services capable of meeting exacting standards. Our strategy is to capitalise on the continuing growth in the use of communication services and the infrastructure support required for it. As on 30th April 2008, the total number of telecom subscriber were 308.51 million consisting of 269.30 million wireless subscribers. The overall tele density reached 26.89% in April 2008.. (Source: www.trai.gov.in)

As telecom operators continue to add subscribers, they will also focus on network quality as a competitive necessity and will invest in the upgrades in the networks. In addition, we also believe that as data services such as email, broadband internet access and video are deployed on a widespread basis on wireless network, the deployment of these technologies will require telecom operators to further increase cell density to their existing network and may increase the demand for geographic expansion of their network coverage. Further, with mobile number portability being implemented shortly ahead, the telecom operators will have to invest in their network upgradation thereby improving the quality of service being offered to their subscribers as a pre requisite to retain their customer base and build upon the same. To meet this demand, we believe telecom operators will further require services of experienced infrastructure providers like us. We plan to expand in overseas market as well. As the initial step, we have already incorporated a subsidiary in Turkey on December 14, 2007 which has commenced operations on January 06, 2008. We also plan to venture into Middle East and North African market where there is potential for Telecom Infrastructure Service Providers like us.

INDUSTRY OVERVIEW

For details refer to "Industry Overview" on page 39 of this RHP.

THE ISSUE

Particulars	No. of Equity Shares
Public Issue of Equity Shares	4,500,000 Equity Shares of face value of Rs. 10 each for cash at a premium of Rs. [●]
Of which:	
Fresh Issue by the Company	3,500,000 Equity shares of Rs. 10 each for cash at a premium of Rs. [●]
Offer for Sale by the Selling Shareholder	1,000,000 Equity shares of Rs. 10 each for cash at a premium of Rs. [●]
Of which	
Employee Reservation Portion	100,000 Equity shares of Rs. 10 each for cash at a premium of Rs. [●]
Net Issue to the Public	4,400,000 Equity Shares of Rs. 10 each for cash at a premium of Rs. [●]
Of which	
Qualified Institutional Buyers Portion	Atleast 2,200,000 Equity Shares of Rs. 10 each for cash at a premium of Rs. [●] (allocation on proportionate basis), out of which upto 5% i.e. 110,000 equity shares shall be available for allocation on a proportionate basis to Mutual Funds only and the balance 2,090,000 equity shares shall be available for allocation to all QIBs, including Mutual Funds. If atleast 50% of the Net Issue cannot be allocated to QIBs, then the entire subscription money will be refunded forthwith.
Non Institutional Portion	Upto 660,000 Equity Shares of Rs. 10 each for cash at a premium of Rs. [●] (Allocation on a proportionate basis)
Retail Portion	Upto 1,540,000 Equity Shares of Rs. 10 each for cash at a premium of Rs. [●] (Allocation on a proportionate basis)
Equity Shares outstanding prior to the Issue	13,759,300 Equity Shares of face value of Rs. 10 each
Equity Shares outstanding after the Issue	17,259,300 Equity Shares of face value of Rs. 10 each
Use of net proceeds	Please see the chapter titled “Objects of the Issue” on page 24 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial and operating information is derived from the financial statements of the Company as of and for the years ended March 31, 2004, 2005, 2006, 2007 and 2008 as described in the Auditors Report of M/s Vinod Kumar & Associates, Chartered Accountants dated June 27, 2008 in the section titled "Financial Statements". These financial statements are prepared in accordance with Indian GAAP, Companies Act and SEBI guidelines.

You should read this financial data in conjunction with our financial statements including the Notes thereto and the Reports thereon, which appears on page 92 under the paragraph on "Financial Statements" in this Red Herring Prospectus and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 118 of this Red Herring Prospectus.

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
A. FIXED ASSETS					
Gross Block	68.53	41.26	33.47	25.98	17.31
Less: Depreciation	(28.74)	(20.11)	(14.59)	(10.95)	(8.10)
Net Block	39.79	21.15	18.88	15.03	9.21
B. INVESTMENTS	122.10	0.99	1.43	82.03	92.77
C. CURRENT ASSETS, LOANS & ADVANCES					
Sundry Debtors	471.67	115.33	96.98	125.36	41.09
Cash and Bank Balances	64.23	44.41	48.80	40.20	2.18
Project For Customers Under Progress	499.19	470.00	258.50	13.67	-
Loans and Advances	188.42	91.25	28.98	18.18	20.83
Total	1,223.51	720.99	433.25	197.41	64.10
D. LIABILITIES & PROVISIONS					
Secured Loans	65.35	35.78	6.98	17.95	2.39
Unsecured Loans	30.00	30.00	45.00	-	0.77
Deferred Tax Liability / (Asset)	(10.40)	(3.20)	0.20	0.19	0.02
Current Liabilities	335.30	179.51	119.79	115.54	89.91
Provision for Tax	96.96	87.46	37.66	10.98	12.79
Other Provisions	3.15	1.70	0.74	-	-
Total	520.36	331.25	210.36	144.66	105.87
NET WORTH (A+B+C-D)	865.06	411.88	243.19	149.81	60.21
REPRESENTED BY					
E. SHARE CAPITAL					
Equity Share Capital	137.59	116.61	116.61	0.54	0.50
Preference Share Capital	-	56.00	-	-	-
Total	137.59	172.61	116.61	0.54	0.50
Share Application Money	-	-	3.18	-	-
F. RESERVES AND SURPLUS					
Profit and Loss Account	445.07	239.27	123.40	114.30	59.71
Share Premium Account	282.40	-	-	34.97	-
NET WORTH (E+F)	865.06	411.88	243.19	149.81	60.21

For changes in preference share capital refer to page no 16 of this RHP under the chapter "Capital Structure".

STATEMENT OF PROFIT & LOSS ACCOUNT, AS RESTATED

In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
A. INCOME					
Income from Operations	951.63	635.70	469.08	304.51	231.18
Other Income	15.41	2.34	16.55	12.32	12.45
Total	967.04	638.04	485.63	316.83	243.63
B. EXPENDITURE					
Project Related Costs	481.67	281.51	249.76	116.40	67.26
Employee Costs	131.25	125.70	92.29	82.92	70.45
Administration, Selling and Other Expenses	28.49	20.33	35.45	48.15	56.45
Total	641.41	427.55	377.50	247.48	194.16
Profits Before Depreciation, Interest & Tax (A-B)	325.62	210.50	108.12	69.35	49.47
Interest & Financial Charges	13.92	4.21	3.61	1.90	1.10
Profits Before Depreciation & Tax	311.70	206.29	104.51	67.46	48.37
Depreciation	8.83	6.35	4.14	2.85	2.49
Profits Before Tax	302.87	199.94	100.37	64.61	45.88
Less:					
Current Year's Tax	93.50	85.60	45.93	9.85	12.66
Deferred Tax Liability / (Asset)	(7.20)	(3.40)	0.01	0.17	(0.04)
Fringe Benefit Tax	3.46	1.87	3.56	-	-
Provision for Interest on TDS	0.45	-	-	-	-
Profits After Tax	212.65	115.87	50.87	54.59	33.26
Less:					
Dividend paid on Preference Shares	5.85	-	-	-	-
Dividend Distribution Tax Paid	0.99	-	-	-	-
Income Tax Refund received	-	-	-	-	(0.93)
Profits After Tax	205.80	115.87	50.87	54.59	34.19
Balance brought forward from Previous Year	239.27	123.40	114.30	59.71	25.52
Less: Capitalisation of Reserves (Bonus Issue)	-	-	41.77	-	-
BALANCE CARRIED TO SUMMARY OF ASSETS & LIABILITIES	445.07	239.27	123.40	114.30	59.71

Our subsidiary, M/s 'Nutek Telekomunikasyon Danismanlik Muhendislin Ve Dis Ticaret Sanayi Limited Sirketi' was incorporated on December 14, 2007 in Turkey and since the operations commenced on January 06, 2008, no financial results have been prepared for its financial year ended December 31, 2007. For details, please refer to page 116 of this Red Herring Prospectus under the chapter titled "Financial Statements of Subsidiary".

GENERAL INFORMATION

Our Company was originally incorporated on July 6, 1993 as a Private Limited Company called Nu Tek India Private Limited under the Companies Act, 1956. Our Company was subsequently converted into a Public Limited Company and received fresh certificate of incorporation dated March 24, 2006 under the name Nu Tek India Limited.

Registered Office Nu Tek India Limited B-14A, Devika Towers, Nehru Place, New Delhi - 110 019 Tel.: +91 11 32694477, Fax: +91 11 30823984 Email: ipo@nutek.in Website: www.nutek.in	Corporate Office Nu Tek India Limited B-27, Infocity, Sector-34, Gurgaon - 122 001 (Haryana) Tel.: +91 124 3054603, Fax: +91 124 3054675 Email: ipo@nutek.in Website: www.nutek.in
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Corporate Identification Number: U74899DL1993PLC054313

Registrar of Companies

Registrar of Companies, NCT of Delhi & Haryana,
4th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019

Board of Directors of the Company

Sr. No.	Name	Designation	DIN	Status
1	Mr. Inder Sharma S/o Mr. Jagdish Prasad Sharma	Chairman & Managing Director	00033986	Executive Appointed for a period of 5 years w.e.f 1 st April 2006
2	Mr. Vineet Sirpaul S/o Mr. Balbir Kumar Sirpaul	Executive Director	01508773	Executive Appointed for a period of 5 years w.e.f. 17 th May 2007
3	Mrs. Sumati Sharma W/o Mr. Inder Sharma	Director	00034084	Non Executive Liable to retire by rotation
4	Mr. Sandeep Bedi S/o Mr. Manmohan Bedi	Director	01510232	Non Executive and Independent Liable to retire by rotation
5	Mr. Vishal Jain S/o Mr. Jambu Kumar Jain	Director	00709250	Non Executive and Independent Liable to retire by rotation
6	Mr. Ameet Nitin Rane S/o Mr. Nitin Manohar Rane	Director	01833129	Non Executive and Independent Liable to retire by rotation

Company Secretary and Compliance Officer

Mr. Sanjay Kumar Singh
Company Secretary and Compliance Officer
Nu Tek India Limited
B-27, Infocity, Sector-34,
Gurgaon - 122 001 (Haryana)
Tel.: +91 124 305 4603
Fax: +91 124 305 4675
Email: ipo@nutek.in
Website: www.nutek.in

Investors can contact the Compliance Officer or the Registrar to the Issue or the BRLMs - SPA Merchant Bankers Limited and India Infoline Limited 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 account and refund orders.

BOOK RUNNING LEAD MANAGERS

SPA Merchant Bankers Limited

SEBI Regn. No.: INM 000010825
25, C - Block Community Centre,
Janakpuri, New Delhi - 110 058
Tel. +91 11 4567 5500
Fax +91 11 2557 2763
Email : nutekipo@spacapital.com
Website: www.spacapital.com
Contact Person: Mr. Nitin Somani

India Infoline Limited

SEBI Regn. No.: INM 000010940
15th Floor, P J Towers, Dalal Street,
Fort, Mumbai - 400 001
Tel.: +91 22 6749 1700
Fax: +91 22 2272 2419
Email : nutekipo@indiainfoline.com
Website: www.indiainfoline.com
Contact Person: Mr. Pinkesh Soni / Mr. Kartik Shah

REGISTRAR TO THE ISSUE

Aarathi Consultants Private Limited

SEBI Regn. No.: INR 000000379
1-2-285, Domalgoda,
Hyderabad - 500 029
Tel.: +91 40 2763 8111, 2763 4445
Fax: +91 40 2763 2184
Email : info@aarathiconsultants.com
Website: www.aarathiconsultants.com
Contact Person: Mr. G. Bhaskara Murthy

LEGAL ADVISORS TO THE ISSUE

JurisPrudent Consulting Partners

Advocates and Corporate Legal Advisors
1st Floor, Paramount Tower,
C - 17, Community Centre,
Janak Puri, New Delhi - 110 058
Tel.: +91 11 4158 8441
Fax: +91 11 2553 7779
Email : corporate@jurisprudentconsulting.in
Contact Person: Mr. Ajay Jain

SYNDICATE MEMBERS

SPA Securities Limited

101, 10th Floor, Mittal Court, 'A' Wing
Nariman Point, Mumbai - 400 021
Tel.: +91 22 2280 1240 - 49
Fax: +91 22 2284 1192
Email : nutekipo@spacapital.com
Website: www.spacapital.com
Contact Person: Mr. J P Choudhary

India Infoline Limited

15th Floor, P J Towers, Dalal Street,
Fort, Mumbai - 400 001
Tel.: +91 22 6614 9633
Fax: +91 22 2272 2419
Email : nutekipo@indiainfoline.com
Website: www.indiainfoline.com
Contact Person: Ms. Meghna Chauhan

JM Financial Services Private Limited

Kamanwala Chamber, Ground Floor
Sir PM Road, Fort, Mumbai - 400 001
Tel.: +91 22 2266 5577 - 80
Fax: +91 22 2266 5902
Email : rohit.singh@jmfinancial.in
Website: www.jmfinancial.in
Contact Person: Mr. Rohit Singh

BANKERS TO THE ISSUE & ESCROW COLLECTION BANKS**ABN Amro Bank NV**

Brady House, 14, Veer Nariman Point
Hornimon Circle, Fort,
Mumbai - 400 001
Tel.: +91 22 6658 5858
Fax: +91 22 6658 5817
Email : akhouri.malay@in.abnamro.com
Website: www.abnamro.co.in
Contact Person: Mr. Malay Akhouri

Development Credit Bank Limited

301 Trade Plaza, 414 Veer Savarkar Marg
Prabhadevi, Mumbai - 400 025
Tel.: +91 22 2438 7037
Fax: +91 22 2423 1520
Email : mohammada@dcbl.com
Website: www.dcbl.com
Contact Person: Mr. Mohammad Ansari

HDFC Bank Limited

Maneckji Wadia Building, 3rd Floor
Nanik Motwani Marg, Fort
Mumbai - 400 001
Tel.: +91 22 6657 3746
Fax: +91 22 2270 0024
Email: deepak.rane@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Deepak Rane

The HongKong and Shanghai Banking Corporation Limited

HSBC, 52/60, Mahatma Gandhi Road
Fort, Mumbai - 400 001
Tel.: +91 22 4035 7458
Fax: +91 22 4035 7657
Email: swapnilpavale@hsbc.co.in
Website: www.hsbc.co.in
Contact Person: Ms. Swapnil Pavale

ICICI Bank Limited

Capital Market Division
30 Mumbai Samachar Marg
Mumbai - 400 001
Tel.: +91 22 2262 7600
Fax: +91 22 2261 1138
Email: sidhartha.routray@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Sidhartha Sankar Routray

Standard Chartered Bank

270 D N Road
Fort, Mumbai - 400 001
Tel.: +91 22 2268 3965 / 2209 2213
Fax: +91 22 2209 6069
Email: rajesh.malwade@in.standardchartered.com
Website: www.standardchartered.co.in
Contact Person: Mr. Rajesh Malwade

BANKERS TO THE COMPANY**ABN AMRO Bank N.V.**

Hansalaya Building,
15, Barakhamba Road,
New Delhi - 110 001
Tel.: +91 11 4212 1212
Fax: +91 11 4212 1213

AUDITORS TO THE COMPANY

Vinod Kumar & Associates

503-504, Chiranjeev Tower,
43, Nehru Place,
New Delhi - 110 019
Tel.: +91 11 2622 3712
Fax: +91 11 26223014
Email : vinodjain@inmacsindia.com
Contact Person: Mr. Vinod Jain

IPO GRADING AGENCY

CRISIL Limited

CRISIL House
121-122, Andheri Kurla Road
Andheri (East), Mumbai - 400 093
Tel.: +91 22 6758 8000
Fax: +91 22 6758 8088
Contact Person: Mr. Vishal Thakkar

MONITORING AGENCY

There is no requirement for a monitoring agency in terms of clause 8.17 of the SEBI (DIP) Guidelines. The Audit Committee of our Board would monitor the utilization of the proceeds of the Fresh Issue. For details please refer to page 29 of Red Herring Prospectus.

APPRIISING AGENCY

The issue has not been appraised.

CREDIT RATING

This being an issue of equity shares, there is no requirement of credit rating of the issue.

IPO GRADING

This issue being has been graded by CRISIL Ltd. and has been assigned CRISIL IPO GRADE 3/5 indicating the fundamentals of the issue are average in relation to other listed securities in India. The IPO Grading is assigned on a 5 point scale from 1 to 5 with a CRISIL IPO Grade 5/5 indicating strong fundamentals and a CRISIL IPO Grade of 1/5 indicating poor fundamentals. For details in relation to report of grading agency please refer to "Annexure" beginning on page 206 of this Red Herring Prospectus.

TRUSTEES

As the issue is of Equity Shares, the appointment of Trustees is not required.

Inter se allocation of responsibilities between the BRLMs and co-ordination for various activities for the Issue

Activities	Responsibility	Co-ordinator
Capital structuring with the relative components and formalities, etc.	SPA, IIL	SPA
Due diligence of the Company's operations / management / business plans / legal etc. Drafting and design of Offer Document and of statutory advertisement including memorandum containing salient features of the Prospectus. Ensure compliance with stipulated requirements and completion of prescribed formalities with SEBI, Stock Exchanges and RoC.	SPA, IIL	SPA
Primary co-ordination with SEBI, Stock Exchanges and RoC upto bidding and co-ordination interface with lawyers for agreements	SPA, IIL	SPA

Activities	Responsibility	Co-ordinator
Appointment of Registrar, Printers and Advertising Agency	SPA, IIL	IIL
Appointment of Escrow Collection Bankers / Bankers to the Issue.	SPA, IIL	IIL
Company positioning, pre-marketing exercise, finalise media and Public Relation strategy, preparation of road show presentation	SPA, IIL	IIL
Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisements, brochure, etc.	SPA, IIL	IIL
Qualified Institutional Buyers ('QIBs'): finalising the list and division of investors for one to one meetings and co-ordinating institutional investors meetings.	SPA, IIL	IIL
Non-Institutional and Retail Marketing of the Issue, which will cover inter-alia, <ul style="list-style-type: none"> Formulating marketing strategies Preparation of publicity budgets Finalizing centers for holding conferences for brokers, etc. Finalizing bidding and collection centers Follow-up on distribution of publicity and Issue material including forms, prospectus and deciding on the quantum of the Issue material 	SPA, IIL	IIL
Managing the Book, interaction / co-ordination with Stock Exchanges for book building software, bidding terminals and mock trading	SPA, IIL	IIL
- Appointment of Syndicate Members / Brokers to the Issue - Finalise Underwriters and the Underwriting Arrangements	SPA, IIL	IIL
Finalising pricing, QIB allocation and intimation in consultation with the Company	SPA, IIL	IIL
Finalisation of Prospectus and RoC filings, etc.	SPA, IIL	SPA
Post bidding activities including management of Escrow Accounts, co-ordination with Registrar and Banks, Refund to Bidders, invoking the Underwriting obligations and ensuring the underwriters pay the amount of devolvement, etc.	SPA, IIL	SPA
The post Issue activities of the Issue will involve essential follow up steps, which include finalisation of basis of allotment / weeding out the multiple applications, listing of instruments and dispatch of non-institutional allotment advice and related orders, with the various agencies connected with the work such as Registrar to the Issue, Bankers to the Issue and the bank handling refund business.	SPA, IIL	IIL

BOOK BUILDING PROCESS IN BRIEF

Book Building refers to the process of collection of Bids, on the basis of the Red Herring Prospectus. The Issue Price is fixed after the Bid/Issue Closing Date.

The principal parties involved in the Book Building Process are:

- Our Company and the Selling shareholder
- Book Running Lead Managers
- Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as underwriters
- Registrar to the Issue and
- Escrow collection Banks

The primary responsibility of building the book shall be that of the lead book runner.

The Equity Shares are being offered to the public through the 100% Book Building Process in accordance with the SEBI Guidelines wherein: (i) atleast 50% of the net Issue shall be allocated on a proportionate basis to QIBs, including upto 5% of the QIB Portion that shall be available for allocation on a proportionate basis to Mutual Funds only and the remaining QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds; (ii) Upto 15% of the Net Issue shall be available for allocation on a proportionate basis to the Non-Institutional Bidders and (iii) Upto 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

In accordance with SEBI Guidelines, QIBs are not allowed to withdraw their Bid(s) after the Bid / Issue Closing Date. In addition, as per the recent amendments to the SEBI Guidelines, QIBs are required to pay 10% Margin Amount upon submission of the Bid cum Application Form during the Bidding Period and allocation to QIBs will be on a proportionate basis. For further details see section titled "Issue Structure" on page 30 of this Red Herring Prospectus.

Our Company shall comply with the SEBI Guidelines and any other ancillary directions issued by SEBI for this Issue. In this regard, our Company has appointed SPA Merchant Bankers Limited and India Infoline Limited as the Book Running Lead Manager to manage the Issue and to procure the subscriptions to the Issue.

The process of Book Building under the SEBI Guidelines is relatively new and is subject to change, from time to time. Accordingly, investors are advised to make their own judgment about investment through this process of Book Building prior to making a Bid.

Investors should note that Equity Shares would be allotted to all successful Bidders only in dematerialised 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 dematerialised segment of the Stock Exchanges.

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 the Issue)

The Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.60 to Rs.72 per Equity Share, Issue size of 5,400 Equity Shares and receipt of five Bids from the Bidders. A graphical representation of the consolidated demand and price would be made available at the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com) during the bidding period. The illustrative book as set forth below shows the demand for the Equity Shares of our Company at various prices and is collated from Bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
1,500	72	1,500	27.78%
3,000	69	4,500	83.33%
4,500	66	9,000	166.67%
6,000	63	15,000	277.78%
7,500	60	22,500	416.67%

The price discovery is a function of demand at various prices. The highest price at which our Company is able to issue the desired quantity of Equity Shares is the price at which the book cuts off, i.e., Rs.66 in the above example. Our Company, in consultation with the BRLMs will finalize the Issue Price at or below such cut off price, i.e., at or below Rs.66. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken for bidding:

1. Check eligibility for bidding (see the section titled "Issue Procedure - Who Can Bid" on page 144 of this Red Herring Prospectus);
2. Ensure that the Bidder has a demat account and the demat account details are correctly mentioned in the Bid-cum-Application Form;

3. Ensure that you have mentioned your PAN on the Bid-cum-Application Form (see the section titled “Issue Procedure” on page 144 of this Red Herring Prospectus;
4. Ensure that the Bid-cum-Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid-cum-Application Form.
5. The Bidder should ensure the correctness of his or her Demographic Details (as defined in the section Issue Procedure-Bidder’s Depository Account Details” on page 155 given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.

WITHDRAWAL OF THE ISSUE

Our Company and the selling shareholder in consultation with the BRLMs reserves the right not to proceed with the issue any time after the Bid / Issue opening date but before the Board meeting for allotment without assigning any reason thereof.

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON	July 29, 2008
BID/ISSUE CLOSES ON	August 01, 2008

Bids and any revision in Bids shall be accepted as under:

1. Closure time of the Stock Exchange bidding platform for entry of bids.
2. Bids not uploaded in the book, would be rejected.
3. In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the details as per physical application form of that bidder may be taken as the final data for the purpose of allotment.
4. Standardization of cut-off time for uploading of bids on the bid/ issue closing date.
 - (a) A standard cut-off time of 2.00 PM for acceptance of bids.
 - (b) A standard cut-off time of 3.00 PM for uploading of bids received from non retail applicants i.e. QIBs and HNIs.
 - (c) A standard cut-off time of 5.00 PM for uploading of bids received from retail applicants, which may be extended upto such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by BRLMs to the Exchange within half an hour of such closure.

Bidding will not take place on Saturdays, Sundays and Public Holidays.

We will decide the Price Band in consultation with the BRLMs. The announcement on the Price Band shall also be made available on the websites of the BRLMs and at the terminals of the Syndicate.

We reserve the right to revise the Price Band during the Bidding Period in accordance with SEBI Guidelines. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price band can move up or down to the extent of 20% of the floor of the price band.

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three working days after revision of Price Band subject to the Bidding/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the web sites of the BRLMs and at the terminals of the Syndicate.

Underwriters to the Issue

After the determination of the Issue Price and allocation of the Equity Shares but prior to filing of the Prospectus with the ROC, the Company and the Selling shareholder will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. It is proposed that pursuant to the

terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that their respective Syndicate Members do not fulfill their underwriting obligations.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:
(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the ROC)

Details of Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Million)
SPA Merchant Bankers Limited 25, C - Block Community Centre, Janakpuri, New Delhi - 110 058 Tel. +91 11 4567 5500 Fax +91 11 2557 2763 Email : nutekipo@spacapital.com	[•]	[•]
India Infoline Limited 15 th Floor, P J Towers, Dalal Street, Fort, Mumbai - 400 001 Tel.: +91 22 6749 1700 Fax: +91 22 2272 2419 Email : nutekipo@indiainfoline.com	[•]	[•]
SPA Securities Limited 101, 10th Floor, Mittal Court, 'A' Wing, Nariman Point Mumbai - 400 021 Tel.: +91 22 2280 1240 - 49 Fax: +91 22 2284 1192 Email : nutekipo@spacapital.com	[•]	[•]
JM Financial Services Private Limited Kamanwala Chamber, Ground Floor Sir PM Road, Fort, Mumbai - 400 001 Tel.: +91 22 2266 5577 - 80 Fax: +91 22 2266 5902 Email : rohit.singh@jmfinancial.in Website: www.jmfinancial.in	[•]	[•]

The above-mentioned amount is indicative underwriting and this would be finalized after pricing and actual allocation. The above Underwriting Agreement is dated [•].

In the opinion of the Board of Directors (based on a certificate given by the Underwriters), the resources of all the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI or registered as brokers with the Stock Exchange(s).

Allocation among Underwriters 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 Equity Shares allocated to investors procured by them. In the event of any default, the respective Underwriter in addition to other obligations to be defined in the Underwriting Agreement will also be required to procure / subscribe to the extent of the defaulted amount.

CAPITAL STRUCTURE

The Share Capital of our Company as of the date of this Red Herring Prospectus is set forth below

<i>In Rupees Millions (except share data)</i>		
Particulars	Aggregate Value at Nominal Price	Aggregate Value at Issue Price
(A) Authorized Share Capital 23,000,000 Equity Shares of Rs. 10 each	230.00	
(B) Issued, Subscribed and Paid-up Equity Share Capital before the Issue 13,759,300 Equity Shares of Rs. 10 each	137.59	
(C) Present Issue in terms of this Red Herring Prospectus 4,500,000 Equity Shares of Rs. 10 each, comprising of:	45.00	[•]
a) Fresh Issue¹ of 3,500,000 equity shares of Rs. 10 each	35.00	[•]
b) Offer for Sale² of 1,000,000 equity shares of Rs. 10 each	10.00	[•]
Out of Which Employee Reservation Portion³ 100,000 Equity Shares of Rs. 10 each	1.00	[•]
Net Issue to the Public 4,400,000 Equity Shares of Rs. 10 each	44.00	[•]
(D) Paid-up Equity Share Capital after the Issue 17,259,300 Equity Shares of Rs. 10 each	172.59	
(E) Share Premium Account Before the Issue	282.40	
After the Issue	[•]	

¹The Fresh Issue of 3,500,000 equity shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board dated April 14, 2007 and by special resolution passed under Section 81(1A) of the Companies Act, 1956 at an Extraordinary General Meeting of our shareholders held on May 14, 2007.

²The Offer for Sale of 1,000,000 equity shares by the Selling Shareholder has been authorized vide their consent letter dated December 12, 2007. The same has been approved in our Extraordinary General Meeting of our shareholders held on December 12, 2007.

³The employees who are Promoters of our Company shall not be eligible to apply under this category.

The aggregate value of 1,000,000 equity shares offered by the Selling Shareholder at Issue Price of Rs. [•] is valued at Rs. [•] Mn.

Notes to the Capital Structure:

1. Changes in Authorised Share Capital

The details of changes in authorised share capital of our company since Incorporation are as follows:

Date of Meeting	Nature of Change	Particulars	Cumulative No. of Equity Shares	Face Value (Rs.)	Cumulative no. of Preference Shares	Face Value (Rs.)	Authorised Share Capital (in Rs.)
July 6, 1993	Incorporation	Rs. 500,000/-	50,000	10	-	-	500,000
December 8, 1998	Increase	From Rs.500,000/- to Rs. 1,000,000/-	100,000	10	-	-	1,000,000
February 14, 2002	Increase	From Rs. 1,000,000/- to Rs. 5,000,000/-	500,000	10	-	-	5,000,000
March 30, 2005	Increase	From Rs.5,000,000/- to Rs. 70,000,000/-	7,000,000	10	-	-	70,000,000
January 25, 2006	Increase	From Rs. 70,000,000/- to Rs. 150,000,000/-	15,000,000	10	-	-	150,000,000
May 6, 2006	Increase	From Rs.150,000,000/- to Rs. 210,000,000/-	15,000,000	10	600,000	100	210,000,000
May 14, 2007	Increase	From Rs. 210,000,000/- to Rs. 230,000,000/-	17,000,000	10	600,000	100	230,000,000
December 12, 2007	Restructure	Cancellation of Preference share capital of Rs. 60,000,000 and creation of fresh equity share capital of Rs. 60,000,000	23,000,000	10	-	-	230,000,000

2. (i) Equity Share Capital History

Date of Allotment of Equity Shares	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of payment / consideration	Details of Allotment	Cumulative Issued Capital (Rs.)	Cumulative Share Premium (Rs.)
July 6, 1993	3	3	10	10	Cash	Subscription to MoA	30	-
April 15, 1994	16,420	16,423	10	10	Cash	Allotment to Promoter Group & Others	164,230	-
March 31, 1999	33,577	50,000	10	10	Cash	Allotment to others	500,000	-
March 31, 2005	3,500	53,500	10	10,000	Cash	Allotment to others	535,000	34,965,000
April 11, 2005	3,833,500	3,887,000	10	10	Cash	Allotment to others	38,870,000	34,965,000
August 31, 2005	100	3,887,100	10	10,000	Cash	Allotment to others	38,871,000	35,964,000
February 6, 2006	7,774,200	11,661,300	10	Nil	Bonus	Bonus (2:1)	116,613,000	-
September 28, 2007	448,000	12,109,300	10	125	Conversion	OCPS Conversion	121,093,000	51,520,000
October 24, 2007	1,650,000	13,759,300	10	149.92	Cash	Allotment to strategic investor	137,593,000	282,395,000

Notes:

1. The Subscribers to the Memorandum of Association are Mr. Inder Sharma, Ms. Sumati Sharma and Mr. Baldev Singh each of them subscribing one equity share in the company.
2. We have allotted 3,500 equity shares on March 31, 2005 and 100 equity shares on August 31, 2005 of Rs. 10 each at an issue price of Rs. 10,000 per equity share. The allotment was made to non-promoter entities based on the negotiations with the allottees.
3. We issued Bonus Shares in the ratio of 2:1 on February 6, 2006 for which we utilized Rs. 35,964,000 lying in its Share Premium account and the balance of Rs. 41,778,000 was utilized from Profit & Loss account.
4. 560,000 8% Optionally Convertible Preference Shares (OCPS) of Rs.100 each was issued on May 10, 2006 which has been converted into 448,000 Equity Shares of Rs.10 each at a premium of Rs.115 per Share on September 28, 2007.
5. We have issued 1,650,000 Equity Shares of Rs.10 each to Balyasny SI Limited to raise a sum of US\$ 6,250,000 (i.e. Rs.247.38 Mn) vide the Shareholders Agreement dated October 14, 2007. For further details please refer to the details of Shareholders Agreement on page 70 of this RHP.

(ii) Preference Share Capital History

The company had issued 560,000 8% Optionally Convertible Preference Shares (OCPS) of Rs.100 each on May 10, 2006 which were converted into 448,000 Equity Shares of Rs.10 each at a premium of Rs.115 per Share on September 28, 2007.

The details of allotment of aforementioned preference shares are given below:

S. No.	Date of allotment of 8% optionally convertible Preference shares	Name of Preference Shareholder	Face Value	No. of 8% optionally convertible shares	Date of conversion of preference shares into equity shares	Face Value	No. of equity shares allotted on conversion
1	10 th May 2006	Hari Parvat Financial Advisers & Consultants Private Limited	Rs. 100	30,000	28 th September 2007	Rs. 10	24,000
2	10 th May 2006	Aamod Securities Private Limited	Rs. 100	30,000	28 th September 2007	Rs. 10	24,000
3	10 th May 2006	Dreamland Buildtech Pvt. Ltd.	Rs. 100	200,000	28 th September 2007	Rs. 10	160,000
4	10 th May 2006	Mounteverest Trading & Investment Ltd.	Rs. 100	300,000	28 th September 2007	Rs. 10	240,000
		TOTAL		560,000			448,000

3. Capital build up of existing shareholding of Promoters

Name of Promoter	Date of Acquisition	No. of Equity Shares	Issue / Acquisition Price (Rs.)	Consideration
Mr. Inder Sharma	July 06, 1993	1	10	Subscriber to MoA (for cash)
	April 15, 1994	250	10	Allotment for cash
	March 31, 1999	16,789	10	Allotment for cash
	April 12, 2005	3,000	10	Purchased for cash ¹
	September 01, 2005	3,600	10	Purchased for cash ²
	September 01, 2005	2,382,000	Nil	Gift received from father, Mr. Jagdish Prasad Sharma
	February 06, 2006	4,811,280	Nil	Bonus Issue
	April 12, 2006	39,510	10	Purchased for cash ³
	April 27, 2006	10,000	10	Purchased for cash ⁴
	June 14, 2007	5,000	10	Purchased for cash ⁵
Total		7,271,430		

Name of Promoter	Date of Acquisition	No. of Equity Shares	Issue / Acquisition Price (Rs.)	Consideration
Mrs. Sumati Sharma	March 31, 1999	16,787	10	Allotment for cash
	February 06, 2006	33,578	Nil	Bonus Issue
Total		50,365		

¹ From Bhaskar Rao (non-promoter entity)

² From Weal Iron & Steel Company Private Limited, Vaishnavi Home Entertainment Private Limited, International Credit Corporation Limited, Enpol Private Limited, Modi Roadline Private Limited, Sourabh Petrochem Private Limited, V.R.N Securities Private Limited, Ganex Power Corp. Limited, Bankey Bihari Corp. Limited and Makamashi Enterprises Limited (non promoter entities)

³ From J P Sharma (promoter group entity)

⁴ From Hyden Consultancy Pvt. Ltd. (non promoter entity)

⁵ From Aneesh Anand. (non promoter entity)

4. Promoters' Contribution and Lock-in

All Equity Shares, which are being locked in are eligible for computation of promoters' contribution as per Clause 4.6 of the SEBI Guidelines and are being locked in under Clause 4.11 of the SEBI Guidelines.

Name of Promoter	Date of Allotment / Transfer	No. of Equity Shares	Issue / Acquisition Price (Rs.)	% of Pre Issue Paid up Capital	% of Post Issue Paid up Capital	Lock-in Period
Mr. Inder Sharma	27/04/2006	10,000	10	0.07%	0.06%	3 years
	12/04/2006	39,510	10	0.29%	0.23%	3 years
	06/02/2006	2,145,153	Nil (Bonus)	15.59%	12.43%	3 years
	01/09/2005	1,250,000	10	9.08%	7.24%	3 years
Total (A)		3,444,663		25.04%	19.96%	
Mrs. Sumati Sharma	06/02/2006	33,578	Nil (Bonus)	0.24%	0.19%	3 years
Total (B)		33,578		0.24%	0.19%	
Grand Total (A) + (B)		3,478,241			20.15%	

The above mentioned shares offered for lock-in by promoters as Promoters Contribution are not under any pledge.

Our promoters Mr. Inder Sharma and Mrs. Sumati Sharma have, by a written undertaking, consented to have 3,478,241 equity shares held by them to be locked in as promoters' contribution for a period of three years from the date of allotment in this Issue and will not be disposed / sold / transferred by the promoters during the period starting from the date of filing the Red Herring Prospectus with the Board till the date of commencement of lock-in period as stated in the Red Herring Prospectus. The equity shares under the promoters' contribution will constitute 20.15% of our post-issue equity share capital. Equity Shares issued last have been locked-in first. The entire pre-issue shareholding of the promoters, other than the promoters' contribution as above which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Details of share capital locked in for one year:

In terms of clause 4.14.1 of the SEBI Guidelines, in addition to the promoters' contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital, other than 1,000,000 equity shares offered through an Offer for Sale (which are exempt from lock-in), constituting 9,281,059 equity shares, shall be locked in for a period of one year from the date of allotment of Equity shares in this Issue. The securities which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form shall be locked-in by the respective depositories.

Other requirements in respect of lock-in:

- In terms of Clause 4.15 of the SEBI Guidelines, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with banks or financial institutions as collateral security for loans granted by such banks or financial institutions provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoters' contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or financial institutions, for the purpose of financing one or more of the objects of the Issue.
- In terms of Clause 4.16.1(a) of the SEBI Guidelines, 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 Clause 4.14 of the SEBI Guidelines, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.
- In terms of Clause 4.16.1(b) of the SEBI Guidelines, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

5. Shareholders Agreement with Balyasny SI Limited

Balyasny SI Limited, a company incorporated under the laws of Mauritius, is a strategic investor in our Company. We have entered into a Shareholders Agreement dated October 14, 2007 with Balyasny SI Limited. In terms of the said agreement, the following shares were deposited with the Initial Escrow Agent to secure obligations towards them:

Name of Shareholder	No. of Equity Shares
Mr. Inder Sharma	2,666,127
Yamini Suppliers Private Limited	2,700,000

The quantum of shares to be deposited in the escrow account was finalized based on the negotiations with the strategic investor and as per the terms of the Shareholders Agreement. The details of Balyasny SI Limited and Yamini Suppliers Private Limited are disclosed on page 71 and 70 of the RHP under the chapter titled "History and Certain Corporate Matters".

Out of the total shares deposited by Yamini Suppliers Private Limited, 1,000,000 equity shares have been offered for sale by them through this RHP. We have received no objection for this issue from Balyasny SI Limited and as well as 1,000,000 equity shares of Selling Shareholder (Yamini Suppliers Pvt. Ltd.) has been released from the Escrow. We have also received no objection for lock-in of all the remaining shares for a period of one year in terms of provisions of clause 4.14.1 of the SEBI Guidelines.

6. Our Shareholding Pattern

The table below presents our shareholding pattern before the proposed Issue and as adjusted for the Issue and Offer for sale by the Selling shareholder:

Category of Shareholders	Pre-Issue Holding		Post-Issue Holding	
	No. of shares	% of holding	No. of shares	% of holding
Promoters				
Inder Sharma	7,271,430	52.85%	7,271,430	42.13%
Sumati Sharma	50,365	0.37%	50,365	0.29%
Sub-total (A)	7,321,795	53.21%	7,321,795	42.42%
Non-Promoter holding				
Yamini Suppliers Private Limited	3,360,000	24.42%	2,360,000	13.67%
Balyasny SI Limited	1,650,000	11.99%	1,650,000	9.56%

Category of Shareholders	Pre-Issue Holding		Post-Issue Holding	
	No. of shares	% of holding	No. of shares	% of holding
Director and Employees	115,801	0.84%	215,801	1.25%
Other Shareholders	1,311,704	9.53%	1,311,704	7.60%
Sub-total (B)	6,437,505	46.79%	5,537,505	32.08%
Net Offer to Public (C)	-	-	4,400,000	25.49%
Total (A)+(B)+(C)	13,759,300	100.00%	17,259,300	100.00%

7. Equity Shares held by Top Ten Shareholders

- (a) Our top ten shareholders and the number of Equity Shares of Rs.10 each held by them as on the date of filing this Red Herring Prospectus with ROC is as follows:

S. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
1	Inder Sharma	7,271,430	52.85%
2	Yamini Suppliers Private Limited	3,360,000	24.42%
3	Balyasny SI Limited	1,650,000	11.99%
4	Mounteverest Trading & Investment Limited	240,000	1.74%
5	Dimensional Properties Private Limited	200,000	1.45%
6	Dreamland Buildtech Private Limited	160,000	1.16%
7	Davinder Kumar Jain	100,000	0.73%
8	V M Mohan	100,000	0.73%
9	Surana Hospitality Private Limited	74,300	0.54%
10	Sumati Sharma	50,365	0.37%
	Total	13,206,095	95.98%

- (b) Our top ten shareholders and the number of Equity Shares of Rs.10 each held by them as 10 days prior to date of filing this Red Herring Prospectus with ROC is as follows:

S. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
1	Inder Sharma	7,271,430	52.85%
2	Yamini Suppliers Private Limited	3,360,000	24.42%
3	Balyasny SI Limited	1,650,000	11.99%
4	Mounteverest Trading & Investment Limited	240,000	1.74%
5	Dimensional Properties Private Limited	200,000	1.45%
6	Dreamland Buildtech Private Limited	160,000	1.16%
7	Davinder Kumar Jain	100,000	0.73%
8	V M Mohan	100,000	0.73%
9	Surana Hospitality Private Limited	74,300	0.54%
10	Sumati Sharma	50,365	0.37%
	Total	13,206,095	95.98%

- (c) Our top shareholders and the number of equity shares of Rs. 10 each held by them two years prior to date of filing of this Red Herring Prospectus with ROC is as follows:

S. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
1	Inder Sharma	7,286,430	62.48%
2	Chetan Enterprises Private Limited	3,360,000	28.81%
3	Surana Hospitality Private Limited	444,500	3.81%
4	Dimensional Properties Private Limited	200,000	1.72%
5	Sandeep Kumar	200,000	1.72%
6	D K Jain	100,000	0.86%
7	Sumati Sharma	50,365	0.43%

S. No.	Name of the Shareholders	No. of Equity Shares	% of total Shareholding
8	Vineet Sirpaul	20,001	0.17%
9	Baldev Singh	3	0.00%
10	Prashant Kumar	1	0.00%
	Total	11,661,300	100.00%

8. Our Promoter group has not sold or purchased any shares of our Company during the period of six months preceding the date of this Red Herring Prospectus.
9. As on the date of filing of this Red herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or shareholders or any other person any option to acquire our Equity Shares after the Initial Public Offer.
10. As on the date of this Red Herring Prospectus, the issued capital of our Company is fully paid up.
11. The Equity Shares held by the Promoters are not subject to any pledge except for 2,666,127 shares held in Escrow with the Initial Escrow Agent. The said shares with the Initial Escrow Agent will be released on the completion of this Initial Public Offering. The said shares do not form part of the Promoters Contribution.
12. Neither we nor our Directors, our Promoters, Persons Acting in Concert with our Promoters, our Promoter Group Companies and the BRLMs to the Issue have entered into any buyback and/or standby arrangements and/or similar arrangements for the purchase of our Equity Shares from any person.
13. This issue is being made through 100% Book Building process wherein atleast 50% of the net Issue i.e., 2,200,000 Equity Shares shall be allotted on a proportionate basis to QIBs, out of which 5%, i.e., 110,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only. The remaining QIB portion shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If atleast 50% of the Net Issue cannot be allocated to QIBs, then the entire subscription money will be refunded forthwith. Further, upto 15% of the net Issue, i.e., 660,000 Equity Shares shall be available for allocation on a proportionate basis to Non-Institutional Bidders and upto 35% of the Net issue, i.e., 1,540,000 Equity Shares 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. Further, upto 100,000 Equity shares shall be available for allocation on a proportionate basis to Eligible employees (excluding employees who are promoters), subject to valid Bids being received at or above the Issue Price.
14. Under subscription, if any, in Retail and Non-Institutional Category would be met with spill-over from other categories or a combination of categories. Under subscription, if any in the Employees Reservation Portion will be added back to the Net Issue to the Public. Such inter-se spill over, if any, would be affected in accordance with applicable laws, regulations and guidelines. In case of under subscription in the Net Issue, spill-over to the extent of under subscription shall be permitted from the Employees Reservation Portion. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders, Retail Bidders and Eligible Employees bidding under Employees Reservation Portion shall be on a proportionate basis.
15. Only Eligible Employees who are Indian nationals based in India and are physically present in India on the date of submission of the Bid-cum-Application Form would be eligible to apply in this Issue under the Employee Reservation Portion on competitive basis. Employees other than those mentioned hereinabove or those who are Promoters are not eligible to participate under the Employee Reservation Portion. Bid/Application by Eligible Employees can also be made in the "Net Issue to Public" and such Bids shall not be treated as multiple Bids.

16. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Issue and not exceeding the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
17. Our Company has not raised any bridge loan against the proceeds of the Issue.
18. 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 this Red Herring Prospectus until the Equity Shares offered through this Red Herring Prospectus have been listed.
19. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the Bid/Issue opening date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
20. We have not issued any Equity Shares out of revaluation reserves. Except the bonus shares issued on February 6, 2006, we have not issued any equity shares for consideration other than cash.
21. An over-subscription to the extent of 10% of the Net Offer to Public shall be retained for purpose of rounding off to the nearer multiple of minimum allotment lot while finalizing the basis of allotment.
22. Since the entire issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
23. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
24. We have not granted any options or shares under any scheme of Employee Stock Options or Employee Stock Purchase Plan to its employees. As on date we have no Employees Stock Option Scheme or Employees Stock Option Purchase Plan in force.
25. For details of Selling Shareholder, i.e. Yamini Suppliers Private Limited, please see to page 70 of RHP under the chapter titled, "History and certain Corporate Matters".
26. The Selling Shareholder is holding the shares offered under Offer for Sale for a period of more than one year on the date of filing of RHP.
27. Our Promoter Group and the Selling Shareholder will not participate in this Issue.
28. We have 84 shareholders as on date of filing of this Red Herring Prospectus with the ROC.

OBJECTS OF THE ISSUE

The Objects of the Fresh Issue are to raise funds for:

1. Capital Expenditure
2. Overseas Acquisitions
3. Augmenting Long Term Working Capital requirement
4. Expenses related to Fresh Issue
5. General Corporate Purposes

The main object clause of our Memorandum of Association and objects incidental to the main objects enable us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

The Issue consists of a Fresh Issue of 3,500,000 equity shares and an Offer for sale of 1,000,000 Equity shares by the Selling Shareholder. We will not receive any proceeds from the Offer for Sale.

Expenses related to the Issue, including underwriting and management fees, selling commissions and other expenses will be borne by us and the Selling Shareholder in proportion to the shares offered through this Issue.

Requirement of Funds

The total estimated funds requirement is given below:

Particulars	Amount (Rs. Million)
Capital Expenditure	235.79
Overseas Acquisitions	210.00
Augmenting Long Term Working Capital resources	440.00
General Corporate Purposes	[•]
Expenses related to Fresh Issue	[•]
Total	[•]

The net proceeds of the Issue, after deducting all expenses related to the Fresh Issue are estimated to be Rs. [•]. Not more than 50% of the proceeds of fresh issue would be deployed for acquiring intangible assets.

The fund requirement and deployment is based on internal management estimates and has not been appraised by any appraising agency. The fund requirement above is based on our current business plan. In view of the dynamic nature of our industry, we may have to revise our business plan from time to time and consequently our fund requirements may also change.

Means of Finance

The details of the means of finance are provided below:

Particulars	Amount (Rs. Million)
Proceeds of the fresh Issue#	[•]
Internal accruals#	[•]

will be incorporated at the time of filing of Prospectus.

In the event of a shortfall in raising the requisite funds from the proceeds of the fresh Issue, towards meeting the objects of the fresh Issue, the extent of the shortfall will be met by internal accruals. As per the restated financial statements, our free reserves stand at Rs. 727.47 Million as at March 31, 2008.

In case of any surplus of monies received in relation to the fresh issue, we may use such surplus towards further expansion and general corporate purposes. In case of variations in the actual utilization of funds earmarked for the

purposes mentioned above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this fresh Issue.

We operate in a highly competitive, dynamic market condition, and may have to revise our estimates from time to time. We may also reallocate expenditure depending on our requirements. Consequently, our fund requirements may also change accordingly. Any such change in our plans may require rescheduling of our expenditure programs, at the discretion of our management, and such rescheduling, if any, shall be within the objects of the Issue. In case of any shortfall, we intend to meet the same from our internal accruals.

Details of use of Fresh Issue Proceeds

1. Capital Expenditure

We have planned for the following capital expenditures which mainly includes various testing equipments, laptops and transport vehicles for commutation between the various rollover sites.

A. From Domestic suppliers

Following equipments / vehicles / laptops are to be purchased from domestic suppliers for which orders are yet to be placed.

Particulars	Quantity	Amount (Rs. Million)	Tentative Supplier	Date of Quotation
TEMS- Drive Test Tool version 8.0 with two hand set	60	96.00	Toshniwal Enterprises Controls Private Limited 31, Ganesh Chandra Avenue, 4 th Floor Kolkata - 700 013	26.05.2008
Fujikura Fusion Splicing machine with cleaver	100	37.50		
JDSU Optical Time Domain Reflectometer	100	30.00		
BIRD Site Analyzer with DPM sensor	25	9.10		
WILLTEK Mobile Fault Finder	5	3.82		
ROHDE & SCHWARZ Digital RF Wattmeter	25	3.37		
GARMIN Global Positioning systems	50	0.90		
BIRD Dummy Load	100	0.57		
RF Adapters Kit	100	0.58		
Total cost		181.84		
Add CST @ 3% on Equipment		5.46		
Sub total (A)		187.30		
Vehicles Bolero SLX, 2WD (B)	25	15.69	Sterling Motor Company 39, Sector-18, Maruti Industrial Area, HUDA, Gurgaon 122015	10.06.2008
Laptops (C)	300	14.69	VIE Software Pvt. Ltd. 101-A, Bhagwati Tower, 39, Commercial Complex, Wazirpur, Delhi 110052.	24.05.2008
TOTAL (A) + (B) + (C)		217.68		

B. Following new equipments are proposed to be imported for which orders are yet to be placed.

Name of the equipments	Servers for Network operating system
Name of the supplier	DiscusWare
Address	3214 Snowy Parkway, Madison, WI 53719, USA.

Date of Quotation

23/06/2008

S. No.	Description	Amount in US\$
1	Cost of Hardware(s)	313,331.00
	Less: 7% Discount	(21,933.17)
	FOB Price of Equipment (Hardware)	291,397.83
2	Transportation @ 2%	5,827.96
3	Insurance and Miscellaneous @0.5%	1,456.99
	CIF	298,682.78
4	Basic Duty @ 5%	14,934.14
5	CVD @ 16%	47,789.24
6	Cess @ 2%	955.78
7	Higher Education Cess @ 1%	9.56
8	Additional Cess @ 2%	7,276.57
9	Higher Ed. Cess on Additional Cess @ 1%	72.77
10	SAD @ 4%	14,788.83
	Landed Cost of Hardware	384,509.67
11	Clearing and Handling Charges	3,845.10
	Total Cost Of Hardware (A)	388,354.77
1	Cost of Software(s)	32,638.50
	Less: 7% Discount	(2,284.69)
	FOB Price of Software	30,353.81
2	Transportation @ 2%	607.91
3	Insurance and Miscellaneous @0.5%	151.98
	CIF	31,113.70
4	Basic Duty @ 0%	-
5	CVD @ 16%	4,984.89
6	Cess @ 2%	99.70
7	Higher Education Cess @ 1%	1.00
8	Additional Cess	-
9	Higher Ed. Cess on Additional Cess	-
10	SAD @ 4%	1,449.65
	Landed Cost of Software	37,648.94
11	Clearing and Handling Charges	376.91
	Total Cost Of Software (B)	38,025.85
	Total Cost (A+B)	426,380.62
	Total Cost - Rupees Million (1\$=Rs. 42.50)	18.11

No second hand equipment is intended to be purchased from the net proceeds of this fresh issue.

For the above estimates, we have relied upon quotations received by us and our past experience. Where more than one quotation has been sought, we have indicated the lowest of such quotations. We are also negotiating with other suppliers and the actual suppliers may be different from those mentioned above.

The schedule related to placement of orders and procurement of the above mentioned equipment and machinery is as under:

Particulars	Original Schedule		Revised Schedule	
	Date of commencement	Date of completion	Date of commencement	Date of completion
Placement of orders	April 2008	May 2008	August 2008	September 2008
Procurement	May 2008	June 2008	September 2008	October 2008

2. Overseas Acquisitions

We seek to further enhance our position as a player in Telecom infrastructure solution and services industry. In addition to continued investments in developing our technological expertise, industry expertise and delivery infrastructure in the domestic market space, we intend to enhance our capabilities and address overseas geographical coverage through strategic acquisitions of business(es) and/or assets (including immovable properties), investments or joint ventures.

Towards this end, we propose to target companies overseas which are offering services in Telecom infrastructure space. As of the date of this RHP, we have not yet entered into any letter of intent or definitive commitment for such acquisition or investment. We have ascertained an amount of Rs. 210 Million based on our internal estimate for making such strategic acquisition. Any specific acquisition opportunity will be considered based on actual value estimates at that time.

We are in the process of identifying such companies / entities which are complimentary to our requirement in USA. Further in order to have better options, we have entered into an agreement on May 23, 2008 with o3 Capital LLC, New York, USA, an investment bank, appointing them as Financial Advisor in identifying target firms for acquisition.

3. Augmenting Long Term Working Capital Requirement

Presently we have sanctioned fund based limits of Rs. 50 Million and non fund based of Rs. 200 Million from ABN Amro Bank NV. For details of the loans refer to the section titled "Financial Indebtedness" beginning on page 117 Red Herring Prospectus. We operate in a scenario wherein projects have a lower turnover time, with most projects having duration of around 3-5 months. Besides, we also propose to enhance our presence in all the geographical territories in the country as well as abroad. In such a scenario the most important resource is the working capital requirement. Our profitable Operations and Maintenance business also requires working capital for its smooth operation. The detailed break up of working capital requirement is provided below:

(Rs. in millions)		
Particulars	2007-08 (Audited)	2008-09 (Estimated)
Current Assets		
Sundry Debtors	471.67	596.30
Cash and bank balances	64.23	65.10
Other Current Assets	499.19	1,022.20
Loans and advances	188.42	410.40
Total Current Assets	1,223.52	2094.00
Sundry Creditors	191.46	210.50
Other Current Liabilities	143.84	243.80
Provisions	100.11	19.50
Total Current Liabilities	435.41	473.80
Total Working Capital Gap	788.11	1620.20
Working Capital facilities from Banks	41.78	50.00
Net Working Capital	746.33	1570.20
Requirement of additional margin		823.87
Internal Accrual		383.87
Part proceeds of the issue		440.00

4. Expenses related to Fresh Issue

The fresh Issue related expenses consist of underwriting fees, selling commission, fees payable to BRLMs to the Issue, legal counsels, Bankers to the Issue, Escrow Bankers and Registrars to the Issue, printing and distribution expenses, advertising and marketing expenses, depository fees, IPO grading fees, registrar fee and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. We intend to use about Rs. [●] Million towards these expenses for the Issue. All expenses with respect to the Issue will be borne out of Issue proceeds.

Particulars	Amount Rs. Million	% of Issue Size	% of Issue Expenses
BRLM / Syndicate member fee	[●]	[●]	[●]
Underwriting & Selling Commission	[●]	[●]	[●]
Advertising & Marketing expenses	[●]	[●]	[●]
IPO Grading Fee	[●]	[●]	[●]
Registrar Fee	[●]	[●]	[●]
Printing, Stationary, Dispatch	[●]	[●]	[●]
Other expenses (including listing fee, SEBI filing fee, Legal Counsel fee, Depository charges, Auditor's fee, etc.)	[●]	[●]	[●]
Total	[●]	[●]	[●]

Except listing fee which will be paid by us, all other expenses related to the Issue, including underwriting and management fees, selling commissions and other expenses will be borne by us and the Selling Shareholder in proportion to the shares offered through this Issue.

5. General Corporate Purposes

We intend to deploy the balance fresh Issue proceeds aggregating Rs. [●] Million, towards the general corporate purposes, including but not restricted to entering into strategic alliances, Partnership, purchase of office premises, brand building exercises, investment in other segments of the industry or any other purposes as approved by our Board of Directors. However, not more than 25% of the proceeds of fresh issue would be deployed for the General Corporate purposes.

Estimated Schedule of Deployment of Funds

As estimated by our management, the entire proceeds received from the fresh issue would be utilized in the financial year 2008-09.

Deployment of Funds in the Project

We have incurred Rs. 8.16 Million upto June 15, 2008 towards objects of the issue which has been certified by Mr. Vinod Jain (Membership No.: 081263) on behalf of M/s Vinod Kumar & Associates, Chartered Accountants, our Statutory Auditors, vide their certificate dated June 18, 2008. The same has been financed through internal accruals and the amount has been spent towards public issue expenses.

Appraisal

The funds requirement and funding plans are our own estimates and have not been appraised by any Bank/Financial Institution.

Interim Use of Proceeds

Pending utilization of the proceeds out of the fresh Issue for the purposes described above, we intend to temporarily invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks and other investment grade interest bearing securities as may be approved by the Board. Such investments would be in accordance with the investment policies approved by the Board from time to

time. No part of the fresh Issue proceeds will be paid by us to our Promoters', Directors', key management personnel or Promoter group company.

Monitoring of Utilization of Funds

There is no requirement for appointment of an independent monitoring agency in terms of clause 8.17 of the DIP Guidelines. Pursuant to Clause 49 of the listing agreement, the Audit Committee of our Board will monitor the utilization of the proceeds of the Fresh Issue.

We shall, on a quarterly basis disclose to the Audit Committee the uses and application of the proceeds of the Fresh Issue. We will disclose the utilization of the proceeds of the Fresh Issue under a separate head in our balance sheet till such time the proceeds of the Fresh Issue have been utilised, clearly specifying the purpose for which such proceeds have been utilized. We will also, in our balance sheet till such time the proceeds of the Fresh Issue have been utilised, provide details, if any, in relation to all such proceeds of the Fresh Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Fresh Issue.

No part of the proceeds from the Fresh Issue will be paid by us as consideration to our Promoter, our Directors, Promoter Group Entities or key managerial employees, except in the normal course of our business.

ISSUE STRUCTURE

The present Issue of 4,500,000 Equity Shares, at a price of Rs. [•] for cash aggregating Rs. [•] million, is being made through the 100% Book Building Process. Public issue of 3,500,000 Equity Shares of Rs. 10 each of the Company or the “Issuer” for cash at a price of Rs. [•] per Equity Share consisting of a Fresh Issue of 3,500,000 Equity Shares and an Offer for Sale of 1,000,000 Equity Shares by Yamini Suppliers Pvt. Ltd. aggregating Rs. [•] million comprises a Net Issue to the public of 4,400,000 Equity Shares and a reservation of upto 100,000 Equity Shares for the permanent employees of the company (the “Employee Reservation Portion”).

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Employees Reservation Portion
Number of Equity Shares*	Atleast 2,200,000 Equity Shares	Upto 660,000 Equity Shares or Net Issue less allocation to QIB Bidders and Retail Individual Bidders	Upto 1,540,000 Equity Shares or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders	Upto 100,000 Equity shares
Percentage of Issue Size available for allocation	Atleast 50% of the Net Issue (of which 5% shall be available for allocation for Mutual Funds) Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion, if any, in the Mutual Fund portion will be available to remaining QIBs.	Upto 15% of the Net Issue or Issue less allocation to QIB bidders and Retail Individual Bidders	Upto 35% of the Net Issue or Issue less allocation to QIB bidders and Non-Institutional Bidders	Upto 2.27% of the size of the Issue
Basis of Allocation if respective category is oversubscribed	Proportionate as follows: (a) Upto 110,000 Equity Shares shall be allocated on a proportionate basis to Mutual Funds in the Mutual Funds Portion; (b) Balance 2,090,000 Equity Shares shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate	Proportionate
Minimum Bid / Bid lot	Such number of Equity Shares that the Bid Amount exceeds Rs 100,000 and in multiples of 30 Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds Rs 100,000 and in multiples of 30 Equity Shares thereafter.	30 Equity Shares and in multiples of 30 Equity Shares thereafter.	30 Equity Shares and in multiples of 30 Equity Shares thereafter.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Employees Reservation Portion
Maximum Bid / Bid lot	Such number of equity shares not exceeding the Net Issue, subject to regulations as applicable to the Bidder.	Such number of equity shares not exceeding the Net Issue subject to regulations as applicable to the Bidder.	Such number of Equity Shares so as to ensure that the Bid Amount does not exceed Rs. 100,000	Such number of equity shares in multiples of 30 Equity Shares not exceeding the Issue size
Mode of Allotment	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form
Allotment lot	30 equity shares and in multiple of 1 equity share thereafter	30 equity shares and in multiple of 1 equity share thereafter	30 equity shares and in multiple of 1 equity share thereafter	30 equity shares and in multiple of 1 equity share thereafter
Trading Lot	One Equity Share	One Equity Share	One Equity Share	One Equity Share
Who can Apply**	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds, foreign institutional investor registered with SEBI, multilateral & bilateral development financial institutions, Venture Capital Funds registered with SEBI, foreign Venture capital investors registered with SEBI, State Industrial Development Corporations, Insurance Companies registered with the Insurance Regulatory and Development Authority, Provident Funds with minimum corpus of Rs. 250 million and Pension Funds with minimum corpus of Rs. 250 million in accordance with applicable law.	Resident Indian individuals, HUF (in the name of Karta), companies, corporate bodies, NRIs, societies and trusts	Individuals (including NRIs and HUFs in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed Rs. 100,000 in value.	All or any of the following : (a) *A permanent employee of the Company as of date of RHP i.e., July 17, 2008 and based, working and present in India as on the date of submission of the Bid cum Application Form; (b) A director of the Company, except any Promoters or members of the Promoter group, whether a whole time Director, part time Director or otherwise as of the date of the RHP and based and present in India as on the date of submission of the Bid cum Application Form.
Terms of Payment	QIB Margin Amount shall be payable at the time of submission of Bid-cum-Application Form to the Members of the syndicate.	Margin Amount shall be payable at the time of submission of Bid-cum-Application Form to the Members of the	Margin Amount shall be payable at the time of submission of Bid-cum-Application Form to the Members of the	Margin Amount shall be payable at the time of submission of Bid-cum-Application Form to the Members of the syndicate.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Employees Reservation Portion
		syndicate.	syndicate.	
Margin Amount	Atleast 10% of the bid amount on bidding	100% of the bid amount on bidding	100% of the bid amount on bidding	100% of the bid amount on bidding

* Subject to valid bids being received at or above the Issue Price. Under subscription, if any, in Retail and Non-Institutional Category would be met with spill-over from other categories or a combination of categories. Under subscription, if any in the Employees Reservation Portion will be added back to the Net Issue to the Public. Such inter-se spill over, if any, would be affected in accordance with applicable laws, regulations and guidelines. In case of under subscription in the Net Issue, spill-over to the extent of under subscription shall be permitted from the Employees Reservation Portion. Investors may note that in case of over-subscription in the Issue, allotment to QIB Bidders, Non-Institutional Bidders, Retail Bidders and Eligible Employees bidding under Employees Reservation Portion shall be on a proportionate basis

If atleast 50% of the Net Issue cannot be allocated to QIBs, then the entire subscription money will be refunded forthwith.

** 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 the Bid-cum-Application Form.

Employees who are Promoters or forming part of Promoter Group are not eligible to bid through the Employees Reservation Portion.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by us and the Selling shareholder in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares offered by way of Book Building.

Investors should read the following summary along with the section titled “Risk Factors” beginning on page xi and section titled “Financial Statements” beginning on page 92 of this Red Herring Prospectus. The trading price of the equity shares of the Company could decline due to these factors and you may lose all or part of your investments.

Qualitative Factors

We have 15 years of industry experience which coupled with our expertise and knowledge of the industry positions us well to exploit the tremendous growth opportunities which India’s rapidly growing telecommunications market is presently offering. Our following strengths and experience helps us to compete successfully in our industry:

- Project expertise and track record
- Qualified employee base and management team
- Ability to offer end to end telecom solutions
- Ability to execute projects in difficult operating conditions in difficult terrains
- Pan India reach and Strong execution Team
- Established relationship with our clients

For details on the qualitative factors which form the basis for computing the price, please see the section titled “Our Business” on page 46 of this RHP.

Quantitative Factors

Information presented in this section is derived from the company’s restated financial statements for the period ended March 31, 2008 prepared in accordance with Indian GAAP. The quantitative factors, which form the basis for computing the price, are as follows:

1. Weighted average Earning Per Share

Period	Diluted EPS (Rs)	Weight
Year ended 31 st March, 2006	4.50	1
Year ended 31 st March, 2007	9.61	2
Year ended 31 st March, 2008	16.04	3
Weighted Average Diluted EPS	11.97	

2. Price Earning (P/E) ratio in relation to Issue Price of Rs. [•] per share of Rs. 10 each.

		At the lower Band of Rs. 170	At the upper Band of Rs. 192
a)	Based on weighted average Diluted EPS	14.20	16.04
b)	Based on Diluted EPS as on March 31, 2008	10.60	11.97
c)	PE Multiple:		
	Highest (Shyam Telecom)	39.80	
	Lowest (Spice Mobiles)	6.80	
	Industry Average	15.70	

Source: Capital Market Vol. XXIII/09 dated June 30 - July 13, 2008, Industry: Telecommunication Equipment

3. Return on Net Worth

Year	RONW ⁹⁰ %	Weight
Year ended 31 st March, 2006	20.92	1
Year ended 31 st March, 2007	28.13	2
Year ended 31 st March, 2008	23.79	3
Weighted Average	24.76	

Minimum Return on total Net Worth after issue needed to maintain pre-issue EPS of Rs. 16.04 is [•]

4. Net Asset Value per Equity Share

Particulars	NAV (Rs.)
As on March 31, 2008	62.87
After the Issue	[•]
Issue Price	[•]

5. The accounting ratios of selected companies in the Industry Group

We are in the business of telecom infrastructure services.

Name of company	Face Value (Rs.)	EPS (Rs.)	P/E	RONW ⁹⁰ %	NAV (Rs.)
Nu Tek India Limited					
- As on March 31, 2008	10	16.04	[•]	23.79	62.87
- On the expanded capital immediately after the Issue	10	11.92	[•]	[•]	[•]
GTL Limited	10	8.80	24.60	9.00	97.70

Source: Capital Market Vol. XXIII/09 dated June 30 - July 13, 2008, Industry: Telecommunication Equipment

For the Peer Group Company, all the figures, except P/E ratio, are for the financial year ended March 31, 2008. The figures for our company are based on restated financial statements for the financial year ended March 31, 2008.

The Issue Price is [•] times of the face value of the Equity Shares.

The issue price of Rs. [•] per Equity Share has been determined by us and the Selling Shareholder, in consultation with the BRLMs, on the basis of assessment of market demand for the offered securities by way of Book building process and is justified based on the above accounting ratios. Investors should read the following summary along with the section titled "Risk Factors" beginning on page xi, "Financial Statement" beginning on page 92 and the "Summary of Business, Strengths and Strategies" beginning on page 1 of this Red Herring Prospectus.

STATEMENT OF TAX BENEFITS

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

To
The Board of Directors
Nu Tek India Limited
B - 27, Infocity,
Sector - 34, Gurgaon - 122002

We hereby report that the enclosed annexure states the possible tax benefits available to Nu Tek India Limited, (the "Company") and its shareholders under the current direct tax laws. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws and also undertaking relevant investments, businesses or transactions in the future years. Hence, the ability of the Company or its shareholders to derive the tax benefit 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 fulfill. The benefits discussed below are not exhaustive.

This statement is only intended to provide general information to the investors and is neither designated nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implication arising out of their participation in the issue.

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

- The Company or its shareholders will obtain these benefits; or
- The conditions prescribed for availing the benefit have been / would be met with.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of the understanding of the business activities and operations of the Company and the interpretation of current tax laws.

For Vinod Kumar & Associates
Chartered Accountants

Vinod Jain
Partner
M.No. 081263

Place: New Delhi
Date: June 27, 2008

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

I. SPECIAL TAX BENEFITS

A. TO THE COMPANY

There are no special tax benefits available to the Company.

B. TO THE SHAREHOLDERS OF THE COMPANY

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

II. GENERAL TAX BENEFITS

i. TO THE COMPANY

Under the Income Tax Act, 1961 ("Act")

1. The Company is eligible under section 35 D of the Act to a deduction equal to one-fifth of certain specified expenditure, including specified expenditure incurred in connection with the issue for public subscription of shares, for the extension of the industrial undertaking, for a period of five successive years subject to the limits provided and the conditions specified under the said section.
2. As per the provisions of section 10(34) of the Act, dividends received from domestic companies are exempt in the hands of the Company.
3. According to the provisions of section 10(38) of the Act, long – term capital gain arising from sale of equity shares or units of any equity oriented fund shall be exempt from tax where the transaction of sale is chargeable to STT.
4. As per the provisions of section 111A of the Act, short term capital gain arising from sale of equity shares or units of any equity oriented fund shall be subject to tax @ 10% (plus applicable surcharge and educational cess), where the transaction of sale is chargeable to STT.

ii. TO THE RESIDENT MEMBERS OF THE COMPANY

Under the Income Tax Act, 1961 ("Act")

1. Members will be entitled to an exemption, under section 10(34) of the Act, in respect of any income received from the Company by way of dividend..
2. According to the provisions of section 10 (38) of the Act, long –term capital gain arising on sale of equity shares shall be exempt from tax where the transaction of sale is charged to STT.
3. As per the provisions of section 111A of the Act, short term capital gain arising on sale of equity shares shall be subject to tax @ 10% (plus applicable surcharge and education cess) where the transaction of share is chargeable to STT.
4. Section 88E provides that where the total income of a person includes income chargeable under the head "Profit and Gains of business or profession" arising from purchases or sale of any equity share in a Company entered into a recognized stock exchange i.e. from transaction taxable to security transaction tax, he shall get rebate equal to the securities transaction tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.

Under Wealth Tax Act, 1957

Assets as defined under section 2 (ea) of the Wealth Tax Act, 1957 does not include shares in companies and hence shares are not liable to wealth tax.

iii. TO THE NON-RESIDENT MEMBERS OF THE COMPANY

Under the Income Tax Act, 1961 ("Act")

1. Non-Resident shareholders will be entitled to exemption, under section 10(34) of the Act, in respect of the income received from the Company by way of dividend.
2. According to the provisions of section 10 (38) of the Act, long -term capital gain arising on sale of equity shares shall be exempt from tax where the transaction of sale is charged to STT.
3. As per the provisions of section 111A of the Act, short term capital gain arising on sale of equity shares shall be subject to tax @ 10% (plus applicable surcharge and educational cess) where the transaction of share is chargeable to STT..
4. As per the provisions of section 115E of the Income Tax Act, 1961, and subject to the conditions specified therein, long-term capital gains arising to a Non- Resident Indian from transfer of company's shares subscribed to in convertible foreign exchange will be charged to Income Tax @ 10% plus applicable surcharge and education cess, except to the extent exempted under section 10(38).
5. Under section 115F of the Act, long- term capital gains arising to a Non- Resident Indian on transfer of shares in the Company, subscribed to in convertible foreign exchange shall be exempt from income tax, if net consideration is invested in specified asset within six months of the date of transfer. If only part of the consideration is so invested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax if the specified assets are transferred or converted within three years from the date of their acquisition.
6. Under provision of section 115G of the Act, it shall not be necessary for a Non- Resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains from assets purchased in convertible foreign exchange or both and tax deductible at source has been deducted there from.
7. Under provision of section 115I of the Act, a Non- Resident Indian may elect not to be governed by the provisions of chapter XII-A for any Assessment year by furnishing his Return of Income under section 139 of the Act declaring therein that the provision of this chapter shall not apply to him for that Assessment year and If he does so, the provisions of this chapter shall not apply to him for that assessment year; instead the other provisions of the Act shall apply.
8. Section 88E provides that where the total income of a person includes income chargeable under the head "Profit and Gains of business or profession" arising from purchases or sale of any equity share in a Company entered into a recognized stock exchange i.e. from transaction taxable to security transaction tax, he shall get rebate equal to the securities transaction tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.
9. Where any Double Taxation Avoidance Agreement (DTAA) entered into by India with any other country provides for a concessional tax rate or exemption in respect of income from the investment in the Company's shares, those beneficial provisions shall prevail over the provisions of the Act in that regard.

iv. TO FOREIGN INSTITUTIONAL INVESTORS

Under the Income Tax Act, 1961 ("Act")

1. Income by way of dividend received on shares of the Company is exempt u/s 10(34) of the Act.
2. According to the provisions of section 10 (38) of the Act, long -term capital gain arising on sale of equity shares shall be exempt from tax where the transaction of sale is charged to STT.
3. As per provisions of section 111A of the Act, short-term capital gain arising on sale of equity shares shall be subject to tax @ 10% (plus applicable surcharge and educational cess) where the transaction of share is chargeable to STT. Under Section 115AD(1)(b)(ii) of the Act, Income by way of Short Term Capital Gain arising from the transfer of shares (otherwise than as mentioned in 2 above) held in the Company for a period of less than 12 months will be taxable @ 30% (plus applicable surcharge and education cess)

Proviso to Sec. 115AD(1) (b) (ii): Under this proviso short term capital gains referred to Sec 111A, where the transaction is subjected to Security Transaction Tax (STT), the rate of tax shall be @ 10% (plus applicable surcharge and education tax).

4. Under Section 115AD(1)(iii) of the Act, Income by way of Long Term Capital Gain arising from the transfer of shares (otherwise than as mentioned in 1 above) held in the Company will be taxable @ 10% (plus applicable surcharge and education cess). It is to be noted here that the benefits of indexation and foreign currency fluctuation protection as provided by Section 48 of the Act are not available to Foreign Institutional Investors.
5. Where any Double Taxation Avoidance Agreement (DTA) entered into by India with any other country provides for a concessional tax rate or exemption in respect of income from the investment in the Company's shares, those beneficial provisions shall prevail over the provisions of the Act in that regard.
6. Section 88E provides that where the total income of a person includes income chargeable under the head "Profit and Gains of business or profession" arising from purchases or sale of any equity share in a Company entered into a recognized stock exchange i.e. from taxable securities transaction, he shall get rebate equal to the securities transaction tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.

v. TO MUTUAL FUNDS

Under the Income Tax Act, 1961 ("Act")

As per the provision of Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulation made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India would be exempt from income tax subject to conditions as the Central Government may by notification in the official Gazette specify in this behalf.

Notes:

1. All the above benefits are as per the current tax law as amended by the Finance Act, 2007.
2. The stated benefits will be available only to the sole / first named holder in case the shares are held by joint holders.
3. In view of the individual and complex nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the Issue.

For Vinod Kumar & Associates
Chartered Accountants

Vinod Jain
Partner
M.No. 081263

Place: New Delhi
Date: June 27, 2008

INDUSTRY OVERVIEW

Data in this section has been sourced from the following:

Website of Department of Telecommunications – www.dot.gov.in

Website of Telecom Regulatory Authority of India – www.trai.gov.in

The Annual Reports prepared by the Telecom Regulatory Authority of India 2006-07

The Annual Reports prepared by the Department of Telecommunications 2007-08

Website of Indian Brand Equity Foundation – www.ibef.org

Website of Power Ministry – www.powermin.nic.in

The information presented in this section has been obtained from publicly available documents from various sources, including officially prepared materials from the Government bodies and industry websites/publications. Industry websites/publications generally state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe industry, market and government data used in this Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company estimates, while believed by us to be reliable, have not been verified by any independent agencies.

OUR ECONOMY

The economy has been growing at an average growth rate of 8.8 percent in the last four fiscal years (2003-04 to 2006-07), with the 2006-07 growth rate of 9.6 percent being the highest in the last 18 years. Significantly, the industrial & service sectors have been contributing a major part of this growth suggesting the structural transformation in the Indian economy. For example the industrial and services sectors have logged in 10.63% and 11.18% growth rate in 2006-07 respectively, against 8.02% and 11.01% in 2005-06. Similarly, manufacturing grew by 8.98 percent and 12 percent in 2005-06 and 2006-07 and transport, storage and communications recorded a growth of 14.65 percent and 16.64 percent respectively.

On the back of 9.6 percent growth in April-December 2006-07, GDP has grown by 8.9 percent during April-December 2007-08. The overall industrial production grew by 8.3 percent during 2007-08. The services sector grew by 10.4 percent in April – December 2007 as compared to 11.4 percent during the corresponding period in 2006-07. Similarly manufacturing grew by 8.7 percent during April-February 2007-08 on the back of 12.5% in 2006-07.

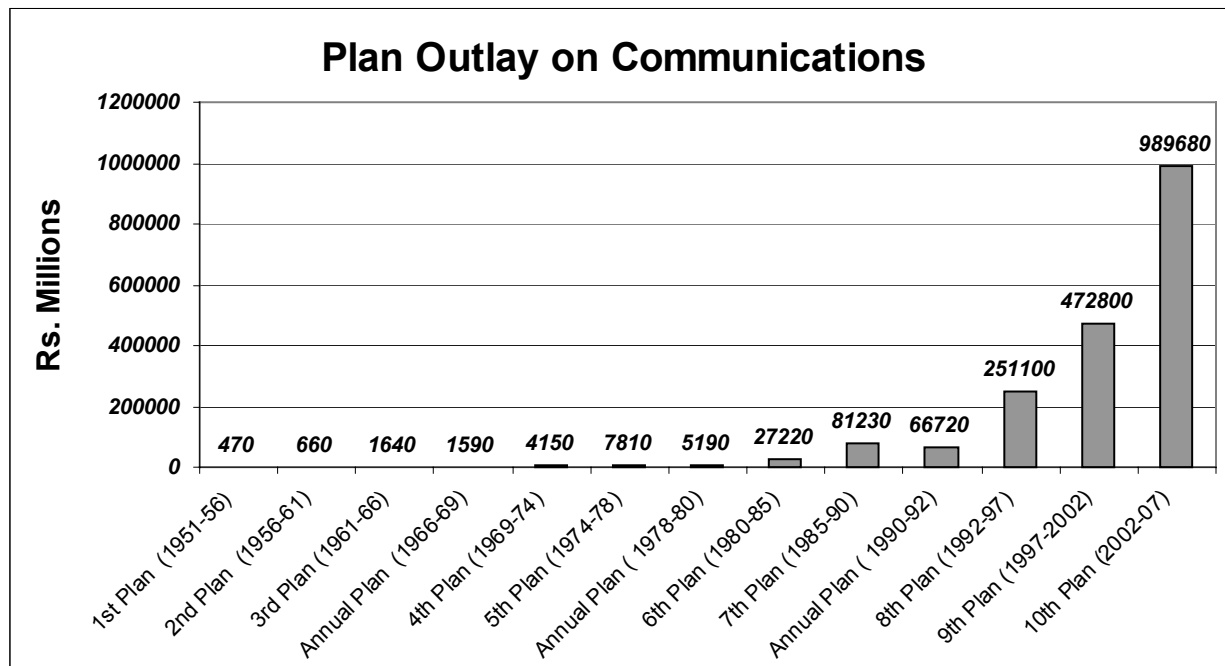
With significant acceleration in the growth rate of the Indian economy, India's per capita income has increased at a rapid pace, per capita income has increased from US\$ 460 in 2000-01 to almost double to US\$ 797 by the end of 2006-07. In 2007-08, India's per capita income is estimated to be over US\$ 825.07, according to the advanced estimates of the Central Statistical Organisation (CSO). Further, India's per capita income is expected to increase to US\$ 2000 by 2016-17.

India is among the five countries sharing 50 percent of the world production. Another significant aspect has been the broad based nature of the growth process. While new economy industries like information Technology and biotechnology have been growing around 30 percent, significantly old economy sectors like steel have also been major contributors in the Indian growth process.

TELECOM INDUSTRY

The development of world-class telecommunication infrastructure is the key to rapid economic growth and to bring social change of the country. Indian telecommunication sector has undergone a major process of transformation through significant policy reforms, particularly beginning with the announcement of National Telecom Policy (NTP) 1994 and was subsequently re-emphasized and carried forward under NTP 1999. Government has aggressively increased plan allocations to the Communication sector, which has helped develop and expand the telecom infrastructure, improving the tele-density in the country. Driven by various policy initiatives, including gradual opening up of the telecom sector to competitive forces, the Indian telecom sector witnessed a complete

transformation in the last decade. It has achieved a phenomenal growth during the last few years and is poised to take a big leap in the future also. Such rapid growth in the communication sector has become necessary for further modernization of Indian economy through rapid development in IT.



(Source : Report of the working report on the telecom sector for the 11th five year plan (2007-12))

Current Scenario

India has become second largest wireless network in the world after China overtaking USA. The Indian Telecom sector is currently witnessing a resurgent growth and has emerged as the fastest growing telecom market in the world with the addition of over 7.00 million subscribers per month. A total of 8.00 million and 10.40 million telephone connections were added in the month of April 2008 and March 2008 respectively. The growth in this sector is also contributing significantly in the economic growth of the country.

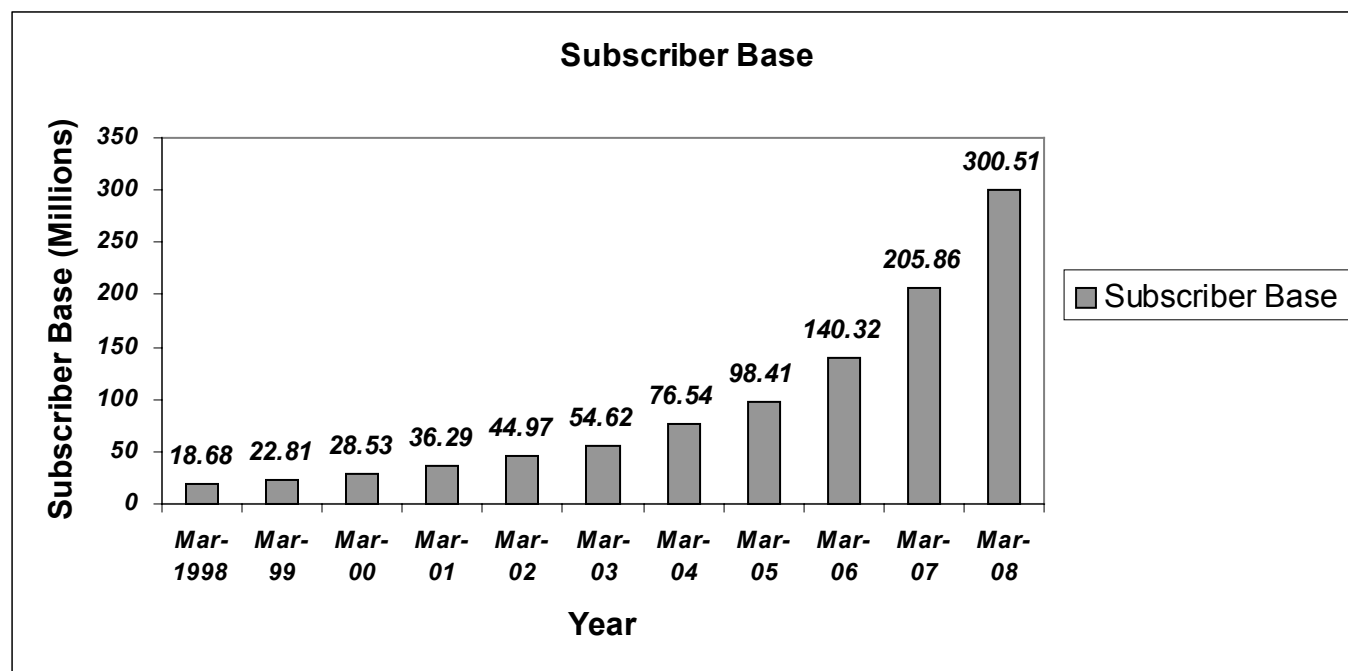
The total number of telephone connections reached 308.51 million at the end of April 2008 as compared to 300.51 million in March 2008.. The figure for February 2008 was 290.11 Million. The numbers of subscribers are expected to reach 500 million by 2010 & 650 million by 2012. The overall tele-density reached to 26.89% at the end of April 2008 as against 26.22% in March 2008. The Indian telecom industry had a market size of Rs 1,052,870 million in 2006 and it is expected to reach a size of Rs 3,449,210 million by 2012 at a growth rate of over 26 % and the sector will generate employment opportunities for about 10 million people during the same period.

India has become the second largest wireless network in the world after China overtaking USA as per the data available on CTIA (International association for the wireless telecommunication industry). The total mobile subscriber base is likely to reach 425 million by March 2010.

The growth statistics of the sector combined with the Government's decision to increase the foreign direct investment (FDI) cap in the sector to 74% has generated huge interest among global investors. India offers an unprecedented opportunity for telecom service operators, infrastructure vendors, manufacturers and associated services companies. A recent study by telecom regulator TRAI has estimated that the country will need about 330,000 telecom towers by 2010, as against 100,000 in March 2007. The booming domestic market has been attracting accelerating amount of investment. During April 2000 to March 2008, cumulative FDI inflows into the Indian telecommunication sector amounted to US \$ 3.84 billion, accounting 6.81 of the total FDI inflows into the country.

The surge in mobile services market is likely to see investment worth amount US \$ 24 billion by 2010. The total revenue of all telecom operators is set to nearly double to US\$ 43.6 billion in four years from US\$ 22.5 billion in 2006. The revenue share of mobile business would rise to 76% in the same period from 57% currently.

Growth of Subscriber base



(Source: TRAI-Annual Report-2006-07, & TRAI Press Release no. 43/2008)

The Telecom Subscriber growth and Tele-density during Last 12 Months is given below:

(Subscribers in Million)

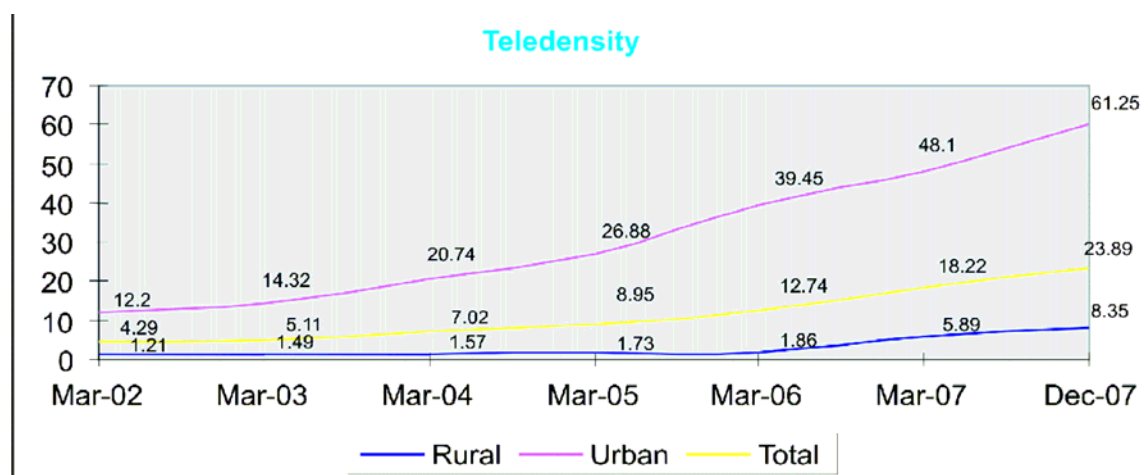
	As on 30.04.2008	As on 30.04.2007	% change
Total Subscribers	308.51	211.76	45.69 %
Fixed Line	39.21	40.54	(3.28%)
Wireless	269.30	171.22	57.28 %

Growth in Tele-density

The overall tele-density reached 26.89% per cent in April 2008, as against 18.74 per cent in April 2007. Despite the impressive growth in the telecom sector the overall mobile penetration is low as compared to other countries mainly due to untapped rural market. The following chart depicts the penetration of telecom services in rural & urban areas in the country.

Year	Rural (%)	Urban (%)	Total (%)
Mar-02	1.21	12.2	4.29
Mar-03	1.49	14.32	5.11
Mar-04	1.57	20.74	7.02
Mar-05	1.73	26.89	8.95
Mar-06	1.86	39.45	12.74
Mar-07	5.89	48.1	18.22
Dec-07	8.35	61.25	23.89

Widening of Rural and Urban Tele Density Gap



(Source: DOT - Annual Report -2007-08)

INDUSTRY GROWTH DRIVERS

Overall Economic Growth

The buoyancy of the Indian economy has increased the purchasing power of Indian consumers. India's per capita GDP growth is being fuelled by strong growth in the services industry backed by high growth in the industrial sector. The significant improvement in affluence coupled with the growing working population is expected to be one of the key-drivers for increased mobile penetration in coming years.

Higher growth rate of service-oriented sectors, leading to an increased demand for mobile telecommunications services

The contribution of the service-oriented sectors to the Indian GDP has increased significantly in the past decades. This growth is primarily due to enhancements in information technology and information technology-enabled services in the last two decades. This should in turn lead to increased demand for mobile telecommunications services.

Aggressive Physical Targets set out by the Government for the Telecom Sector

The Government has set aggressive targets for total subscribers by the year 2012 which supported by Government reforms has lead to rapid growth in the total telecom subscriber base. Following are the physical targets set by the Government for the Telecom Sector in the 11th Five-year plan.

- To reach a telecom subscriber base of 600 million by 2012
- To provide 200 million rural telephone connections by 2012 i.e. to reach a rural teledensity of 25%.
- To provide telephone connection on demand across the country at an affordable price.
- To reach a target of 20 million broadband connections and 40 million internet connections by 2010 as envisaged in Broad policy 2004.
- To provide the broadband connection on demand across the country by 2012.
- To provide 3G services in all cities/town with more than 1 lakh population.
- To facilitate introduction of mobile TV.
- To provide broadband connectivity to every secondary school, health centre, Gram Panchayat on demand in two years.
- To make India a hub for telecom manufacturing by facilitating establishment of telecom specific SEZs.

Declining tariffs and reduced handset costs have enhanced subscriber growth

Tariffs have been declining over the past ten years. Handset costs have also decreased significantly in recent years. This has reduced the entry barriers for new subscribers and thus expanded the markets available to telecommunications service providers.

Fall in incremental capital expenditure per subscriber and economies of scale

Mobile operators in the Indian telecommunications industry have generally attained the necessary number of subscribers to benefit from various economies of scale and to negotiate better prices from network equipment vendors. As a consequence, as well as because of significant subscriber growth, incremental capital expenditure per subscriber is expected to fall in the future.

Increasing demand for value-added telecommunications services

As the telecommunications needs of subscribers become increasingly sophisticated, we expect increased demand for value-added data services such as music messaging and voice recognition products. This trend will be enhanced by the development and supply of new data-enabled handsets at lower prices. Revenues from VAS are expected to bridge the gap created by the fall in Average Revenue Per User (ARPU) triggered by a reduction in tariffs.

TELECOM INFRASTRUCTURE SERVICES

The Telecom infrastructure services are made up of three components:

1. Passive infrastructure

Passive infrastructure includes all the passive components of the network: steel tower/antenna mounting structures, BTS room/shelter, power supply, battery bank, invertors, DG set for power backup, air conditioner, fire extinguisher, security cabin, among others. These components are not dependent on the type of communication technology being used by the network riding atop the site, namely GSM, CDMA, 3G, WiMax, FM Radio, digital terrestrial transmission, etc. We estimate that roughly 60–65% of capex for a wireless network is spent on passive infrastructure. This cost component is also experiencing significant inflationary pressures as the cost of steel, cement, diesel, power, security and, most importantly, land/building rents keep increasing in India. The passive infrastructure is the biggest component of the network.

2. Active infrastructure

Active infrastructure constitute the electronics that power the network and includes all the active components of a wireless network such as spectrum (radio frequency), radio antenna, BTS/cell site (base transceiver station) and microwave equipment. Each cellular operator will have to own a BTS at each tower site. A tower site can have 1/2/3/4 or more cell sites, depending on the occupancy level/tenancy ratio of that tower.

3. Transmission Media

Transmission Media is the network that connects the BTS/cell site to a base station controller (BSC) that controls tens or scores of BTS in a particular area. A transmission network may work on:

- Point-to-point microwave radio transmission
- Point-to-multipoint microwave access technologies like LMDS, WiFi or WiMax;
- Optical fibre links
- Digital Subscriber Line (DSL)
- Ethernet

However, in India, wireless operators are largely using microwave-radio-based transmission media and are progressively moving to optic-fibre-based links.

TELECOM INFRASTRUCTURE BUSINESS: EMERGING TREND & GROWTH FACTORS

- **Focus on untapped Rural Telecom Infrastructure Space**

In rural India, as on December 2007 the tele-density was as low as 8.35%, compared to urban teledensity of about 61.25%. There is a big market lying untapped in rural areas. Most of the telecom companies despite the fall in average revenue per user (ARPU) due to declining tariffs are making profits and are ready to expand their networks in rural areas, largely because of low penetration levels. Thus the next round of aggressive expansion in Telecom Infrastructure space is set to take place in rural areas of the country.

- **Availability of Universal Service Obligation (USO) Funds**

USO Fund was inceptioned in the year 2002 by the Government to expand the rural telecom & broadband infrastructure whereby every service provider is obliged to contribute 5% of their revenue to the fund. In recent times there has been a rise in the number of initiatives to expand rural telecom infrastructure funded by the USO funds.

The scheme has already been launched by USO Fund to provide subsidy support for setting up and managing 7871 number of infrastructure sites (towers) in 500 districts spread over 27 states for provision of mobile services in the specified rural and remote areas, where there were no existing fixed wireless or mobile coverage. As per notification dated December 19, 2007 by DOT proposes to set up about 11,000 additional towers to cover other uncovered areas through mobile services in the Second Phase of the Scheme.

- **Tower Sharing & Emergence of Third party tower companies**

The separation of the tower business by the leading operators has created separate entities focused on tower sharing. There would be coexistence of independent tower companies, which will coexist with above-mentioned hived off companies. A huge number of towers are expected/being built by the third party independent Tower companies like GTL Infrastructure Limited, Quipo Telecom Infrastructure & Essar Telecom Infrastructure Pvt. Ltd. These shared sites generally have higher capital cost involved, which implies higher per unit revenue for telecom infrastructure services companies.

- **Telecom Infrastructure Space: Future Outlook**

The high capex requirement to increase coverage to tap the growing subscriber base, together with the declining yield per minute has resulted in a huge demand for towers. While currently there were about 100,000 towers in the country by March 2007, the requirement for number of towers is likely to increase to 330,000 over the next 3 years to provide connectivity to the growing subscriber base. While the geographical expansion to the rural and semi-urban areas would lead to a demand for towers, the increasing usage would require more towers in the existing areas to handle the growing traffic.

With the Number Portability soon to follow nationally, the existing Operators will be forced to improve the Quality of Service in order to retain existing subscribers. This will in turn lead to a greater demand for the towers to improve On-Road Coverage. The in-building coverage will also be required to be drastically improved, which again would require investments by the operators into Turnkey In-building coverage solutions.

While the Indian Telecom industry is preparing itself for the 3G technology to enable high speed data transmissions and video conferencing over mobile phones, the implementation of the same would lead to an increased demand for the towers/telecom sites as the high speed data transfer requires higher and closer location of telecom sites.

- **Indian Power Sector**

Electricity is an essential requirement for all facets of our life. It has been recognized as a basic human need. It is a critical infrastructure on which the socio-economic development of the country depends. Supply of electricity at reasonable rate to rural India is essential for its overall development. Equally important is availability of reliable and quality power at competitive rates to Indian industry to make it globally competitive and to enable it to exploit

the tremendous potential of employment generation. Services sector has made significant contribution to the growth of our economy. Availability of quality supply of electricity is very crucial to sustained growth of this segment.

Indian Power sector is witnessing major changes. Growth of Power Sector in India since its Independence has been noteworthy. However, the demand for power has been outstripping the growth of availability. Substantial peak and energy shortages prevail in the country. This is due to inadequacies in generation, transmission & distribution as well as inefficient use of electricity. Very high level of technical and commercial losses and lack of commercial approach in management of utilities has led to unsustainable financial operations. Cross-subsidies have risen to unsustainable levels. Inadequacies in distribution networks have been one of the major reasons for poor quality of supply.

Generation Requirement for 2016-17

(as per 8,9,10 % GDP Growth)

GDP Growth	GDP/Electricity Elasticity	Electricity Generation Required (BU)
8%	0.8	1415
	0.9	1470
9%	0.8	1470
	0.9	1532
10%	0.8	1525
	0.9	1597

(Source: Working Group on power 11th Plan 2007-12)

Electric Power Transmission

The transmission of electricity is typically defined as the bulk transfer of power over a long distance at a high voltage -- generally 132 KV and above. A reliable transmission and distribution system is important for the proper and efficient transfer of power from generating stations to load centers and beyond. A transmission and distribution ("T&D") system is typically comprised of transmission lines, sub-stations, switching stations, transformers and distribution lines. Inter-regional transmission networks are required because power generation sources are unevenly distributed in India, and power needs to be carried over large distances from areas where power is generated to areas where load centers and demand exist.

An investment of Rs. 1,400 billion has been planned in the transmission sector in the Eleventh Five Year Plan. as given below:

(Rs. in Billion)

	Eleventh Five Year Plan
Inter - State	750.00
Intra - state	650.00
Total	1400.00

Another key driver for opportunities is the Government's focus on rural electrification, under the Rajiv Gandhi Gramin Vidyutikaran Yojna (RGGVY). Under this programme by 2012, all the villages are projected to be electrified. RGGVY project is financed 90% by the Central Government and 10% through the State Electricity Boards (SEB). This project will require an enormous and complex transmission and distribution infrastructure to be set up.

In view of growing requirement of Power Transmission Network, the transmission companies outsource the infrastructure roll out to turnkey project companies such as Tata Projects Ltd., Larsen & Toubro Ltd. etc. who in turn sub-contract the tower infrastructure works to the Infrastructure service providers.

OUR BUSINESS

We are a Telecom infrastructure services provider offering Infrastructure rollout solutions for both mobile and fixed telecommunication networks. Our strength lies in the breadth of services we offer in the telecom infrastructure space. We offer services to Telecommunication Equipment Manufacturers, Telecom operators as well as third party infrastructure leasing companies in installing and maintaining Telecom Network Equipment & Infrastructure. We, in the process of creating a total solution undertake initial feasibility studies, prepare strategies, and undertake engineering, electronics, construction, installation, integration and maintenance of network components for our customers. We are also registered with Department of Telecommunication as Infrastructure Provider - Category I.

The continued growth in the number of cellular subscribers and service provider alongwith increasing minutes of usage per subscriber will require telecom operators to add additional equipments and investment on cell sites to maintain optimum performance of their networks. Today, the cellular operators have to continuously increase their foot-print by offering services to areas where there is no coverage. In order to meet the growing demand of new subscribers and the market conditions, the telecom operators are resorting more and more to outsourcing their network roll out components. The activities like operation and maintenance are now being routinely outsourced by all major telecom operators. Alongwith Operations and maintenance, several outsourcing deals like Network Management and Managed Services are being structured. At Nu tek, we offer all outsourced services related to design, installation, construction, operation and maintenance of telecom networks.

We undertake turnkey projects, provide management expertise to our clients for infrastructure creation and installation for telecom sites which includes Passive Infrastructure like Towers, Telecom Shelters, Backup Power - DG sets and Battery Banks, Electrical Infrastructure and Earthing Stations etc. and active infrastructure like Base Transceiver Station (BTS), microwave, optic fibre, Base Station Controller (BSC), Mobile Switching Centres (MSC), IN (Intelligent networks), Value added services (VAS) equipments, transmission equipment such as STM's and Microwaves to the most advanced World Interoperability for Microwave Access (WIMAX) equipment and future ready 3G Nodes.

With site-offices and facilities located in major cities and having executed projects in all the 23 telecom circles, we have the wherewithal to undertake multi-site projects pan India. We cater to almost all the Telecom Operators and Telecom Equipment Manufacturers. We have a fully equipped Maintenance team which is responsible to regularly maintain the Telecom Infrastructure so built and also the Maintenance of Passive Infrastructure built by other infrastructure service providers.

We also provide technical support services in the High End Telecom segments such as Radio Frequency and Transmission Planning, Network Tuning & Optimization and Quality of Service (QoS) to our clients. This activity is undertaken through our engineers and technical staff deputed on client sites/offices.

Our business model works in three ways. One, getting direct orders of installation and maintenance of telecom infrastructure and equipment from telecom operators, secondly, getting orders from leading Telecom Equipment Manufacturers, who are engaged by telecom operators and thirdly from telecom infrastructure leasing companies for creation of telecom infrastructure.

Our major clients amongst Telecom Equipment Manufacturers for whom we have successfully implemented various projects are:

- Nokia Siemens Networks Pvt. Ltd.
- Ericsson India Pvt. Ltd.
- Motorola India Pvt. Ltd.
- Nortel Networks India Pvt. Ltd.
- Huawei Telecommunications (India) Co Pvt. Ltd
- ZTE Telecom India Pvt. Ltd

Among the Telecom Operators, for whom we have successfully implemented various projects / currently working are

- Tata Teleservices Ltd.
- Reliance Communications Ltd.
- Bharti Airtel Ltd.
- Idea Cellular Ltd.
- Vodafone Essar South Ltd.
- Videsh Sanchar Nigam Limited
- Aircel / Dishnet Wireless Ltd.
- Shyam Telelink Ltd.

Among the third party infrastructure leasing companies, our major clients are

- Quipo Telecom Infrastructure Ltd.
- Xcel Telecom Ltd.
- ATC Tower Company of India Pvt. Ltd (Unit of American Tower Corporation)
- Wireless – TT Info Services Ltd.
- IMI Ltd.

We also undertake Optical Fibre Cable backbone projects which include a range of activities involving Right of Way (ROW) Permissions, Optic Fiber cable laying, installing Optical Network Units (ONUs) and Digital Loop Carrier (DLCs), maintenance of existing OSPs etc. We have executed such projects for Lucent Technologies in Mumbai and Bharti Airtel Ltd. in UP (East).

For the financial years ended March 31, 2008, 2007 and 2006, our income from operations was Rs. 951.63 Million, Rs. 635.70 Million and 469.08 Million and profit after tax was Rs. 212.65 Million , Rs. 115.87 Million and Rs. 50.87 Million respectively as per restated financial statements dated 27th June 2008.

PROJECTS IN PROGRESS

As of 15th June 2008, we are executing works for our clients worth Rs. 1,365.75 Million. This includes work orders from Aircel / Dishnet Wireless Limited for Rs. 687.95 Million, Huawei Telecommunications (India) Co Pvt. Ltd for Rs. 132.35 Million, Ericsson for Rs. 125.53 Million, ATC Tower Company of India Pvt. Ltd. for Rs. 117.67 Million, Shyam Telelink Ltd. for Rs. 85.53 Million. In addition, we have Letter of Intents amounting to Rs. 385.32 Million from various clients against which work orders are yet to be received.

We normally enter into frame agreements with our clients enumerating the general framework under which the contract would be executed, the commercial pricing and payment terms, scope of work to be executed and any conditions that may pertain to specific geographical area. The specific work orders / purchase order, wherever applicable, for execution of work under the said agreement are released by the clients on regular basis. We have so far entered into such frame agreements with various clients. Some of major agreements entered with various clients are as under :

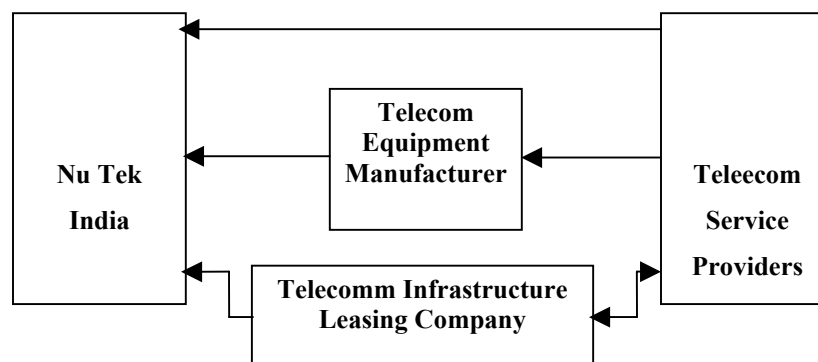
- Agreements with Nokia Siemens Networks Pvt. Ltd. for various BSNL telecom circles for turnkey rollout services
- Contract with Ericsson for Telecom Implementation activities, Operation and Maintenance (BSNL, Aircel) and Technical support for various circles.
- Agreements with Aircel Ltd. / Aircel Cellular Ltd./ Dishnet Wireless Ltd for Supply, Installation and services and Operations and maintenance of Passive Infrastructure.
- Agreement with Shyam Telelink Ltd for supply, installation, Commissioning, Engineering and Project Management Services

Besides, we also execute orders under LOI (Letter of Intent) from various clients including Huawei Telecommunications (India) Co Pvt. Ltd and ATC Tower Company of India Ltd. The LOIs from both of them were received recently. LOI dated 12th March 2008 from Huawei Telecommunications (India) Co Pvt. Ltd is for BTS installation work, Radio Network Optimization (RNO) and Microwave / Radio Frequency Survey while LOI dated 26th April 2008 from ATC Tower Company of India Ltd is for the complete supply of equipment and services for telecom tower sites in the state of Bihar, Jharkhand and Orissa.

We are also executing work orders of Rs. 48.22 million from Tata Projects Limited relating to power sector in Rajasthan & Orissa.

OUR BUSINESS MODEL

Our services in Telecom Infrastructure space includes conceptualization, design, planning, permitting, construction, and implementation of passive telecom infrastructure which may also include the supply of such passive infrastructure equipment as per the customers requirement. On the active equipment side, we do installation, commissioning, integration and tuning of active (electronics) telecom infrastructure. Our project management services oversee network and management of the site works. We take all necessary action to ensure the quality, cost performance and timely delivery of the sites as detailed in the project schedules in respect of all contracted works and the services awarded to us.



We have been active in the telecom market since 1993. We started off by installing / maintaining ITT's E10B switches and are presently providing infrastructure related services to meet the requirements of almost all telecom players in India. We have a large pool of telecom engineers and qualified professionals to cater to the growing size of market.

SERVICES OFFERED BY US

We provide infrastructure services for both wireless (mobile) and wireline (fixed) telecommunication networks. We are ISO 9000:2001 compliant and have received certification from JAS-ANZ for "Design Maintenance and Implementation of Telecommunications Networks as well as providing manpower resources according to customer requirements". The key services provided by us are:

- I. Turnkey Infrastructure Rollout Services
- II. Telecom Equipment Implementation & Commissioning Solutions
- III. Turnkey Rollout Services for OFC Access & Backbone Tower Infrastructure
- IV. Operations and Maintenance for Wireless and Wireline Networks Support
- V. Technical Support Services

I. Turnkey Infrastructure Rollout Services

We, as a Turnkey service provider undertake design, construction and implementation of the Telecommunication networks. The content of the service package is matched as per needs of the customer. The Turnkey Infrastructure Rollout Projects comprises of the following major activities :

- A. Infrastructure Rollout

B. Project Planning and Management Services

A. Infrastructure Rollout

The major activities undertaken for **turnkey infrastructure rollout services** are:

1. Site Planning, Survey & Design

The Site Planning includes Site surveys and detailed construction and installation planning of equipment including detailed drawings. We ensure that the Construction and Installation Documents are in accordance with the local laws and customer specifications. We have to prepare site folders for the client / telecom service provider which consists of the Site Specific Documents. The purpose of site folder is to assist construction and installation groups to execute the work.

We carry out soil test, stability certification, layout, structural and detailed design of the works. Designs are prepared by qualified designers who are either engineers or professionals.

2. Infrastructure development

We implement infrastructure activities which includes supply of passive infrastructure equipment, site preparation, arrangement of temporary power, water etc., and civil & electric works including foundations for Tower, shelter, DG, cable feed troughs, cable entry glands, internal and external trays, Supply and installation of antenna mounting support.

3. Vendor Management

We have established a vendor base for both supplies and services. We follow up with them, which comes under our direct scope as well as suppliers of our customers i.e., items like DG sets, Shelters, Air conditioners, Power plants, Batteries, Stabiliser with Isolation transformer, Towers, Civil and Electrical Works.

4. Acceptance Testing Certification (AT)

We undertake execution as well as coordination of infrastructure Acceptance Testing (AT) till receiving the final AT Certificate from Telecom service provider. We rectify all the punch list points in our area of working.

5. BTS (Base Transceiver Station) Activities

BTS is radio equipment installed at site to send and receive mobile communication.

(i) BTS Installation & Commissioning

BTS Installation activities are carried out according to site specific installation plan and includes

- Installation and termination of radio feeder cables, antennas and grounding kits
- Installation of BTS (or extension rack), plug-in units and all internal cables
- Installation of transmission cable, power cable and power system, Grounding cable and alarm cable for BTS
- Load BTS software and set up needed parameters

(ii) BTS Integration

We support in the integration according to Telecom Equipment manufacturer integration procedures and quality documentation. Integration is directed to:

- Integrate the BTS to Base Station Controller (BSC)
- General check up of software package.
- Test calls for every time slot
- Test external alarms and do any other required tests by the Operator
- Realignment of antennas during optimization

6. Transmission Implementation

In order for communication between the BTS and the BSC, there is a requirement of a transmission medium which is generally provided using Microwave (MW) equipment. Following activities are carried out by us to implement microwaves:

- Installation of MW antenna and outdoor unit
- Installation of indoor unit modem & MW feeder
- Commissioning of MW link and Alignment of antennas to obtain surveyed receive level
- Integration of MW link

7. Quality Control

Quality control of the work undertaken by us is very important for our growth. We perform random quality audits and inspections in order to ensure the Implementation. Works are delivered in accordance with the quality standards laid down by the clients. We also follow-up and monitor the corrective actions based on the findings of the quality audits.

8. Risk Management

We monitor the project activities, identify risks associated with these activities, and advise the customer how they might affect the cost or schedule of the project, as well as to take all necessary measures to minimize such risks. Our Project management participates and contributes in monthly risk management meetings with the customer.

9. Logistics

We monitor and manage all activities relating to the movement and status of Supplier Product inventory in the project. We monitor related logistics management of the Equipment, which includes interfacing with the customers' and suppliers' logistics in order to schedule and reconcile the delivery of Equipment.

10. Operations & Maintenance and Warranty Support

We also undertake Operation & Maintenance (O&M) and Warranty support as a part of our scope and also as separate business activity for sites developed by other infrastructure providers.

Time Schedule for Roll out of a Tower site

The process of rolling out a tower site is of 45-60 days approximately depending on Ground Base Tower (GBT) or a Roof Top Tower (RTT) as detailed below:

Activity	Lead time for activity GBT TOWER (No of days)	Lead time for activity RTT TOWER (No of days)
Preliminary Site Survey –Commercial Sites	1 day	1 day
Detailed Site Survey with layout	7 days	7 days
Foundation of tower	4 weeks	2 weeks
Erection of Tower	10 days	6 days
Foundation of shelter and foundation for DG set	10 days	6 days
Civil works for out door sites & earthing system	7 days	7 days
AC electrical works including cable ladder installation	5 days	5 days
Erection of Shelter	3 days	3 days
Installation & commissioning of BTS and integration with BSC	5 days	5 days
Acceptance testing of Infra & BTS by client	2 weeks	2 weeks

Major Roll out Projects

Some of our Turnkey Rollout Projects covering Program management, Surveys, Infrastructure Development, Integration, testing & Acceptance are as under :

- Project for Nokia of GSM Roll out in the state of Jammu and Kashmir, Haryana & UP East for BSNL covering 1600 sites.
- Project for Ericsson of GSM Roll out in the state of Jammu and Kashmir and Haryana for BSNL.
- Project for Motorola of GSM Roll out in Delhi for MTNL.
- Project for ZTE Telecom India of GSM Sites in Bihar for Aircel
- Project for Bharti Airtel for passive infrastructure buildup for GSM sites in Andhra Pradesh.

- Project for passive Infrastructure Buildup for leading infrastructure providers such as Quipo Telecom Infrastructure Limited in Karnataka, Essar Telecom Infrastructure P Ltd. in UP (East) and Tata Teleservices Ltd. / Wireless – TT Info Services Ltd. in UP (East), UP (West), West Bengal, Jharkhand, Rajasthan and J&K,
- Installation and supply of items for providing indoor CDMA Network Coverage for Tata Teleservices Ltd., Reliance Infocomm Ltd. & MTNL for Delhi Metro Rail Corporation.
- Radio - installation work with complete services for DMRC under subcontract from Siemens Limited India.
- Project for Aircel for passive infrastructure supply and Roll out in the states of J&K, Bihar and Jharkhand.
- Project for ATC Tower Company for passive infrastructure roll out in the states of Bihar, Jharkhand & Orissa.
- Project for Shyam Telelink Ltd. for passive infrastructure supply and buildup for CDMA network in Rajasthan.

B. Project Planning & Management Services

This model is usually adopted by Operators having an existing and established vendor base for civil and electrical works apart from Equipment Suppliers. They use this model to overcome the difficulties in bundling the same together on account of efficient Program management resources availability. Our Program Management expertise is most typically used under such circumstances. Also, adopted by certain Telecom Equipment Manufacturers serving a Managed Services Deal with the Operators where Project Management is a part of scope, which is then outsourced back to back to us.

Salient scope includes:

We undertake supervision of Works and ensure timely completion. All planning and overheads associated with the subcontracted works are our sole responsibility. Project Management include following activities:

- Planning and execution of network rollout through multi-skilled teams.
- Single point interface to Telecom Equipment manufacturer
- Implementing the activities as per the scope of subcontracted works and providing periodical Progress Report to the client
- Quality Audit of sites with Telecom Equipment manufacturer and completion of suggested corrective actions.

Some of the projects where our Project Management Contract (PMC) expertise has been utilized:

- Project Management work for Hutch GSM Network in Tamil Nadu and Maharashtra under subcontract with Nokia
- PMC work for Tata Teleservices Ltd. in Delhi and UP.
- PMC for Tata Teleservices Ltd. in Tamilnadu & Kerela under subcontract with Dishnet Wireless Ltd. and Sterling Projects and Engineering Ltd. respectively.

We also carry out Project Planning & Management Services as separate activity also.

II. Telecom Equipment Implementation & Commissioning Solutions

Besides being a part of Turnkey Roll out Services, Telecom Equipment Network Implementation & Commissioning Solutions is also a standalone activity. It includes all the activities needed to make a base station or transmission site operational and to function as a part of a telecommunication network. We have a wide experience of our association with over 16,500 Telecom Installations. We have the experience to work on broad variety of equipments which include GSM900/1800 & CDMA BTS equipment MSC Switching equipment, Optical (SDH/PDH) equipment and Broadband equipment, WIMAX. We have a hands-on experience on most of the manufacturer's equipment which includes Lucent Technologies Hindustan Ltd., Ericsson India Pvt. Ltd., Nokia Siemens Networks Pvt. Ltd., Motorola India Pvt. Ltd., Nortel Networks India Pvt. Ltd., Alcatel, ZTE, and Huawei Technologies Company Ltd.

Telecom Implementation activities include:

- Program Management & Project Planning
- Radio Frequency (RF) / Micro wave (MW) site surveys and Radio Network Optimization (RNO)
- Installation and commissioning of antennas and antenna lines.

- Installation, Commissioning and integration of base stations, microwave links and fixed transmission equipment.
- Installation of DC and battery back up systems.

III. Turnkey rollout services for OFC Access & Backbone Tower Infrastructure

This activity includes rolling out OFC (Optical Fibre Cable) with in the city limits (access) and for long distances connecting cities (backbone). The process involves the following activities :

- OFC Route Planning
- Right of Way (ROW) permissions and Civil works like excavation of trench, Laying of HDPE / GI ducts and drawing of nylon through the same to pull fiber
- Cable laying, Cable Blowing, Splicing, Jointing, Trench less ducting, In-building installations, Electrical works, FTH installations.

We have under taken OFC rollouts for Hughes Tele.Com (now Tata Teleservices Maharashtra Ltd.) subcontracted to us by Lucent Technologies Ltd. in the year 2000 in Mumbai and OFC Backbone Network for Bharti Airtel in UP East.

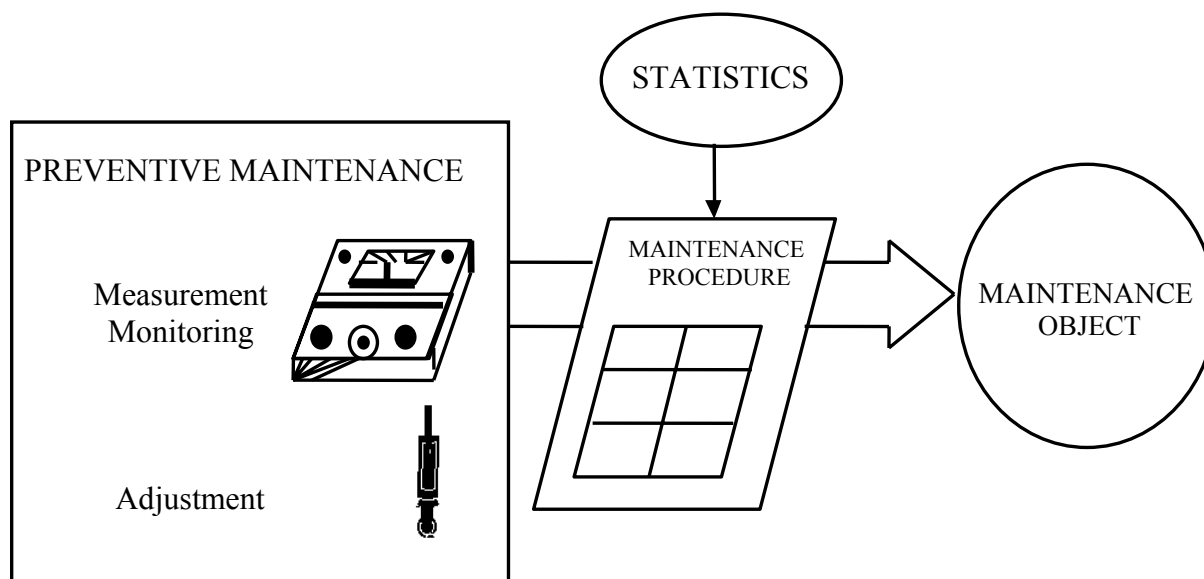
IV. Operations and Maintenance for Wireless and Wireline Networks Support

We undertake Annual Maintenance Contracts (AMCs) for our clients in order to help them maintain their existing infrastructure. We are well equipped to provide Operation and Maintenance Support at the sites built by us for our clients as well as for those built by others. The revenues from AMCs are dependent on the number of sites, which in turn are set to increase with many operators announcing large scale expansion plans. We are well positioned to take advantage of the increasing AMC business on the back of our skilled man power and credibility with our clients.

Operations & Maintenance of Telecommunication Network can be briefly classified into two types:

A. Preventive maintenance

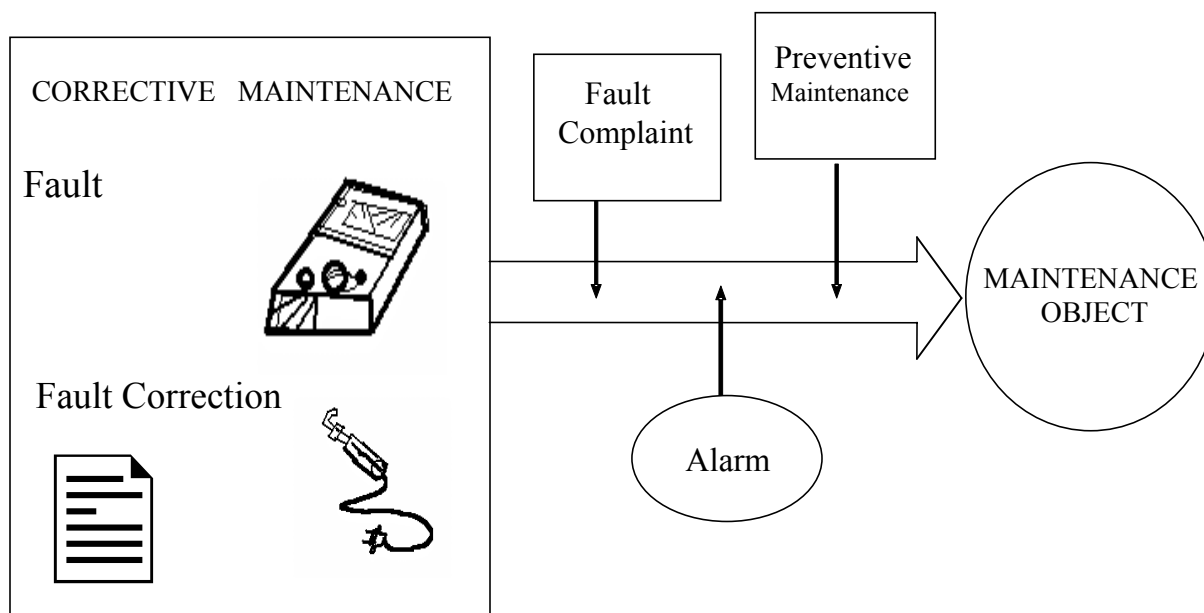
Preventive maintenance is aimed at reducing the risk of faults and at maintaining the predetermined tolerance limits. Experience and statistics are used in order to judge how often the preventive work has to be done. A diagrammatic representation of preventive maintenance offered by us is shown below.



Preventive Maintenance

B. Corrective maintenance

Corrective maintenance consists of activities for correcting any faults which occur. Faults may be, for example detected by alarms, complaints from customer or from checks during preventive maintenance work. Any faults met with are reported to the operating statistics system.



Corrective Maintenance

V. Technical Support Services

We employ a large pool of qualified engineers with adequate competence and experience in Telecom technologies. We depute these trained personnel to provide technical support at the client site / offices as per their requirements. As on 15th June, 2008, we had deputed over 163 personnel at client site / offices. The activity includes :

- Project Management
- BTS / BSC / MW Commissioning, Integration and O&M Activities.
- RF & Transmission Engineering and optimization
- MSC Installation & Power- Back up
- Site Supervision
- Optical Rollouts
- Network Operation Centre (NOC) Operations

TECHNOLOGY & SUPPORT SYSTEM

We recognize the need of a sophisticated technology and support network for the proper functioning of all the business units as well as their overall integration into the Organization. Salient features and developments planned for Technology & Support Systems are highlighted below:

- Common database of Project Information Sheets and Progress reports developed and made web based for all Project Managers to update online
- All Project Engineers equipped with laptops for on-field reporting and updation of records.
- The Purchase, Invoicing, Employee Advances and Financial Modules Integrated using Tally.

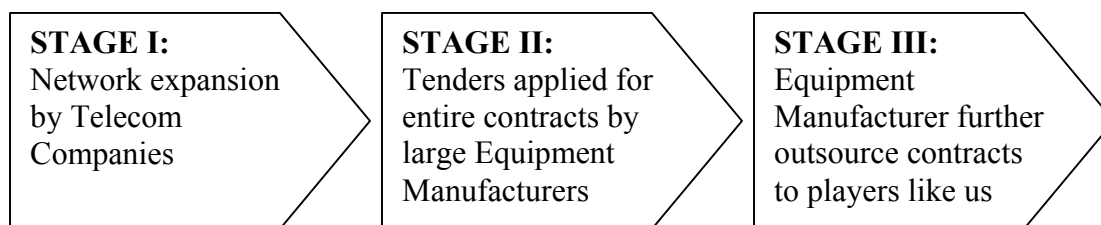
- All critical business data backed up online into a central server and on DVD's every week and the DVD's transported to Registered Office in New Delhi, which could be used for restoration in case of any disaster.
- Adequate redundancy is provided within the Backup server
- Redundancy feature also checked for the Leased Line data connection used for providing Communication (Fixed Line) and Broadband (Internet)
- We have invested and have further plans of investing in Real Time Networks Optimization Products and Radio Measurement Devices useful for providing Technical Support to our clients.

We are in the process of implementing ERP solution to integrate the Business Development, Contracts, HR, Purchase, Financial Accounting and Project Operations functions. Multiple options are presently being studied and the most feasible option will be implemented.

OUR BUSINESS PROCESS

Telecom Network Infrastructure Roll out Process

Telecom Network Infrastructure Roll out in India involves three major entities i.e., Telecom Operator, Telecom Equipment Manufacturer / Vendor and Telecom Infrastructure service providers. The process starts with Telecom operator floating tender for the network roll out in a particular circle or region inviting quotes from Telecom equipment Manufacturer. This is followed by the submission of the technical bids by the vendors. The quotes from vendors not only include the cost of the equipments but also the installation, commissioning and maintenance of the equipments. The vendors come up with their quote only after receiving pre bids from Telecom Infrastructure service providers and other suppliers. Once the technical bids are qualified by the Telecom Operators, Equipment vendors further send Request for Quotes (RFQ) to Telecom infrastructure service providers like us for the installation, commissioning and maintenance of their equipments. The RFQ's are also sent to the suppliers of the supplementary infrastructure equipments such as Towers, Antennas, and DG sets, Cables etc. The final quotes are submitted by the equipment manufacturers to the Telecom Operators. Once the contract has been awarded to equipment manufacturer, they further award the work to the Telecom Infrastructure service providers like us and other suppliers depending upon their bids.

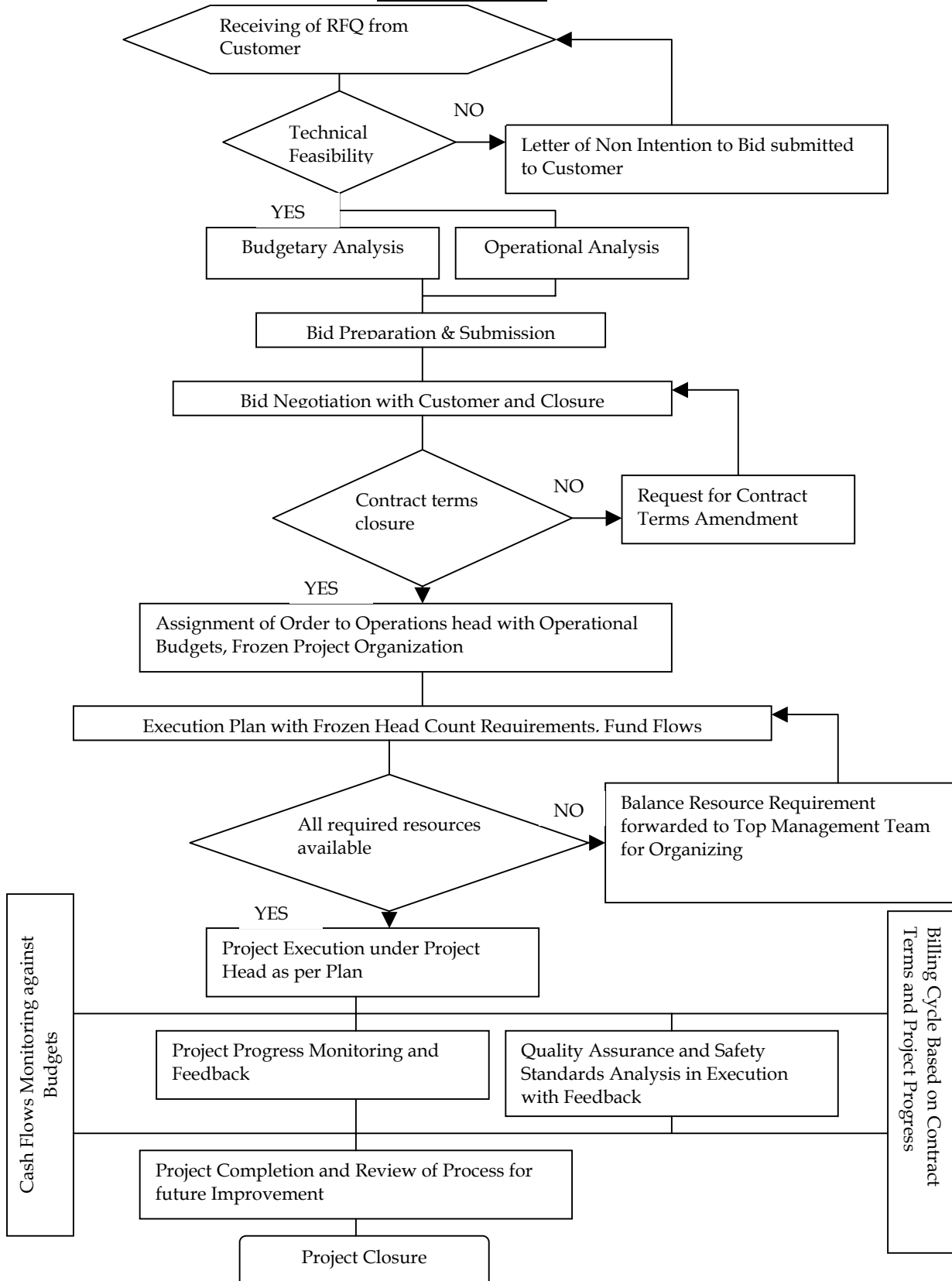


In case the telecom operator do not wish to get the passive infrastructure built by the telecom equipment manufacturer, they either take on lease from telecom infrastructure leasing companies or get the same developed directly. In both the cases the RFQs are sent by these two categories of customers as the case may be. We respond to them directly based on which the contract may be awarded to us either directly by the telecom operator or by the telecom infrastructure leasing company.

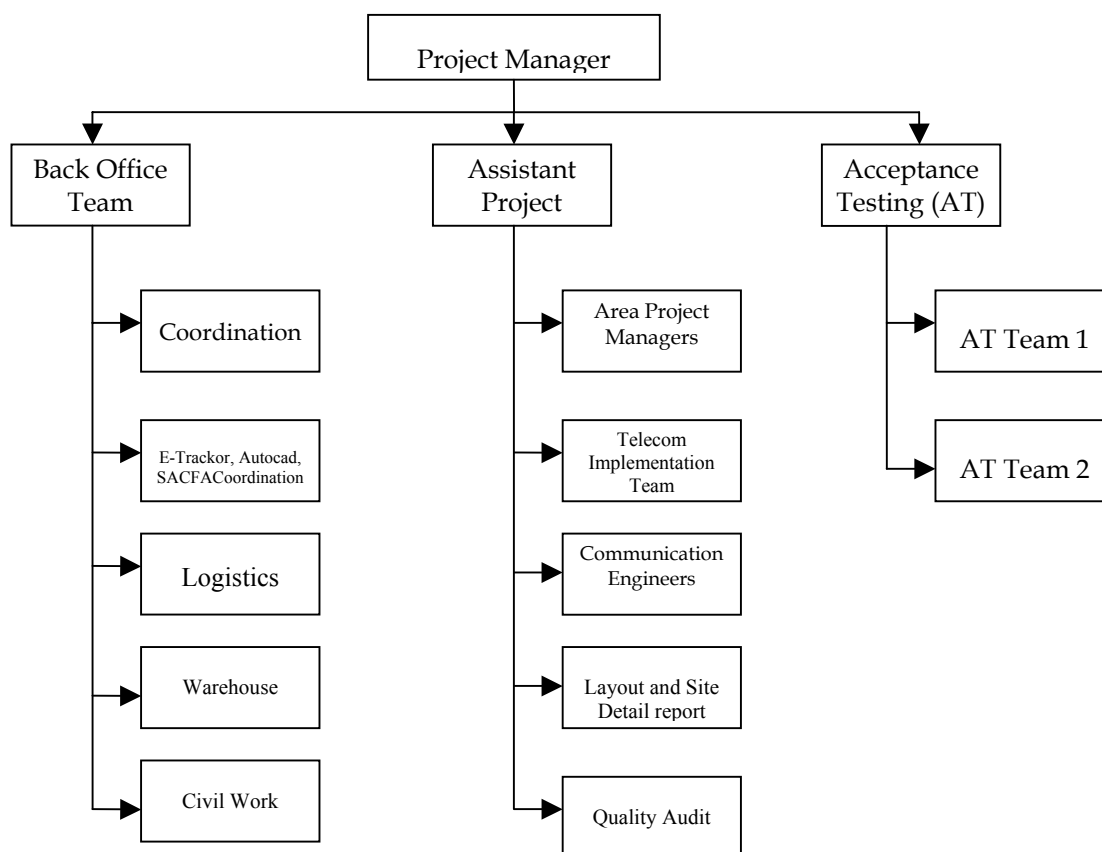
PROJECT IMPLEMENTATION PROCESS

We have in the past 15 years worked on diversified projects which required extensive process driven project management skills. We follow a specific process while executing a project which involves all the critical components of the project like feasibility studies, operational analysis, budgetary analysis etc. The following flow chart briefly explains the process followed by us while executing a project.

Process Flowchart



Our Typical Project Team



OUR STRENGTHS

We have 15 years of industry experience which coupled with our expertise and knowledge of the industry positions us well to exploit the tremendous growth opportunities which India's rapidly growing telecommunications market is presently offering. Our following strengths and experience helps us to compete successfully in our industry:

- **Project expertise and track record**

Over a period of 15 years, we have developed skills and expertise in managing various challenging projects, which demand a high level of engineering and technology skills. In project management, we have a track record in designing, constructing, commissioning, networking and maintaining tower sites and equipment. We also have experience in executing turnkey projects, which consist of a number of systems and equipments, civil works, integration of all the systems and equipment and demonstration of performance for project as a whole. Our knowledge in designing and servicing provided us with valuable experience, for the broader scope of business we undertake.

- **Qualified and motivated employee base and management team**

Our management team is well-qualified and experienced in the industry and has been responsible for the growth in our operations. Our Chairman & Managing Director is a technocrat and has driven our growth since inception. In addition, our board of directors includes a combination of management as well as independent members that bring significant business experience to our Company. Our senior management, listed in "Key Management Personnel" on page 81, has extensive experience in the industry. We believe that a motivated and

empowered employee base is essential to maintain our competitive advantages. As of June 15 2008 we employ 1083 full-time employees, of which approximately 70% are technical. The skills and diversity of our employees gives us the flexibility to adapt to the needs of our clients. We are dedicated to the development of the expertise and skill sets of our employees and continue to invest in them to ensure that they have the training and tools needed to be successful in today's challenging environment

- **Ability to offer end to end telecom solutions**

We provide services and solutions for Wireless networks (GSM & CDMA), Fixed line networks (Switching Equipments), Broadband (Voice & Data) and Transmission Networks (MW & OFC). We have the ability to undertake projects from concept to design to implementation to maintenance of networks. We provide breadth of services which includes conducting feasibility studies, strategizing and rolling out networks. Our gambit of services ranges from undertaking Turnkey Infrastructure Rollouts including Civil & Electrical Infrastructure, construction, installation and integration of telecom equipment to taking up Operation & Maintenance contracts. Our composite offering to build passive infrastructure and to operate and maintain them for the cellular operators allow us to offer a single window to address the infrastructure needs of the service providers.

- **Ability to execute projects in difficult operating conditions in difficult terrains**

We have successfully executed projects in difficult operating terrains such as Jammu & Kashmir and in adverse weather conditions. Despite facing unavailability of key resources like manpower & material at local level, we were able to mobilize resources, materials and personnel to our project site at short notices.

- **Pan India reach and Strong execution Team**

We are equipped to take up projects in any geographical areas because of our pan India presence. We have offices at strategic locations. We appoint individual Project Managers for all projects acting as an interface, supported by a team of professionals integrating into a project organisation. We combine services of experienced professionals to deliver desired solutions.

- **Established relationship with our clients**

We have developed strong and sustaining relationships with our clients i.e., Telecom Operators, Telecom Equipment manufacturers and Tower infrastructure leasing companies. We have the distinction of having worked with almost all the leading equipment manufacturers as well as telecom operators. The establishment of this relationship is the basis of ongoing and repeat orders. In the course of executing projects for the Telecom Equipment manufacturers, we are able to establish good relation with the Telecom Operators also, enabling us to receive long term direct orders for their Telecom service requirements.

- **Technology driven**

Telecom market specifically the mobile technology in India is set to see revolutionary changes with telecom operators going for superior technical rollover from the existing mobile technology. This involves installation and maintenance of new telecom infrastructure equipment and technology. Our experience makes us a strong contender to take up projects involving new equipments and technology rollover. We have successfully implemented projects involving various telecom technologies like GSM-2G, 2.5G, 3G, CDMA and transport technologies like MW Access, Backbone, Optical Transport, Wi Max, etc.

OUR GROWTH STRATEGIES

We believe that we are well positioned to grow in the rapidly expanding Telecom Infrastructure Services space. We aim to emerge as the most preferred partner of telecom service providers and telecom equipment manufacturers by offering end to end solutions and by services capable of meeting exacting standards. Our strategy is to capitalise on the continuing growth in the use of communication services and the infrastructure support required for it. As on 30th April 2008, the total number of telecom subscriber were 308.51 million consisting of 269.30 million wireless subscribers. The overall tele density reached 26.89% in April 2008. (Source :[www..trai.gov.in](http://www.trai.gov.in))

As telecom operators continue to add subscribers, they will also focus on network quality as a competitive necessity and will invest in the upgrades in the networks. In addition, we also believe that as data services such as email, broadband internet access and video are deployed on a widespread basis on wireless network, the deployment of these technologies will require telecom operators to further increase cell density to their existing network and may increase the demand for geographic expansion of their network coverage. Further, with mobile number portability being implemented shortly ahead, the telecom operators will have to invest in their network upgradation thereby improving the quality of service being offered to their subscribers as a pre requisite to retain their customer base and build upon the same. To meet this demand, we believe telecom operators will further require services of experienced infrastructure providers like us. We plan to expand in overseas market as well. As the initial step, we have already incorporated a subsidiary in Turkey on December 14, 2007 which has commenced operations on January 06, 2008. We also plan to venture into Middle East and North African market where there is potential for Telecom Infrastructure Service Providers like us.

The key growth strategies we have and will enable us :

- To deliver solutions covering the entire value chain of telecom infrastructure industry
- To build upon strong position with established Equipment manufacturers and Telecom operators
- To derive Synergies from economies of scale
- To attract, retain and grow the best talent and capitalize on talent pool
- To focus on Customer Service

Our growths strategy consists of following principal elements:

- **Maintain performance and competitiveness of existing business**
We intend to utilize project management skills to access the growing demand for telecom projects in India as well as abroad. We plan to use our expertise to bid for a large number of projects and deploy our resources more efficiently and improve operating margins. We also intend to continue to strengthen our technical and engineering capabilities to enable us to bid for more projects.
- **Focus on Customer Service and Processes**
Speed to market and reliable network performance being critical components to the success of wireless service providers, our ability to assist customers in meeting their goals will contribute to our success. We intend to continue to focus on customer service by, for example, reducing cycle time for key functions. Accordingly, we have established a team dedicated to exploring and leveraging customer-driven process improvement capabilities. We believe that this effort should enable us to increase revenue generation through improved speed, accuracy and quality.
- **Build On Our Strong Relationships with Major Telecom clients**
Our understanding of the network needs of our customers and our ability to convey effectively how we can satisfy those needs are key to our efforts to add new customers, cross-sell our services and identify desirable new infrastructure development projects. We are building on our strong relationships with our customers to gain more familiarity with their evolving network plans so we can identify opportunities where our nationwide portfolio of services and experienced personnel can be used to satisfy their needs.
- **Focus on taking projects involving new technical innovations**
We propose to focus on Telecom Infrastructure Projects involving new technical innovations. Telecom Industry in India has evolved briskly in the last decade along with the technology. Increased competition in the industry has forced telecom operators to create new values for their customers through technical innovation. Most of the existing operators propose to upgrade to the next level of wireless technology (3G, Wi Max) requiring either set up of new Telecom Infrastructure or up gradation of the existing one. This provides us an ideal opportunity to capitalize on our existing relationship with Telecom operators and Telecom Equipment manufacturers and use our experience and expertise to procure and implement projects involving new technical rollovers.

- **Inorganic Growth through Acquisitions Abroad**

We are now actively pursuing inorganic growth through acquisitions. The acquisitions would be of companies abroad which are being identified after a careful study of the company as a whole, its location, the customer it addresses, the synergies it could bring to us and the future potential of the target company's products and services. We have identified certain entities in US in the similar technological space and we are in negotiations for the acquisitions. We are earmarking Rs. 210 million for such acquisitions.

- **Exploit our experience in other infrastructure segments**

Given the similar nature of activities involved in the execution and the project management for setting-up of tower infrastructure for telecom and power sectors and our proven expertise in the telecom infrastructure segment; we believe that our foray into the power infrastructure is a step in the right direction and could be an ongoing business activity for us. We are executing orders for Tata Projects Limited relating to power sector in Rajasthan & Orissa. Owing to the huge opportunity provided by the power transmission infrastructure and given our execution capabilities, we intend to bid aggressively for power transmission infrastructure projects in future

CASE STUDIES

1. Turnkey Projects in J&K

In 2001-02, when the government decided to start GSM telecom infrastructure in the state, there was a huge waiting list of subscribers to get a telephone connection. BSNL had awarded the contract for its GSM roll out to Ericsson who in turn was looking out for a potentially strong telecom services provider to help them in delivering their obligations to BSNL. We took up the opportunity and sent a fact finding team to Jammu and Srinagar, which assessed the security situation, availability of local material and resources for executing the works. Based on the teams' assessment and initial groundwork, we were able to convince Ericsson and were awarded the contract. We were responsible for Installing and Commissioning of the first ever GSM Base Station in the state through Ericsson. Since then, we have delivered sites in the tough and inaccessible terrain in the hills by even deploying mules to carry material and labor; daring the tough weather of Leh and Ladakh which is practically cut off for over 4 months during year from the mainland due to heavy snowfall. We have also been maintaining these sites as well despite all odds. We, today boast of being the most prominent Turnkey Service Provider in the State. We installed a total of more than 300 sites over a period of 3 years during 2003 to 2005 for Ericsson subcontracted by BSNL and Airtel.

2. Project for Delhi Metro Rail Corporation (DMRC)

Delhi Metro rail corridor is one of the most prestigious infrastructure projects being rolled out in National Capital Region of India. The project is divided into over ground and under ground sections. The communication networks on the stretch can be classified – GSM network, CDMA network and Tetra Network (private network of DMRC).

We were assigned responsibilities in 2005 by the three CDMA operators namely Reliance Communications Ltd., Tata Teleservices Ltd. and MTNL to conceptualise, design, supply and implement a Full turnkey in building solution in the M2 underground section and its extension covering under ground sections and 14 km of tunnels. Apart from this, we were also responsible for delivering a part of Tetra network deployed by Siemens in the underground and over ground sections.

The project was a challenge in terms of strict timelines, implementation procedures, highly technical expertise oriented and difficult working conditions such as work in deep down tunnels.

BUSINESS DEVELOPMENT

Our business development head is responsible for identifying business opportunities available to us and enhancing the scope & size of projects which we bid for. We enter into contracts primarily through a competitive bidding process. Government Telecom companies typically advertise potential projects in leading national newspapers or on their websites. Our tendering department regularly reviews newspapers and websites to identify projects that

could be of interest to us. In case of telecom equipment manufacturers, the proposals are invited from us by means of Request for proposal (RFP) or Request for Quotation (RFQ). The head of the tendering department evaluates the opportunities and internally discusses with the top management on whether we should pursue a particular project based on various factors, including the financial strength, the geographic location of the project and the degree of difficulty in executing the project in such location, our current and projected workload, the likelihood of additional work, the project's cost and profitability estimates and our competitive advantage relative to other likely bidders. Once we have identified projects that meet our criteria, we submit an application to the client according to the procedures set forth in the document.

Tendering

We, as a part of our business, regularly estimate the cost, material and time implications for the implementation of various prospective projects in order to make a bid for the same. We also make an analysis of the terms of each tender RFQ/RFP and respond accordingly. We have a centralized tendering department which is responsible for managing the process of responding to tenders/RFQ. Upon being advised of a suitable tender/RFQ, the department engages in carrying out a preliminary evaluation of the proposed project and reviewing the terms. We may also visit sites.

Our representatives attend the pre-bid meetings convened by the clients, during which we raise any queries or requests for amendments to certain conditions of the proposed contract. Any ambiguities or inconsistencies in the document issued by the client are brought to the attention of the client for further clarification.

The tendering department invites quotations from our vendors, sub-contractors and specialist agencies for various items or activities in respect of the tender. This data is supplemented by the data gathered by the market survey. The gathered information is then analysed to arrive at the cost of items included in the Bill of Quantities (BOQ). The estimated cost of items is then marked up to arrive at the selling price to the client. The basis of determination of the mark-up is based in part on the evaluation of the conditions of the contract.

Procurement

We are generally provided with the material / equipment for the rollout services. However, depending on the client requirements, we may be required to procure material ourselves.

We have over the years developed relationships with a number of vendors for key material, services and equipment. We have also developed an extensive vendor database for various materials and services. Over and above the quotations received at the time of bidding, the purchase department invites quotations from additional vendors, if required. Vendors are invited to negotiate before finalizing the terms and prices. The materials ordered are provided to the sites from time to time as per their scheduled requirements. We maintain material procurement, tracking and control systems, which enable monitoring of our purchases.

Competition

We operate in the Telecom Infrastructure Space which is largely dominated by with few players. Most of the large players operating in Telecom Infrastructure Space have distinctive advantage in terms of location, specific availability of resources and past experience in project execution. The location specific advantage helps companies like us to procure contract from more than one Equipment Manufacturer for different Telecom Operators who intend to roll out network in that specific location. The size of Network Infrastructure Rollouts that are expected to be executed in coming years by various Telecom Operators countrywide would not only require experienced project management skills but also countrywide availability of large number of skilled resources.

There is no authentic / reliable data available to us on total industry size and our market share vis a vis the competitors. Some of the large players in our industry are GTL Ltd., HFCL Ltd., Aster Teleservices Pvt. Ltd., whose one or more of the business segments are similar to ours. Beside, there are regional players as well.

Entry Barriers

We operate in the Telecom Network & Infrastructure services domain which has many barriers for new players.

- The new player should be able to offer entire spectrum of services required.
- Requirement of large technical experienced workforce available off the shelf for projects execution.
- Legacy of project management is generally required by all customers.
- Large working capital requirements given the nature of the business.
- Ability to take up multi site projects spanning bigger geographies

Employees

We have 1083 permanent employees on our rolls as of June 15, 2008. These employees are employed in various categories & cadres at project sites & corporate & registered office. The details of employees is given below

Functions	No. of employees
Management	6
Project Managers	27
Design and engineering	11
Business development	5
Finance and accounts	8
HR and Administration	7
Information technology	2
Legal, Secretarial and others	2
Project Engineers & others	1015
TOTAL	1083

Education Level	No. of employees
Engineer degree	336
Masters (MCA, MBA etc)	26
Bachelors degree- Non engineering	83
Other professionals	390
Others	248
TOTAL	1083

HR Policy and Training

The HR policies of our Company are based upon the belief that the success of our Company is primarily dependent on its people and that the development of potential of each employee is good both for the employee and the business and therefore the Company. In view of this basic premise, comprehensive sets of policies are laid down. Our HR policies aim at attracting, retaining and motivating the best talent to achieve higher goals and attain greater opportunities for the advancement in their career.

With a view to constantly upgrade the skills of the manpower and keep pace with the rapid changes in the technology and also to effectively counter the employee turnover we have developed an in-house training facility wherein full telecommunication based training is imparted to Graduate Engineers in Electronics and Communication.

The need to have an in-house training centre to train and develop technically specialized Manpower/Resources for our various projects was felt to keep pace with the growth of the industry. Our trainees are being imparted training by in different spheres of work, like Manpower outsourcing, BTS, BSC and MSC installation, commissioning and testing, RF Surveys, Microwave Surveys, Microwave installation, Commissioning and testing, Broad band services,

OMC works NMC works, Site Accusations, Drive Test and Optimization, O&M services and Site Auditing. Their personnel on completion of training are being deployed for effective completion of projects in hand.

Recent Developments

- Recently on 17th June 2008, we have entered into a contract with M/s Ericsson AB, Dubai for Resource Provider Services for their operations in Middle East and West Asia excluding Saudi Arabia. We have to provide Technical Support Services and will be deputing technical manpower at their work sites. The contract is valid upto 30th April 2009.
- We have participated in MTNL's tender for Operations and Maintenance of passive infrastructure in Delhi and NCR and are the lone bidder whose tender is under consideration by the MTNL management as per their letter dated 22nd May 2008.
- We have entered into an agreement on May 23, 2008 with o3 Capital LLC, New York, USA, an investment bank, appointing them as Financial Advisor in identifying target firms for acquisition.

Technology

Our company is in telecom infrastructure services for more than 15 years and is having sufficient experience and time tested technical know how to execute the projects within prescribed parameters. Our company employs latest techniques and equipments for carrying our activities. We do not have any technical collaboration.

Raw Material

We purchase electric items required to develop cell site apart from some passive infrastructure items like tower components, rectifier, batteries etc wherever required. The materials and equipment are centrally procured from market.

Power & Fuel

We source power for our cell sites from the Local Electricity Board and the charges as applicable per user are apportioned and charged to the respective customer. The Cell Sites are also equipped with generator sets as backup arrangements. The fuel required for running of the generator sets is sourced from the local oil companies.

Effluent treatment facilities

Our operations do not generate any effluents, either water or air based.

Our Properties

Considering the nature of our business, the location of projects depends upon the area of operation of the telecom sites being developed by our customers.

Leased Properties

Our registered office is located at B-14A, Devika Towers, Nehru Place, New Delhi 110019 which is on sub-lease from BGIL Films and Technologies Ltd. for a monthly rent of Rs. 5000 per month valid upto March 31, 2009. Our corporate office is located at B-27, Infocity, Sector-34, Gurgaon-122001, Haryana which has been taken on rent from Oriental Stitch Pvt. Ltd - a promoter group company for a monthly rental of Rs. 3,50,000 per month, for a period of three years with effect from 1st January 2007.

Besides above, we have offices at following locations taken on lease as detailed below:

S No.	Location	Address	Lease deed details
1	Mumbai	Row House No. 1, Thakur Enclave, 90 Feet Road, Kandivali (E), Mumbai-400101.	Lease Deed dated May 09 2006 w.e.f. April 04, 2006 upto March 31, 2009.
2	Kolkata	4D, R/AA, 39, Nazrul Islam Avenue, VIP Road, Debanjali Apartment, Raghunathpur, Kolkata-700059.	Tenancy Agreement dated November 01, 2007 upto October 31, 2010

S No.	Location	Address	Lease deed details
3	Patna	M3/37, at Shrikrishna Puri, Boring Road, Patna, Bihar.	Lease Agreement dated 1 st of December 2007 upto 31 st October 2008
4	Patna	Property at 568, admeasuring 2000 sq. feet at Karamballi Chak, Patna	Lease deed valid upto 21 st May, 2011
5	Lucknow	D-1012/15, Indira Nagar, Lucknow.	Lease deed date 01 December 2007 upto November 30, 2008
6	Jammu	26, First Floor, A/B Swaran Theatre, Gandhi Nagar Jammu.	License Agreement dated 01 st September 2007 upto August 31, 2008
7	Jammu	Gouri Mal Complex, 29 Rail Head Complex, Jammu	Lease deed valid upto April 30, 2017
8	Ranchi	663, Kokar Chowk, Kokar, Ranchi	Lease deed valid upto March 13, 2011
9	Ranchi	Kokkar Chowk, Thana Sadar, Dist. Ranchi	Lease deed valid upto February 17, 2009
10	Bhubaneswar	N-1/250, IRC Village, Bhubaneswar, Orissa	Lease deed valid upto April 19, 2009

We also hire / arrange temporary work offices at various sites during implementation period.

Our Intellectual Property

The trade mark of our company “NU TEK” is not registered. However on 24th November 2006, we have filed an application with the Trade Marks Registry, New Delhi for registration of logo and corporate name under Classes 9, 16, 38 of the Trade Marks Act.

Quality Control

For every work, whether turnkey roll out or implementation and commissioning solutions, a quality plan is prepared and generally Acceptance Testing (AT) certificate from the client is obtained. Further, we perform random quality audits and inspections.

We have been awarded ISO 9001:2000 valid upto 6th December 2010 from JAS-ANZ for “Design Maintenance and Implementation of Telecommunications Networks as well as providing manpower resources according to customer requirements”.

Insurance

Our operations are subject to risks inherent in the engineering, construction and communication industry, such as work accidents, fire, earthquake, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and risk associated with adverse working environmental conditions. We may also be subject to claims resulting from defects arising from engineering, or services provided by us. We may consequently be subject to claims resulting from the above losses & additionally may become liable to claims resulting from defects arising from services provided by us. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate and consistent with that typical for our businesses in India.

Our insurance policies generally consist of coverage for risks related to physical loss or damages by way of all risk coverage for Loss or damage to equipment/material/employees by means of all Risk Policy, Burglary Policy, Special Contingency Insurance Policy, Workman Compensation Policy, Directors’ & Officers Liability Insurance Policy, Standard Fire and Special Perils Policy and Professional Liability Insurance Policy. We also have group personal accident and mediclaim policy for our staff.

Health Safety and Environmental Matters

Our operations are not subject to any known environmental hazards and no approval from authorities in respect of protection of environment is required. We believe that ensuring the health and safety of our employees is critical to the successful conduct of our business and operations. We are therefore committed to complying with applicable health, safety and environmental regulations and other requirements in our operations.

KEY INDUSTRY REGULATIONS

1. Department of Telecommunications (DOT)

The Ministry of Communication & Information Technology has made two categories of Infrastructure Providers i.e. IP-I and IP-II. The IP-I category was opened to private sector w.e.f August 13, 2000. Companies engaged in the business of providing assets such as Dark Fibre, Right of Way, Duct space and Tower have to obtain registration under IP-I. DOT has placed no restrictions on the infusion of foreign equity and number of entrants in this category.

As our Company is an Infrastructure Service Provider it has obtained registration under IP-I and is complying with the guidelines framed by DOT in this regard.

2. The Indian Telegraph Act, 1885 & The Indian Wireless Telegraphy Act, 1933

Under the Indian Telegraph Act, 1885, telegraph means any appliance, instrument, material or apparatus used or capable of use for transmission or reception of signs, signals, writing, images and sounds or intelligence of any nature by wire, visual or other electro-magnetic emissions, Radio waves or Hertzian waves, galvanic, electric or magnetic means. A license is required to be obtained from the Central Government to establish, maintain or work a telegraph within any part of India. The license will be issued by the Central Government on such conditions and in consideration of such payments as it thinks fit. Similarly under The Indian Wireless Telegraphy Act, 1933, no person shall possess any wireless telegraphy except under and in accordance with a license issued by the authority constituted under Indian Telegraph Act.

Our Company neither uses any telegraph nor owns any such instrument thus no license is required to be obtained by it.

3. Environmental Regulations

In India, regulation and enforcement of environment protection and safety is governed by three major central regulations namely Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, and the Environment Protection Act, 1986. The main purpose of these legislations is to regulate prevent and control pollution, by the setting up, *inter alia* of national and regional Pollution Control Boards (PCBs) which monitor and enforce standards and norms in relation to air, water pollution and other kinds of wastes causing environmental damage.

Our Company is complying with the guidelines with regard to disposal of waste material, waste emissions etc.

4. Labour Laws

i) Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

The Act is applicable to the establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the Act the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. As per the provision of the Act, employers are to contribute 12% of the basic wages, dearness allowances and remaining allowances (if any) payable for the time being to the employees. A monthly return on Form 12 A is required to be submitted to the commissioner.

Our Company is registered with Regional Provident Fund Commissioner, Gurgaon.

ii) Employees' State Insurance Act, 1948

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

Our Company is registered with Regional Director ESI Corporation, Faridabad

iii) Payment of Gratuity Act, 1972.

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

iv) Payment of Bonus Act, 1965.

The Payment of Bonus Act, 1965 is applicable on every establishment employing 20 or more employees. The said act provides for payment of the minimum bonus to the employees specified under the Act. It further requires for the maintenance of certain books and registers like register showing computation of the allocable surplus; register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also require for the submission of Annual Return (Form D) deposited by the employer within 30 days of payment of the bonus to the Inspector.

v) Contract Labour (Regulation and Abolition) Act, 1970

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

Our Company is not employing such numbers of contract labour which would attract the provisions of the said Act

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

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

vii) Workmen's Compensation Act, 1922

Workmen's Compensation Act 1923 is a central legislation which provides for payment of compensation for injuries suffered by a workman in the course of and arising out of his employment according to the nature of injuries suffered and disability incurred, where death results from the injury, the amount of compensation is payable to the dependants of the workmen. The Company has taken a Workmen Insurance Policy to cover itself against any contingency in this regard.

viii) Payment of Wages Act, 1936

The Payment of Wages Act, 1936 applies to the persons employed in the factories and to persons employed in industrial or other establishments where the monthly wages payable to such persons is less than Rs. 6500/-. Person responsible for payment of wages shall display in such factory/establishment, the abstracts of this Act and Rules made there under.

ix) Minimum Wages Act, 1948

The Minimum Wages Act, 1948 gives power to appropriate government (Central or State) to fix minimum wages to be paid to the persons employed in scheduled or non scheduled employment and the concerned

employer is required to pay the minimum wages, fixed by the appropriate government. Such employer is also required to maintain registers and exhibits giving the particulars of wages paid to employees. Employer is required to file an annual return in Form III as specified in Minimum Wages (Central) Rules, 1950.

5. Tax Related Legislations

i) Value Added Tax, 2005

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

Our Company has either obtained or applied for registration under the VAT Act of respective states in which its branches are located.

ii) Income Tax Act, 1961

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

iii) Customs Act, 1962

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

Our Company has obtained an IEC.

iv) Central Sales Tax Act, 1956

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

Our Company has wherever required, either obtained or has applied for registration under the Act for its branches situated in different states.

v) Service Tax

In accordance with Rule 6 of Service tax Rules the assesses is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7 (1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

Our Company has obtained service tax registration under centralized billing scheme and is in the process of getting the additional branches listed in the registration.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as “Nu Tek India Private Limited” on July 6, 1993 under the Companies Act, 1956 at New Delhi. Our status was subsequently changed to a public limited company and the name of our Company was changed to “Nu Tek India Limited” on March 24, 2006.

At the time of incorporation, the registered office of our Company was situated at 123, Pocket B, Sukhdev Vihar, New Delhi. On 1st May 2001, the registered office was shifted to A-31, Gyandeept Apartments, Mayur Vihar, Phase-I, New Delhi. On April 1, 2002, the registered office was shifted to Apartment No. 7, Shikha Apartments, I. P. Extn., Patparganj, Delhi 110092 and subsequently, on June 1, 2007 to B -14A, Devika Tower, Nehru Place, New Delhi 110019.

Key Events and Mile Stones

Year	Events
1993	Commencement of operations
1994	Agreement with ITI Ltd. for setting up of Repair facilities set at their Regional Centres, Madras and Hyderabad.
1996	Agreement with AT&T India Private Limited form providing technical / skilled manpower for installation and supervision for the telecom project.
1997	First order from Motorola India Ltd. for providing Technical manpower for BSS Services, Supervision Services, OMC-R Services and Drive Test Services for various states for GSM projects
2000	Award of telecom infrastructure works at Hyderabad by Tata Lucent Technologies Ltd.
2001	Award of GSM shelter site installation for MTNL at Mumbai – Sub contract by Lucent Technologies Hindustan ltd.
2001	Award of Telecom infrastructure roll out project by Bharti Airtel Limited for sites in Delhi
2001	Award of Telecom Implementation Works for Bharti Airtel Limited – Subcontract by Ericsson India Pvt. Ltd.
2001	Award of Technical Support Work for OFC Project in Mumbai by Hughes Tele.com (India) Limited
2002	Award of Telecom Implementation project for Bharti Airtel Limited in Maharashtra - Subcontract from Motorola India Pvt. Ltd
2002	Award of Telecom Implementation project by Bharti Airtel Limited for UP (West)
2002	Award of Telecom Implementation Works for the Reliance CDMA Project – Subcontract by Tata Technologies Hindustan Ltd. Order for BSNL network in Tamil Nadu – Subcontract by Shyam Telecom. Started installing transmission Nodes for Nortel in the Reliance Infocomm Ltd. CDMA Network.
2003	Award of Turnkey Project for BSNL for execution of cellular network in Jammu & Kashmir, a disturbed and difficult terrain – Subcontract by Ericsson. Further orders received from Ericsson India Pvt. Ltd. for expansion of the BSNL GSM network in Haryana Circle.
2004	Order for Telecom Implementation of Reliance CDMA Project at Delhi – Subcontract by Lucent Technologies Hindustan Pvt. Ltd. Order for Telecom Implementation for Tata Haryana Project – Subcontract by Motorola India Pvt. Ltd. Received order for BSNL’s data rollout project – Subcontract by Huawei Telecommunications (India) Co. Pvt. Ltd.
2005	Award of Turnkey Project for execution of cellular network in Jammu & Kashmir, Haryana and UP East Circles for BSNL – Subcontract by Nokia. Started taking up O & M contracts.
2006	Received order from Motorola for rollout for MTNL in Delhi

Year	Events
2007	- Started working for passive infrastructure leasing companies like QUIPO in UP East. - Added ZTE as new client. Started rolling out the Aircell Network in Bihar, TTSL network in HP, Reliance network in WB, Bihar & Punjab with ZTE Telecom India Pvt. Ltd.
2007	ISO certification from JAS-ANZ for “Design Maintenance and Implementation of Telecommunications Networks as well as providing manpower resources according to customer requirements”
2008	Received Excellent Services Partner Award for the year 2007 from Huawei Telecommunications (India) Co Pvt. Ltd.

Our Main Objects

The main object of our Company as set forth in the Memorandum of Association of the Company are as follows:

1. To maintain, export, buy, sell, act as consultants, hire, exchange, engineer, diagnostics and deal in software of electronic systems, all kinds of electronic and electrical PCBs (Printed Circuit Boards) all kinds of active and passive components, discrete and digital IC's office equipments, image communication devices with or without interface with computer systems, sounds and image recording and reproducing devices and accessories, televisions, colour televisions, tape recorders, CTV systems video and audio cassettes, electronic toys and any other observing and messages computers, office computers, personal computers, communication equipments and devices, transmitters, receivers telephones, telephone dialers, memory dialers, optic fibre telephone exchanges, teleprinters, devices and their manufacturing plants, products, articles, goods gadgets and appliances directly related to electronic and electrical industries including all these which may be ingredients or derivatives thereof.
2. To carry on business as mechanical and general engineering consultants, importers, exporters and wholesale and retail dealers, commissioners of machines and all others descriptions of machinery and apparatus and parts thereof and as letters on hire of and wholesale and retail dealers in machinery, implements, tools, accessories, hardware and engineering equipment of every kind and as tinsplate, steel and metal workers, steel makers, iron founders, smelters, refiners welders, electrical, hydraulic and general engineers, metallurgists, chemists, ditillers, electricians, tool and pattern makers, stampers, press tools and capstan workers, mechinists, smiths, scrap merchants machinery, metal and wooden goods manufacturers.

The objects of the MoA of our Company enable us to undertake activities for which the funds are being raised in this Issue. The existing activities of our Company are in accordance with the Object Clause of our MoA.

Changes in the Memorandum of Association since incorporation:

Date	Amendments
December 08, 1998	Increase in Authorised Share Capital from Rs. 0.5 Million to Rs. 1 Million
February 14 ,2002	Increase in Authorised Share Capital from Rs.1 Million to Rs. 5 Million
March 30, 2003	Increase in Authorised Share Capital from Rs.5 Million to Rs.70 Million
January 25, 2006	Increase in Authorised Share Capital from Rs.70 Million to Rs.150 Million
March 24, 2006	Change in the name of our Company from Nu Tek India Pvt. Ltd to Nu Tek India Ltd.
May 6, 2006	Increase in Authorised Share Capital from Rs150 Million to Rs.210 Million with inclusion of Preference Share capital of Rs.60 Million
May 14, 2007	Increase in Authorised Share Capital from Rs 210 Million to Rs.230 Million
December 12, 2007	Cancellation of Preference share capital of Rs.60 Million and creation of equity share capital of Rs.60 Million

Our Subsidiaries

We have incorporated a Limited Liability Company in Turkey under the name of 'Nutek Telekomunikasyon Danismanlik Muhendislin Ve Dis Ticaret Sanayi Limited Sirketi' on December 14, 2007 with registration number 648735. The subsidiary commenced its operations on January 06, 2008. This entity is formed with an object of carrying on the business of telecom infrastructure services in Turkey. The main capital of the entity is 25,000 New

Turkish Liras (Rs. 0.84 million as on December 31, 2007). Our holding would be 75% and the balance 25% is held by Huseyin Baris Girgin and the Head office is located at Province of Istanbul, Beykoz, Kavacik, Sehit Murat Akgul Sok. No. 2 Kat: 1

Financial Performance of our Subsidiary

Our subsidiary, M/s 'Nutek Telekomunikasyon Danismanlik Muhendislin Ve Dis Ticaret Sanayi Limited Sirketi' was incorporated on December 14, 2007 in Turkey and since the operations commenced on January 06, 2008, no financial results have been prepared for its financial year ended December 31, 2007.

Shareholders Agreement

The company and its promoters alongwith others have entered into Shareholders agreement with Balyasny SI Limited, Mauritius (referred to as the "investor") and others on 14th October 2007 subsequent to share subscription agreement of same date. In terms of shareholder agreement, the investor has agreed to subscribe to 16,50,000 equity shares of the company at a price of Rs. 149.92 per share (inclusive of premium of Rs. 139.92 per share) subject to fulfillment of the conditions as set out in the agreement. In terms to the provisions of the agreement the investor has subscribed to 1,650,000 equity shares of the company of Rs. 10 each at the subscription price and the company has allotted to the investor 1,650,000 shares on 24th October 2007. Apart from our company and Mr. Inder Sharma, the parties to the shareholders agreement are Yamini Suppliers Pvt. Ltd., Balyasny SI Ltd., Atherstone Infrastructure Corporation Ltd. and Apollo Partners Ltd. The details of the parties to the shareholder's agreement are given below:

Yamini Suppliers Private Limited

Yamini Suppliers Private Limited was incorporated on 29th July 2006 by Mr. Kamlesh Agarwal and Mr. Shiv Datt Ray. The main objects of the company includes inter alia to carry on all or any of the business as buyers, sellers, suppliers, growers, traders, merchants of any kind to work as commission agents brokers, processors, order suppliers and dealing agents.

CIN : U51109WB2006PTC111087
Registered Office : 1005, 10th Floor, 32, Chowringhee Road, Kolkata - 700 071

Mr. Suresh Kumar Pandiyath, Mr. Siddharth Malik and Mr. Raghvender Kulkarni are the Directors of the Company and Atherstone Infrastructure Corp. Limited is the major shareholder holding 99.99% of the paid up equity share capital of the Selling Shareholder. The audited financial results of the selling shareholder are given below:

(Rs. Million)	
Particulars	FY 2007
Income/Sales	1.51
Profit after tax	0.02
Equity Share Capital	0.10
Reserve and Surplus	0.02
Earning per share (Rs.)	2.18
Book Value per share (Rs.)	12.18

The selling shareholder has no role in the management / operations / working / decision making or in any matter whatsoever in our company. It has purchased 3,360,000 shares from one of the existing shareholders on August 02, 2006 and it was not pursuant to any agreement. It was the largest shareholder (apart from our promoters) at the time of negotiations with the strategic investor, Balyasny SI Ltd. Apart from the above purchase of shares, the selling shareholder has not transacted in the shares of our company or made any investment in our company. It has no rights / privilege apart from being a shareholder of our company and is not related to our promoter/director/promoter group of our company or their relatives.

Further the Selling Shareholder has kept 2,700,000 shares in an Escrow Account with Initial Escrow Agent in terms of the shareholders agreement.

Balyasny SI Limited

Balyasny SI Limited was incorporated on 6th March 2007 and its Registered Office is located at Level 11, One Cathedral Square, Jules Koenig Street, Port Louis, Mauritius. The Directors of Balyasny SI Ltd. are Mr. Scott Schroeder, Mr. Malcom Moller and Ms. Anjana Ramburuth and the entire shareholding is held by Shakti Master Fund LP and is in the business of Private Investments.

Atherstone Infrastructure Corporation Ltd

Atherstone Infrastructure Corporation Ltd was incorporated on 28th November 2006 with the object of infrastructure business. Its registered office is located at 121, 12th Floor, maker Chamber IV, Nariman Point, Mumbai 400021. Its directors are Mr. Arvind Agrawal, Mr. Rashmin Perla and Mr. Rinav Manseta. Its shareholding is held by Atherstone Holdings (India) Ltd (49,994 shares) and others (6 shares). The shareholders of Atherstone Holdings (India) Ltd. are Ms. Neelam Sharma (49,994 shares) and others (6 shares).

Apollo Partners Ltd

Apollo Partners Ltd. was incorporated on 27th September 2005 and its registered office is located at Cariocca Business Park, 2, Wawley Road, Manchester, M40 8BB (UK). Its director is Ms. Valentina Katherine Agarwal and she is also holding the entire share capital and is in the business of Advisory.

The salient features of the Shareholders Agreement are given below:

- a) Pursuant to this agreement, the Investor shall subscribe to 1,650,000 Equity shares of Rs. 10 each constituting 12% of the present paid up capital of the Company and the company shall issue and allot the to the investor.
- b) Within a period of 18 months from the closing date (exit period), the company will provide the exit option to the investor in the form of an IPO. Please refer to Article No. 237 of the Articles of Association of our Company on Page 191 of this Red Herring Prospectus.
- c) If within a period of 12 months the Company takes steps to file for the completion of an IPO by filing DRHP with SEBI, then each of the two parties i.e. Atherstone and Apollo (Investor Put Option Provider) shall offer an put option right* to the Investor for all its shares at the exit price, immediately before filing DRHP. Further, in the event of IPO price being more than the exit price, the Investor shall have the right to receive the differential amount (more specifically provided in the agreement) and the Investor Put Option Provider and the Company shall be under an obligation to pay.
- d) Any time after completion of one year, the Investor have alternate exit right (other than IPO) to receive the exit price and exit from the company before the expiry of the exit period. (Exit price means a price which shall be the aggregate of subscription amount and any dividends accrued thereon plus 20 percent IRR). Please refer to Article No. 246 and 247 of the Articles of Association of our Company on Page 193 of this Red Herring Prospectus.
- e) The aforementioned alternative exit rights can be effectuated through either of the following options :
 - To sell or a part of its shares to the management of the company or to Yamini Suppliers Pvt. Ltd. and they shall be obligated to purchase all or such number of shares proposed to be sold by the investor at the exit price.
 - The investor shall have the right to cause the company to buyback the investor shares at exit price.
 - A sale of Investor shares, for which, the Company shall endeavor to find a buyer of such shares at a value greater than or equal to the exit price.Please refer to Article No. 249 and 254 of the Articles of Association of our Company on Page 193 of this Red Herring Prospectus.
- f) In the event of any default towards the exit options to the Investor as per b), c) and d) above, the Investor shall have in addition to its other legal rights, the right to cause a sale of the Company and cause the Company to engage a mutually acceptable investment banker to solicit buyers for the Company. Please refer to Article No. 256 of the Articles of Association of our Company on Page 195 of this Red Herring Prospectus.

- g) If any of the parties to the agreement propose to sell or transfer any or all of its shareholding to any person, which is likely to result in change in control of the Company, the Investor shall have right to transfer its entire shareholding in the Company to such person on the terms and condition as set out in the agreement. However, such rights shall not be available in the favour of Investor, where such sale or transfer is amongst the other shareholder inter-se and or where such sale or transfer is to an Affiliate. Please refer to Article No. 261 of the Articles of Association of our Company on Page 196 of this Red Herring Prospectus.
- h) If at any time prior to the IPO of the Company, any of the Other Shareholders proposes to sell or transfer any shares of the Company, the Investor shall have the right of first offer. Please refer to Article No. 269 of the Articles of Association of our Company on Page 197 of this Red Herring Prospectus.
- i) If at any time prior to the expiry of the exit period, the Investor proposes to sell or transfer any of its shares, the Promoter and Prior Investor shall have first right of refusal. Please refer to Article No. 272 of the Articles of Association of our Company on Page 197 of this Red Herring Prospectus.
- j) The Investor shall have a pre emptive right of subscription, in the event the Company proposes to undertake any future equity financing during the pendency of this agreement, subject to affirmative consent of the Investor. Please refer to Article No. 278 of the Articles of Association of our Company on Page 198 of this Red Herring Prospectus.
- k) In the event that the Company issues American depository receipts, global depository receipts or such other similar instruments (the Further Securities.) that are listed or are to be listed on any Stock Exchange, then subject to applicable Laws, upon written request by the Investor, the Company shall re-classify, as may be required, and list the Investor Shares (or other securities arising from such reclassification) held by the Investors. Please refer to Article No. 289 of the Articles of Association of our Company on Page 199 of this Red Herring Prospectus.
- l) The Company agrees that it shall not offer the Further Securities, whether against existing shares or otherwise, to any other Person, including the Other Shareholders, on any terms and conditions without offering to issue such Further Securities on such terms and conditions to the Investor as well, which offer the investor may accept in their sole discretion.
- m) So long as the Investor hold Investor shares, the Company shall not approve or take certain corporate actions (as provided in the agreement) without having first received the affirmative consent of the Investor. Please refer to Article No. 295 of the Articles of Association of our Company on Page 200 of this Red Herring Prospectus.
- n) So long as the Investor holds shares in the Company, the Investor shall have the right to nominate one director on the board of the Company.
- o) So long as the Investor holds shares in the Company, the Investor shall have the right to appoint one Board observer, besides nominee director, who shall be entitled to attend all Board meetings but shall not be entitled to participate in the discussions or vote at the meetings.
- p) The rights and obligations of the Investor under this agreement shall terminate upon the occurrence of the earlier of :
 - mutual agreement of the parties in writing,
 - upon the completion by the Company of an IPO, or
 - The Investor ceasing to hold any of the Investor shares

For details on rights and obligations of the parties to the shareholders' agreement, please refer to page no. 189 in the Part II of Articles of Association of our company

* The investor has not exercised the put option right and has given its consent for IPO.

OTHER AGREEMENTS

Non Compete Agreement

Two of our promoter group companies - Nu Tek Cellulares Pvt. Ltd. and Nu Tek Structures Pvt. Ltd have been incorporated with proposed activity in the telecom infrastructure space. Both these companies have yet to start

operation. Nutek Infrastructure is a presently running partnership entity having operations in telecom infrastructure space. We have entered into non compete agreements with these entities i.e., Nu Tek Cellulare Pvt. Ltd. and Nu Tek Structures Pvt. Ltd. on 10th December 2007 and with Nutek Infrastructure on 5th January 2008, whereby these entities have agreed not to execute any of the services offered by Nu Tek India Limited. Further, we have the first right of refusal to provide services for these entities of setting up of telecom towers and other related businesses. The agreements with the abovesaid entities are valid for 10 years. Through these agreements, Nu Tek Cellulare Pvt. Ltd., Nu Tek Structures Pvt. Ltd. and Nutek Infrastructure agree and undertake that if there is any business opportunity which involves bidding for a Contract, in which we have the capability and it is of interest to us then they shall immediately notify us about opportunity being available and shall put their best efforts to make such business opportunity offered to us. The features of non compete agreements are given below:

1. The scope of non-compete is binding with regard to the contracts that may compete with the business of Issuer Company.
2. All these Promoter Group Entities have agreed not to provide / execute any of the services which are being offered by the Issuer Company.
3. If there is any business opportunity which involves bidding for a contract in which the issuer Company has the capability and is interested in carrying out such contract, the other entities shall immediately notify the issuer Company about such opportunity being available and shall put its best efforts for making such business opportunity available to issuer company.
4. The Issuer Company shall have the first right of refusal to provide services for setting up the telecom towers and other related business of any of the Promoter Group Company.
5. The term of all three agreements is ten years from the date of execution of agreement.
6. In case of breach of any provisions of these agreements by the other entity, the issuer Company has the following remedies available to it:
 - liquidated damages,
 - an injunction, restraining order and other equitable relief, restraining the other entity from committing or continuing to commit any violation of the terms of the agreement,
 - other remedies available under any law or in equity.
7. All disputes shall in the first instance be dealt in by the parties through negotiations on good faith or otherwise the parties can refer the matter to arbitration in the manner as provided in the agreement.

These agreements are legally enforceable, in terms of the provision of the Indian Contract Act, 1872.

Except for the agreements mentioned above, we are not a party to, or have entered into, any other material contracts not being a contract:

Joint Venture

As on the date of filing of this RHP, we do not have any Joint Ventures.

Strategic Partners

As on the date of filing of this RHP, we do not have any Strategic Partners.

Financial Partners

As on the date of filing this Red Herring Prospectus and except for our Promoters and equity shareholders, as disclosed in the sections titled "Capital Structure" and "Financial Indebtedness" beginning on page 16 and 117 of the Red Herring Prospectus, respectively, we do not have any other financial partners.

OUR MANAGEMENT

Our Company functions under the control of Board of Directors comprising of professionals drawn from various fields. The day-to-day affairs of the company are looked after by qualified key personnel under the supervision of Mr. Inder Sharma, Chairman and Managing Director and Mr. Vineet Sirpaul, Executive Director.

Board of Directors

	Name, Designation, Father's Name, Address, occupation	DIN	Nationality	Age (Years)	Other Directorships/partnership in other entities
1.	Inder Sharma Chairman & Managing Director S/o Sh. Jagdish Prasad Sharma Flat No. 201, Block 34, Heritage City, Gurgaon 122 002 Business	00033986	Indian	40	Nu Tek Structures Private Limited Nu Tek Cellulars Private Limited Oriental Stitch Private Limited Nu Tek Telesoft Private Limited Nutek Infrastructure
2.	Sumati Sharma Non-Executive Director W/o Shri Inder Sharma Flat No. 201, Block 34, Heritage City, Gurgaon 122 002 House wife	00034084	Indian	40	Nu Tek Structures Private Limited Oriental Stitch Private Limited Nu Tek Telesoft Private Limited
3	Vineet Sirpaul Executive Director S/o Mr. Balbir Kumar Sirpaul B-76, Kalkaji, New Delhi- 110019 Company Executive	01508773	Indian	34	Nil
4.	Sandeep Bedi Independent Director S/o Mr. Manmohan Bedi 3/31, DLF Phase 2, Gurgaon 122002 Service	01510232	Indian	34	Nil
5.	Vishal Jain Independent Director S/o Mr. Jambu Kumar Jain 792, Shastri Nagar, Tehsil Ladpura, Kota 324009 (Rajasthan) Service	00709250	Indian	34	Cinesprite (I) Limited
6.	Ameet Nitin Rane Independent Director S/o Mr. Nitin Manohar Rane 12 B, Akash Ganga, 89, B. Desai Road, Breach Candy, Mumbai 400 026 Service	01833129	USA	25	Prabhudas Liladher Advisory Services Private Limited

Brief Profile of Directors

Mr. Inder Sharma

Mr. Inder Sharma is BE Electronics and Communication Engineering from North Carolina State University, USA. He has over 18 years of experience in the telecommunication industry. He has worked as MTS (Member Technical Staff) in AT&T on Electronic switching system (5ESS). He has experience in developing firmware for PCB maintenance and involved in setting up of one of the initial GSM network alongwith Motorola India Ltd. He

promoted Nu Tek India Private Limited in 1993. He is responsible for the overall management and supervision of the activities of our Company and for the development of strategies for our future growth.

Mr. Vineet Sirpaul

Mr. Vineet Sirpaul is graduate Electronics Engineer from Bombay University and has done PGDBM from “Institute for Integrated Learning in Management” (IILM), Delhi. He joined our company in July 1996 and has worked in various management positions. He became director of our company in May 2007 and is responsible for Business Development and client’s coordination. During his tenure in our company, he has contributed towards developing and putting into practice various policies to improve organizational performance including policies related with HR, Project Management Basics, Quality, Responsiveness and Organization Restructuring.

Mrs. Sumati Sharma

Mrs. Sumati Sharma is a post graduate and one of the Subscribers of Memorandum of the Company. She is Director in the Company since the date of incorporation of the Company. She is also Director in Nu Tek Structures Private Limited and Oriental Stitch Private Limited. She gives valuable advise to the company on HR matters.

Mr. Sandeep Bedi

Mr. Sandeep Bedi is B.E. in Computer Engineering from Pune University. He has 13 years of experience in Electronics and Telecom field. He started his career as System Analyst in TCS Ltd in April, 1994 and has worked in senior position with EDS, IBM, Keane India Ltd., Genpact Software and Agilent Technologies (as India Head -E Business Division). Presently he is working as Associate director of COLT Telecom responsible for transition, solutions, programme management and global delivery.

Mr. Vishal Jain

Mr. Vishal Jain, B.E. (Electronics & Communication), PGDBM (Finance), ICFAI. He was awarded Silver medal for being national top performer in ICFAI, Hyderabad. He completed his MBA from National University of Singapore and Columbia Business School together. He started his corporate life in the year 2000 with Apple Computers in Singapore as project team leader. He joined DSP Merrill Lynch in the advisory capacity in 2001. There he was handling projects on client asset investments of US \$350MM.

Mr. Ameet Nitin Rane

Mr. Ameet Rane is a graduate in Economics from University of Texas. He has 5 years of experience in investment management / investment banking. He started his career in 2002 with Merrill Lynch & Co. as an Investment Banking Analyst in the Global Industries Group. Later, he worked with Delaware Street Capital, L.P. and is presently working with BAM India Advisory as an Analyst. He joined the board of our company in November, 2007 as independent director. He represents Balyasny SI Limited – the strategic investor in our company.

Relationship between the Directors

Mr. Inder Sharma is the husband of Mrs. Sumati Sharma. Except the said Directors, no other director is related with the Promoters or Promoter Group.

Borrowing Powers of Directors of our Company

Our Company has passed the resolution in the extra ordinary meeting of members held on 27th March, 2006 authorizing the Board of Directors of the Company to borrow from time to time all such monies as they may deem necessary for the purpose of business of the company notwithstanding that money borrowed by the company together with the monies already borrowed by our company may exceed the aggregate of the paid up capital and its free reserves provided that the total amount upto which monies be borrowed by the Board of Directors shall not exceed the sum of Rs. 3,000 Million.

Remuneration of our Directors

Mr. Inder Sharma, Chairman and Managing Director

Mr. Inder Sharma was appointed as Managing Director of our company with effect from 1st April 2006 for a period of 5 years. His remuneration was revised in the Extra Ordinary General Meeting on 27th April 2007 and was increased to Rs. 9,600,000 (Ninety Six Lacs) per annum, to be payable as follows for the whole of his term of appointment with effect from 1st April, 2007.

Basic Salary	:	Rs. 4,000,000 per annum
Ex-gratia	:	Rs. 400,000 per annum
Others perquisites	:	Rs. 5,000,000 per annum
Gratuity	:	As per Company Rule (Rs. 200,000) per annum

Mr. Inder Sharma is entitled to get salary including the entire perquisite upto the maximum amount of Rs. 9,600,000 (Ninety Six Lacs) per annum and in case of loss or inadequate profit of the Company, he will be entitled to get maximum Rs. 2,400,000 (Twenty Four Lacs) per annum as his salary.

Mr. Vineet Sirpaul, Executive Director

Mr. Vineet Sirpaul has been appointed as Executive Director of our company with effect from 17th May 2007 for a period of 5 years. His remuneration was confirmed in the extra ordinary general meeting of our Company held on August 16, 2007 as per details given below.

Basic Salary	:	Rs.96,000 per annum
HRA	:	Rs.57,600 per annum
TA	:	Rs.9,600 per annum
Technical Allowance	:	Rs. 1,109,328 per annum
Others perquisites/	:	Rs. 288,000 per annum
Gratuity	:	As per Company Rule

Mr. Vineet Sirpaul is entitled to get salary including the entire perquisite upto the maximum amount of Rs. 1,600,000 (Sixteen Lakh) per annum and in case of loss or inadequate profit of the Company, he will be entitled to get maximum Rs. 1,200,000 (Twelve Lakh) per annum as his salary.

Sitting Fee

Sitting Fee of Rs. 10,000 per meeting is paid to the directors.

Corporate Governance

The provisions of the Listing Agreement to be entered into with BSE and NSE with respect to corporate governance will be applicable to us immediately upon the listing of our Company's Equity Shares on the Stock Exchanges.

Our Company has complied with the corporate governance requirements as per clause 49 of the listing agreement. In terms of the Clause 49 of the Listing Agreement, our Company has already appointed Independent Directors and constituted the following committees of the Board:

1. Audit Committee

The Audit Committee was constituted by our directors vide their Board Meeting held on April 14, 2007 as per the requirements of Section 292A of the Companies Act, 1956 and was re-constituted as per the requirements under the Listing Agreement by our Directors at their Board meeting held on November 12, 2007. The Audit Committee currently consists of:

- | | |
|-----------------------|---------------------------------|
| 1. Mr. Sandeep Bedi | Member (Independent Director) |
| 2. Mrs. Sumati Sharma | Member (Non Executive Director) |
| 3. Mr. Vishal Jain | Member (Independent Director) |

The members of the Committee shall elect one among themselves as Chairman of the Committee for presiding over the meeting unless otherwise decided by the Committee. Our Company secretary is the secretary of the committee.

The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of the company's financial reporting and disclosure processes, internal controls, tax policies, compliances and legal requirements and associated matters. The Committee meets atleast four times in a year.

The terms of reference of the Audit Committee includes:

1. To oversight of 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. To recommend 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. To approval the payment to statutory auditors for any other services rendered by the statutory auditors.
4. To review reports of Internal Auditor and recommend the same to the Board.
5. To meet with Statutory/Internal Auditors periodically and discuss their findings, suggestions and other related matters.
6. To review the auditors report on the financial statements and to seek clarifications thereon if required from the auditors.
7. To stipulate and review weakness in internal control, if any, and make recommendations relating thereto to the Board in order to ensure compliances of internal control system.
8. To act as a link between Statutory Auditor, Internal Auditor and Board of Directors.
9. To select and establish Accounting Policies and to review and recommend changes thereto, if any to the Board.
10. To finalize the annual program and internal audit.
11. To review quarterly, half-yearly financial statements for henceforth submission to the Board along with their suggestions, recommendations thereof.
12. To investigate into any matter in relation to the items specified herein.
13. To review any matter referred to it by the Board of Directors from time to time.
14. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - 14.1 Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - 14.2 Changes in accounting policies and practices and reasons for the same.
 - 14.3 Major accounting entries involving estimates based on the exercise of judgment by management
 - 14.4 Significant adjustments made in the financial statements arising out of audit findings
 - 14.5 Compliance with legal requirements relating to financial statements
 - 14.6 Disclosure of any related party transactions
 - 14.7 Qualifications in the draft audit report.
15. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
16. 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.
17. Discussion with internal auditors any significant findings and follow up there on.
18. 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.
19. 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.

20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
21. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
23. To monitor the utilization of issue proceeds and make appropriate recommendations to the Board of Directors.

2. Remuneration Committee

The Remuneration Committee was constituted by our Directors vide their Board meeting held on November 12, 2007. The compensation committee currently consists of:

- | | |
|-----------------------|---------------------------------|
| 1. Mr. Sandeep Bedi | Chairman (Independent Director) |
| 2. Mrs. Sumati Sharma | Member (Non Executive Director) |
| 3. Mr. Vishal Jain | Member (Independent Director) |

The terms of reference of the Compensation committee is given below:

1. To review the remuneration of whole time/managing director, including annual increment and commissions, after reviewing their performance;
2. Review the remuneration policy followed by the Company, taking into consideration the performance of senior executives on certain parameters;
3. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Remuneration Committee.

3. Share Holders Grievances Redressal Committee

The Share Holders Grievances Redressal Committee was constituted by our Directors vide their Board meeting held on November 12, 2007. This Committee is responsible for the smooth functioning of the share transfer process as well as redressal of shareholder grievance. The Share Holders Grievances Redressal Committee consist of:

- | | |
|-----------------------|-----------------------------------|
| 1. Mrs. Sumati Sharma | Chairman (Non Executive Director) |
| 2. Mr. Inder Sharma | Member (Managing Director) |

Our Company Secretary is the secretary to the Committee.

The terms of reference of the Share Holders Grievances Redressal Committee is as follows :

1. To approve share transfers and transmissions.
2. To approve splitting of share certificates, consolidation of share certificates and related matters including issue of fresh share certificates in lieu of the split / consolidated certificates.
3. Issue of duplicate share certificates in lieu of lost, mutilated and destroyed certificates.
4. Matters relating to dematerialization of shares and securities.
5. Investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interests, non receipt of balance sheet etc in particular.

We have complied with the requirements of Corporate Governance contained in the Equity Listing Agreement, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Share Holders Grievances Redressal Committee, etc

Interests of Promoters / Directors

All of our directors may be deemed to be interested to the extent of fees, if any, payable to them, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and /or reimbursement of expenses, if any, payable to them and to the extent of remuneration, if any, paid to them for services rendered as an officer or employee of our company.

The non promoter directors of our company can apply in the Issue and as such, may be regarded as interested in our Company to the extent of equity shares that may be subscribed by or allotted to them pursuant to the Issue. All

the Directors may also be regarded as interested to the extent of Equity Shares already held by them or by the companies/firms/ventures promoted by them, if any, & and dividend or other distributions payable to them in respect of the said Equity Shares. All directors may be deemed to be interested in the context, agreement/arrangements entered into or to be entered into by our company with any company in which they hold directorships or any partnership firms in which they are partners.

Our Directors, Mr. Inder Sharma and Mrs. Sumati Sharma may be deemed to be interested to the extent of the monthly rent payable by our Company for Lease of our corporate office at Gurgaon as Mr. Inder Sharma and Mrs. Sumati Sharma are the directors and shareholders of Oriental Stitch Pvt. Ltd., the owner of the said property. Our director Mr. Inder Sharma may be deemed to be interested to the extent of the monthly rent payable to Mr. Inder Sharma for our office located at Mumbai.

Except as stated above and in the section titled “Related Party Transactions” on page 90 of this Red Herring Prospectus, and to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Shareholding of our Directors

The following is the details of shareholding of directors in our company as on the date of filing this Red Herring Prospectus.

Name of Directors	Number of equity shares	% Shareholding
Mr. Inder Sharma	7,271,430	52.85
Mrs. Sumati Sharma	50,365	0.37
Mr. Vineet Sirpaul	50,001	0.36

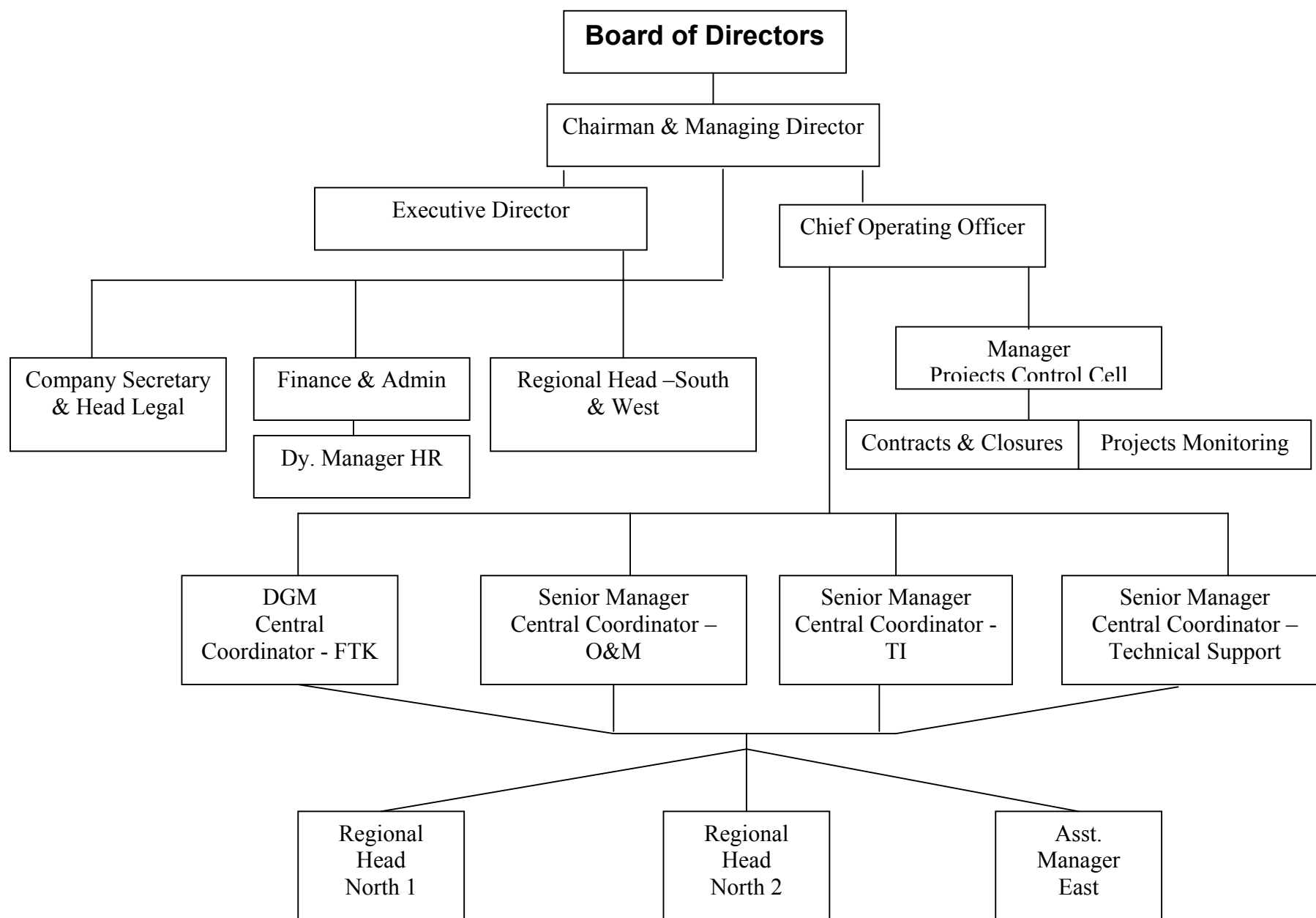
Changes in the Board of Directors in the last 3 years

The following are the changes in the Board of Directors during the last three years:

Name of Director	Date of Appointment	Date of cessation	Reason for Change
Mr. Prashant Kumar	24.01.2006	14.07.2006	Appointment/ Resignation
Mr. Sanjiv Kehr	14.07.2006	18.12.2007	Appointment/ Resignation
Mr. Ayub Y. Younes	02.08.2006	21.12.2007	Appointment/ Resignation
Mr. Vineet Sirpaul	17.05.2007	-	Appointed to the Board
Mr. Sandeep Bedi	17.05.2007	-	Appointed to the Board
Mr. Vishal Jain	14.06.2007	-	Appointed to the Board
Mr. Ameet Rane	12.11.2007	-	Appointed to the Board

Management Organization Structure

The Organization structure of the senior management is presented below:



Key Managerial Personnel

In addition to Mr. Inder Sharma, Chairman & Managing Director and Mr. Vineet Sirpaul, Executive Director, whose details have been provided under brief profile of Directors on page 74 of this RHP, the following are our key managerial personnel. All our key managerial personnel are permanent employees of our Company. The Key Managerial Personnel disclosed below may not necessarily be Key Managerial Personnel as defined in Accounting Standard 18.

Name	Designation	Age	Qualification	Total Exp.	Date of Joining	Previous Employment
K P Venu Gopal	Chief Operating Officer	46	Executive Masters in International Business (EMIB), B.E. (Elec. & Comm.)	23 years	4 th July, 2007	Sterling Project and Engineering Ltd.
Tushar Varshney	Financial Controller	39	PGCBM (XLRI)	15 years	1 st April, 2006	Lucent Technologies Hindustan Pvt. Ltd.
Ramesh Kumar Rathee	Project Manager.	46	B.E. (Electronics & Telecommunication Engg)	27 years	24 th December, 2001	RPG NITEL & Indian Air Force
Ashish Bankar	Gen. Manager (West & South)	37	B.E.	12 years	26 December, 1996	-
Sanjay Kumar Singh	Company Secretary	34	Company Secretary, LL.B.	6 years	21 st April, 2006	Practising Advocate
Jayant Kumar Varshney	Manager, Project Control Cell	34	B.E.(Metallurgical), MBA	9 years	29 th August, 2007	Sarvottam Pump Ltd.
Harish Kumar Vats	Project Manager	27	MCA	3 years	6 th February, 2006	Artefact Projects Ltd.
Manoj Kumar Mishra	Asst. Project Manager	25	BE Computers, MBA	3.5 years	15 th October 2007	Sterling Communications Ltd.
Ankur Khanna	Sr. Manager	30	Hardware & LAN Engineer (Diploma)	9 years	1 st February, 2000	Compcare Systems India Pvt. Ltd.
Rajiv Chaudhary	Senior Manager	33	B Sc.	8 years	1 st December 1999	-
Manoj Srivastava	DGM, Central Coordinator	49	Diploma in Engineering	26 years	1 st March, 2006	Kalindee Rail Nirman (Engrs) Ltd.
R.B.Singh	Regional Head, North 2	40	Civil Engg.(Diploma)	19 years	10 th September, 2007	Shilpa Associates P Ltd.
Kamal Kishore Raina	Regional Head, North 1	34	BE (Mechanical)	8 years	1 st November, 2000	Lucent Technology Limited

Brief profile of our Key Managerial Personnel are as follows:

Mr. KP Venu Gopal, COO, is BE from National Institute of Engineering, Mysore University and Executive Masters in International Business from Indian Institute of Foreign Trader, New Delhi. He has worked with ITI Limited for 20 years in various positions. He has also worked with Dishnet Wireless Limited as National Deployment Head in Enterprise data division involved in establishing the complete backbone network at major cities in India. He joined us in July 2007 as Chief Operating Officer of the company. Prior to joining us, he worked with Sterling Project and Engineering Limited as Senior General Manager (Projects) looking after roll out of Tata Teleservices Ltd. and TTML CDMA cell sites.

Mr. Tushar Kumar Varshney, Post graduate certificate in Business management from XLRI School of Management, is the Financial Controller of our Company handling all the finance function of the Company. He also looks after the day to day financial & administrative function of the Company. Prior to joining the organization, he has worked with Lucent Technologies for 10 years.

Mr. Ramesh Kumar Rathee, BE in Electronics & Telecommunications, Manager Projects, is responsible for TSP Project management and takes care of complete manpower, logistics supply and handling of Project administration matters in J&K and Haryana. Prior to joining us, he has worked for more than 20 years with Indian Air Force as Microwave Communications Engineer.

Mr. Ashish Bankar, BE from Government Engineering College, Jabalpur has an experience of 12 years in telecom infrastructure Projects. He is General Manager -West & South, is responsible for management & execution of Projects in West & South region of India.

Mr. Sanjay Kumar Singh, a qualified Company Secretary and Law Graduate is responsible for secretarial matters and compliances of various statutory and other legal matters. He has 4 years of experience as an advocate and has handled civil, criminal and consumer matters.

Mr. Jayant Kumar Varshney, B.E. (Metallurgical), MBA from Indian Institute of Technology, Roorkee, has more than 10 years of experience and has worked with ESAB India Ltd., TCS, Safexpress and Sarvottam Pump Ltd. in various capacities. He is Manager, Project Control Cell in our company, and is responsible for monitoring and timely execution of every project and assisting the COO in project execution and monitoring.

Mr. Manoj Kumar Mishra, BE Computer Science, MBA, having 3.5 years of experience in Telecom industry, has earlier worked with Sterling Communications Ltd. Currently he is based at Kolkatta and looking after the operations in eastern region.

Mr. Harish Vats, MCA, M.Sc. is working as Project Manager since February, 2006 with our company. He was earlier working with Artefact Projects for their project of National Highway Authority of India for NH -1,8 & 64 New Delhi. He is presently working on the projects of Nokia Project for Haryana, UP East and Jammu & Kashmir.

Mr. Ankur Khanna, Diploma holder in Hardware & LAN Engineering, having 9 years of experience in Information Technology and Telecom Industry. Presently, he is responsible as Central Coordinator (Telecomm Instrumentation) for smooth implementation of the projects, billing of projects, quality check ups of the sites, keeping complete database of the projects and managing the teams. Earlier, he was working with Compcare Systems India Pvt. Ltd.

Mr. Rajiv Chaudhary, B.Sc, Senior Manager RF & Transmission, is leading the team of RF and Transmission team & takes care of our engineers deployed in Ericsson, Nortel, Huawei, Alcatel and Motorola. He has worked as RF Engineer for Lucent Technologies from January 2000 to February 2004.

Mr. Manoj Srivastava, Diploma in Mechanical Engineering, having more than 25 years of experience in Network Industry with Lucknow Development Authority, LML Ltd., Escorts Ltd. and Kalindee Rail Nirman (Engrs.) Ltd. He is working as Deputy General Manager (Central Coordinator) in our company and looking after the ongoing projects.

Mr. R.B. Singh, holds 18 years of experience in Construction Industry. During his career, he was associated with leading companies like Punj Lloyd Ltd., Slipco Construction Pvt. Ltd. and Kalindee Rail Nirman (Engineers) Ltd. He is holding the responsibility of execution of Project of Bharti Airtel, Quipo and Nokia in UP East circle.

Mr. Niraj Kumar Pandey, Masters in Personnel Management & Industrial Relations, is having experience of 8 years in Human Resources. He is presently looking after Human resources functions of our company. He has earlier worked with Cawnpore Sugar Works Ltd.

Mr. Kamal Kishore Raina, BE (Mechanical) holds more than 8 years of experience in execution of FTK and O&M Projects. He has been promoted as Regional Head - North 1 on March 01, 2008. He is located at Jammu looking after the operations in J&K Circle.

Changes in Key Management Personnel during the last three years

Name	Designation	Date of Appointment	Date of Cessation	Reason
Sanjay Kumar Singh	Company Secretary	21 st April, 2006	-	Appointment
Aneesh Anand	Chief Operating Officer	1 st June, .2006	2 nd June 2007	Appointment / Resignation
V S Tanwar	Head - Project Implementation	21 st September, 2006	27 th June, 2007	Appointment / Resignation
Manoranjan Mahapatra	Head-Operation & Management Services	1 st August, 2006	30 th June, 2007	Appointment / Resignation
Saurabh Kumar Saxena	Project Manager	16 th January, 2007	30 th August, 2007	Appointment / Resignation
Sanjay Kumar Joshi	Project Manager	1 st March 2004	30 th June 2007	Appointment / Resignation
Harish Vats	Project manager	February, 2006	-	Appointment
Jayant Varshney	Manager, Project Control Cell	29 th August, 2007	-	Appointment
Manoj Srivastava	DGM, Central Coordinator	1 st March, 2006	-	Appointment
Ankur Khanna	Sr. Manager, Central Coordinator	1 st February, 2000	-	Appointment
Ravinder Kumar Dhar	Manager	28 th February, 2007	01 st March, 2008	Appointment/ Resignation
R B Singh	Manager	10 th September, 2007	-	Appointment
Manoj Kumar Mishra	Asst. Project manager	15 th October 2007	-	Appointment
Niraj Kumar Pandey	Dy. Manager, HR	1 st December, 2007	-	Appointment

Shareholding of Key Managerial Personnel

Following is the shareholding of Key managerial personnel of our company on the date of filing of RHP

S. No.	Name of Employee	No. of shares held	Pre Issue % Holding
1	Ashish Bankar	15,000	0.109%
2	Sanjay Kumar Singh	7,500	0.055%
3	K. P. Venu Gopal	5,000	0.036%
4	Tushar Kumar Varshney	5,000	0.036%
5	Ankur Khanna	2,000	0.015%
6	Harish Vats	2,000	0.015%
7	Manoj Srivastava	2,000	0.015%
8	Rajiv Chaudhary	2,000	0.015%
9	Ramesh Kumar Rathee	2,000	0.015%
10	Jayant Kumar Varshney	400	0.003%
11	RB Singh	400	0.003%
	Total	43,300	0.31%

Interest of Key Managerial Personnel

Except as mentioned above in respect of shareholding of key managerial personnel, no key Managerial Personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Employee Stock Option / Stock Purchase Scheme

There is no stock option scheme or stock purchase scheme for the employees of the company.

Payment or Benefits to the officers of the company

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 promoters of our company are :

- (i) Mr. Inder Sharma
- (ii) Mrs. Sumati Sharma

Mr. Inder Sharma



Mr. Inder Sharma (Passport No.: F2914005, Voter ID: DL/02/006/333615, PAN: AATPS0094D), Chairman & Managing Director, is BE Electronics and Communication Engineering from North Carolina State University, USA. He has over 18 years of experience in the telecommunication industry. He has worked as MTS (Member Technical Staff) in AT&T on Electronic switching system (5ESS). He has experience in developing firmware for PCB maintenance and involved in setting up of one of the initial GSM network alongwith Motorola India Ltd. He promoted Nu Tek India Private Limited in 1993. He is responsible for the overall management and supervision of the activities of our Company and for the

development of strategies for our future growth.

Mrs. Sumati Sharma



Mrs. Sumati Sharma (Voter ID: DL/02/006/333616, PAN:AIGPS2352B) is the Non Executive Director of the Company. She is a post graduate and one of the Subscribers to Memorandum of Association of the Company. She is Director in the Company since the date of incorporation of the Company. She is also Director in Nu Tek Structures Private Limited, and Oriental Stitch Private Limited. She gives valuable advise to the company on HR matters.

Mrs. Sumati Sharma is the wife of Mr. Inder Sharma.

Other confirmation

We confirm that the details of the permanent account numbers, bank account numbers of our individual promoters has been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges. Further, our Promoters have confirmed that they have not been declared 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 are pending against them.

PROMOTER GROUP

In addition to the Promoters named above, the following natural persons and companies are part of our Promoter Group in terms of Explanation II to clause 6.8.3.2. of SEBI (DIP Guidelines)

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

Name of Person	Relationship
Relatives of Mr. Inder Sharma	
Mr. Jagdish Prashad Sharma	Father
Mrs. Usha Sharma	Mother
Master Anmol Sharma	Son
Ms. Saumya Sharma	Daughter
Mrs. Shalini Sharma	Sister
Mrs. Neerja	Sister

Relatives of Mrs. Sumati Sharma

Mr. P N Sharma	Father
Mrs. Shudha Sharma	Mother
Mr. Vibhuti Sharma	Brother

Companies / Entities forming part of the Promoter Group

1. M/s Nutek Infrastructure

M/s Nutek Infrastructure is a partnership firm and currently its partners are Mr. Inder Sharma, Mr. Sunil Prakash and Mr. Swapan Kumar Grover. The sharing is in the ratio of 50%, 40% and 10% respectively. The partnership agreement is dated 24.09.2004 and is in the business of fabrication & galvanisation of sheet metal, mechanical and general engineering consultants.

The financial performance of the firm as per audited accounts is as follows:

In Rs. Millions			
Particulars	FY 2007	FY 2006	FY 2005
Total Income/Sales	0.14	25.90	51.18
Profit after Tax	0.08	0.02	(0.03)
Capital	0.55	0.55	4.00

The results for financial year ended March 31, 2008 are yet to be finalized.

2. Nu Tek Cellulars Private Limited

Nu Tek Cellulars Private Limited is incorporated under the Companies Act, 1956 on December 22, 2006 at Delhi. Its registered office is located at 7, Shikha Apartments, Plot No.48, I.P Extension, Patparganj, Delhi - 110 092. The Board of Directors of Nu Tek Cellular Private Limited comprise of Mr. Inder Sharma and Mr. Sanjay Kumar Singh. The company has not commenced business.

CIN : U64201DL2006PTC156970.

Main Objects : To engage in the business related to telecom infrastructure industry.

Shareholding Pattern as on June 15, 2008

S. No.	Name	No. of Shares (of face value Rs. 10/- each)	% of total Equity
1.	Mr. Inder Sharma	10,000	32.50%
2.	Mr. Sanjay Kumar Singh	1	0%
3.	Northern Services LLC	20,769	67.50%
	Total	30,770	100%

The Company has allotted 20,769 equity shares of face value Rs. 10/- each on April 10, 2008 at a price of Rs. 200/- per equity share.

Financial Performance

Summary audited stand alone financial statements for the fiscal year 2008 is as follows:

(Rs. in millions)	
Particulars	FY 2008
Income/Sales	-
Profit after tax	(0.01)
Equity Share Capital	0.10

Particulars	FY 2008
Share Application Money	4.15
Reserve and Surplus	(0.03)
Earning per share (Rs.)	(1.29)
Book Value per share (Rs.)	7.33

The company is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company under the meaning of SICA nor is it subject to a winding up order or petition.

3. Nu Tek Structures Private Limited

Nu Tek Structures Private Limited was incorporated under the Companies Act, 1956 on February 8, 2007 at New Delhi. Its registered office is located at 7, Shikha Apartments, Plot No.48, I.P Extension, Patparganj, Delhi - 110 092. The Board of Directors of Nu Tek Structures Private Limited comprise of Mr. Inder Sharma and Mrs. Sumati Sharma. The company has not commenced business.

CIN : U74999DL2007PTC159893.

Main Objects : To engage in the business related to telecom infrastructure industry.

Shareholding Pattern as on June 15, 2008

S. No.	Name	No. of Shares (of face value Rs. 10/- each)	% of total Equity
1.	Mr. Inder Sharma	9,999	25%
2.	Sumati Sharma	1	0%
3.	Teletech HK Pvt. Ltd.	30,000	75%
	Total	40,000	100%

Financial Performance

Summary audited stand alone financial statements for the fiscal year 2008 is as follows:

(Rs. in millions)

Particulars	FY 2008
Income/Sales	-
Profit after tax	(0.19)
Equity Share Capital	0.40
Reserve and Surplus	13.78
Earning per share (Rs.)	(4.64)
Book Value per share (Rs.)	354.53

The company is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company under the meaning of SICA nor is it subject to a winding up order or petition.

4. Oriental Stitch Private Limited

Oriental Stitch Private Limited is incorporated under the Companies Act, 1956 on September 8, 2003 in Delhi. Its registered office is located at 7, Shikha Apartments, Plot No.48, I.P Extension, Patparganj, Delhi - 110 092. The Board of Directors of Oriental Stitch Private Limited comprise of Mr. Inder Sharma and Mrs. Sumati Sharma.

CIN : U18101DL2003PTC122152.

Main Objects : To carry on the business of stitching, importing, exporting, trading selling, distributing, retaining and other allied activities related to readymade textile, home furnishings etc.

Shareholding Pattern as on June 15, 2008

S. No.	Name	No. of Shares (of face value Rs. 10/- each)	% of total Equity
1.	Mr. Inder Sharma	9,999	99.99%
2.	Mrs. Sumati Sharma	1	0.01%
	Total	10,000	100

Financial Performance

Summary audited stand alone financial statements for the last three fiscal years is as follows:

In Rs. Million

Particulars	FY 2007	FY 2006	FY 2005
Income/Sales	-	-	-
Profit after tax	-	-	-
Equity Share Capital	0.10	0.10	0.10
Reserve and Surplus	(0.01)	(0.01)	(0.01)
Pre-operative Expenses	0.33	0.29	0.22
Earning per share (Rs.)	-	-	-
Book Value per share (Rs.)	9.07	9.07	9.07

The company is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company under the meaning of SICA nor is it subject to a winding up order or petition. The results for financial year ended March 31, 2008 are yet to be finalized.

5. Nu Tek Telesoft Private Limited

Nu Tek Telesoft Private Limited was incorporated under the Companies Act, 1956 on April 30, 2008 at New Delhi. Its registered office is located at B-14A, Devika Towers, Nehru Place, Delhi - 110 019. The Board of Directors of Nu Tek Telesoft Private Limited comprise of Mr. Inder Sharma, Mrs. Sumati Sharma and Mr. Sanjay Kumar Singh.

CIN : U72200DL2008PTC177487

Main Objects : To engage in the business of providing IT enabled services.

Shareholding Pattern as on June 15, 2008

S. No.	Name	No. of Shares (of face value Rs. 10/- each)	% of total Equity
1.	Mr. Inder Sharma	9,999	99.99%
2.	Mrs. Sumati Sharma	1	0.01%
	Total	10,000	100%

The company is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company under the meaning of SICA nor is it subject to a winding up order or petition. Since it is a newly incorporated company, the financial results have not been prepared.

6. Nutek, Inc.

Nutec, Inc. is incorporated in State of Mississippi, USA with Corporate ID 0676683. The Company is engaged in the business of software services. The date of incorporation is 29th September 1999 and the registered office is located at D4, Northgate drive, Post Box 6581, University, State Of Mississippi, 38677.

Board of Directors

The Board of Directors of Nutek, Inc. consists of Mr. Jagdish Prasad Sharma and Mrs. Usha Sharma.

Shareholding Pattern as on June 15, 2008

S. No.	Name	No. of Shares (of face value US \$ 1 each)	% of total Equity
1.	Mr. Jagdish P Sharma	500	50%
2.	Mrs. Usha Sharma	500	50%
	Total	1,000	100%

Financial Performance

Summary audited stand alone financial statements for the last three fiscal years (January-December) is as follows:

In \$ Millions

Particulars	2006	2005	2004
Income/Sales	0.68	0.67	2.38
Profit after tax	0.02	0.04	0.05
Capital	0.001	0.001	0.001
Reserve and Surplus	0.071	0.053	0.053
Earning per share (\$)	18.64	38.40	53.11
Book Value per share (\$)	72.49	53.85	54.21

In Rs. Million*

Particulars	2006	2005	2004
Income/Sales	30.00	29.61	105.41
Profit after tax	0.82	1.70	2.35
Capital	0.04	0.04	0.04
Reserve and Surplus	3.16	2.34	2.35
Earning per share (Rs.)	824.45	1698.43	2349.06
Book Value per share (Rs.)	3206.23	2381.79	2397.71

* Conversion Rate \$1: Rs. 44.23 (RBI Reference Rate : 29th December 2006)

The company is an unlisted company. The results for financial year ended December 31, 2007 are yet to be finalised.

7. Northern Services, LLC

Northern Services, a Limited Liability Company was incorporated on May 05, 2004 in the state of Delaware, USA, and is owned by Mr. Jagdish Prasad Sharma. The registered office is located at 108, West, 13th Street, Wilmington, New Castle, Delaware 19801.

The entity is engaged in the business of software services.

Financial performance

Summary audited stand alone financial statements for the last three fiscal years (January-December) is as follows:

In \$ Millions

Particulars	2006	2005	2004
Income/Sales	1.19	0.99	0.64
Profit after tax	0.55	0.50	(0.08)
Capital (After Distribution)	0.02	0.11	(0.08)

In Rs. Million*

Particulars	2006	2005	2004
Income/Sales	52.65	43.94	28.31
Profit after tax	24.24	22.09	(3.74)
Capital (After Distribution)	0.84	4.95	(3.74)

* Conversion Rate \$1: Rs. 44.23 (RBI Reference Rate: 29th December 2006)

The results for financial year ended December 31, 2007 are yet to be finalised.

Common Pursuits / Conflict of interest

Except for Nu Tek Cellulare Pvt. Ltd., Nu Tek Structures Pvt. Ltd. and Nutek Infrastructure, which are in the same line of telecom infrastructure services business, none of our promoter entities have an interest in any venture that is involved in any activities similar to those conducted by our Company or any member of our Promoter Group. Both the companies have not yet started business and the partnership entity is in operation. We have entered into non-compete agreements with all these entities under which they have agreed not to execute any of the services offered by Nu Tek India Limited. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

Companies / Ventures with which the promoters have disassociated in the last three years

Name of Promoter	Name of company / venture where promoters have disassociated	Reason of disassociation	Date of disassociation
Mr. Inder Sharma	Web Telematics	Closure of proprietorship firm	October 18, 2004

Web Telematics was carrying the business of supply of material related to Telecom Towers, sites and services.

Payment of benefits to our Promoters during the last two years

Except as stated in the Annexure V to the "Financial Statements" on page 102 of this RHP, there has been no payment of benefits to our Promoters during the last two years from the date of filing of this Red Herring Prospectus.

Litigation

For details regarding litigation involving Promoters and Promoter Group, see the section titled "Outstanding Litigation and Material Developments", beginning on page 125.

Related party transactions

For details of related party transactions, see the chapter titled "Financial Statements" on page 92 of the RHP.

DIVIDEND POLICY

The declaration and payment of dividends, if any will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. The Board may also from time to time pay interim dividends. All dividend payments are made in cash to the shareholders of the Company. No dividend on Equity Shares have been declared by the Company in the last five fiscal years. Our company has paid dividend on Optionally Convertible Preference Shares in financial year 2007-08 @ 8% per annum amounting to Rs. 5.85 Million for the financial years 2006-07 and 2007-08 (proportionately for the period for which the said shares were outstanding).

The amounts not paid as dividends in the past are not necessarily indicative of our dividend policy or dividend amounts, if any, in the future.

FINANCIAL STATEMENTS

AUDITORS' REPORT

To
The Board of Directors,
NU TEK INDIA LTD.
B-34 Infocity,
Sector - 34,
Gurgaon 122002.

Dear Sirs,

We have examined the attached financial information of **NU TEK INDIA LIMITED**, as approved by the Board of Directors of the Company for the financial years ended on March 31, 2004, March 31, 2005, March 31, 2006, March 31, 2007 and March 31, 2008 proposed to be included in the Offer Document/Red Herring Prospectus issued by the Company in connection with its proposed Public Issue of equity shares and prepared in accordance with:

- a) Terms of the Paragraph B(1), Part II of schedule II of the Companies Act, 1956;
- b) Securities Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ("SEBI Guidelines") as amended to the date and issued by Securities and Exchange Board of India ("SEBI") in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and
- c) The terms of engagement agreed upon with you in accordance with our engagement letter dated 12th November 2007, requesting us to carry out work, proposed to be included in the Offer Document/Red Herring Prospectus issued by the Company in connection with its proposed Public Issue of equity shares.

FINANCIAL INFORMATION AS PER AUDITED FINANCIAL STATEMENTS:

- 1) We have examined the attached 'Restated Summary Statement of Assets and Liabilities' of the Company for the financial years ended on March 31, 2004, March 31, 2005, March 31, 2006, March 31, 2007 and 31 March 31, 2008 (**Annexure I**) and the attached 'Restated Summary Statement of Profit & Losses' for the years ended on those dates (**Annexure II**) together, referred to as 'Summary Statements'. The summary statements have been extracted from the financial statements of the years ended 31st March 2004, 31st March 2005 and 31st March 2006 audited by Jain Sanjay & Company, Chartered Accountants, being the auditors of the company for those years, and have been adopted by the Board of Directors/Members for those respective years. The financial statements of the years ended 31st March 2007 and 31st March 2008 have been adopted by the Board of Directors/Members and audited by us.
- 2) Based on our examination of these summary statements, we state that:
 - The Restated Profits have been arrived at after charging all expenses including depreciation and after making such adjustments and re-grouping as in our opinion are appropriate in the year to which they relate.
 - The Summary Statements have to be read in conjunction with the notes given in Annexure to this report.
 - There are no qualifications in the auditor's report that require adjustments to the Summary Statements.
 - The extra ordinary items that need to be disclosed separately in the summary statements have been appropriately disclosed.
- 3) The summary of significant accounting policies adopted by the Company pertaining to the financial statements as at March 31, 2008 are disclosed in Annexure IV.
- 4) Audit for the financial year ended 31st March 2004, 31st March 2005 and 31st March 2006 was conducted by previous auditors, Jain Sanjay & Co., Chartered Accountants, Delhi and accordingly reliance has been placed on the financial information examined by them for said years. The financial report included for these years, viz., 2003-04, 2004-05 and 2005-06 are based solely on the report submitted by them after conducting such additional procedure as deemed to be appropriate by us for expressing our opinion on the Restated Summary of Assets and Liabilities and Restated Summary of Profit and Loss Account for the respective years after incorporating

- Adjustments for the changes in accounting policies retrospectively in respective financial years, if any, to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.
- Adjustments for the material amounts in the respective financial years to which they relate.
- And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments.

OTHER FINANCIAL INFORMATION:

- 1) We have also examined the following other financial information annexed to in this report, prepared by the management and approved by the Board of Directors, relating to the company for the year ended 31st March 2007 and 31st March 2008. In respect of the years ended on 31st March 2004, 31st March 2005 and 31st March 2006 these information have been included based upon the reports submitted by the previous auditors, Jain Sanjay & Co. and relied upon by us:

S. No.	Annexures	Annexure No.
1.	Cash Flow Statements	Annexure III
2.	Related Party Disclosures	Annexure V
3.	Statement of Investments	Annexure VI
4.	Sundry Debtors	Annexure VII
5.	Loans and Advances	Annexure VIII
6.	Secured Loan	Annexure IX
7.	Unsecured Loans	Annexure X
8.	Contingent Liabilities	Annexure XI
9.	Statement showing details of other Income	Annexure XII
10.	Summary of Accounting Ratios	Annexure XIII
11.	Capitalization Statements	Annexure XIV
12.	Computation of Deferred Tax Asset / Liability	Annexure XV
13.	Statement of Tax Shelter	Annexure XVI

- 2) In our opinion the 'financial information as per audited financial statements' and 'other financial information' as mentioned above read along the Significant Accounting policies and Notes to Accounts prepared, after making adjustments and regrouping as considered appropriate, have been prepared in accordance with Part II of Schedule II of the Companies Act and the DIP Guidelines.
- 3) This report should not in any way be construed as a re-issuance or redrafting of any of the previous audit reports issued by us or by the other auditors nor should this report be construed as a new opinion on any of the financial information referred to herein.
- 4) Our report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed offer document. Our report should not be used for any other purpose except with our consent in writing.

For Vinod Kumar & Associates
Chartered Accountants

Vinod Jain
Partner
M.No. 081263

Place: New Delhi
Date: June 27, 2008

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
Annexure I
In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
A. FIXED ASSETS					
Gross Block	68.53	41.26	33.47	25.98	17.31
Less: Depreciation	(28.74)	(20.11)	(14.59)	(10.95)	(8.10)
Net Block	39.79	21.15	18.88	15.03	9.21
B. INVESTMENTS	122.10	0.99	1.43	82.03	92.77
C. CURRENT ASSETS, LOANS & ADVANCES					
Sundry Debtors	471.67	115.33	96.98	125.36	41.09
Cash and Bank Balances	64.23	44.41	48.80	40.20	2.18
Project For Customers Under Progress	499.19	470.00	258.50	13.67	-
Loans and Advances	188.42	91.25	28.98	18.18	20.83
Total	1,223.51	720.99	433.25	197.41	64.10
D. LIABILITIES & PROVISIONS					
Secured Loans	65.35	35.78	6.98	17.95	2.39
Unsecured Loans	30.00	30.00	45.00	-	0.77
Deferred Tax Liability / (Asset)	(10.40)	(3.20)	0.20	0.19	0.02
Current Liabilities	335.30	179.51	119.79	115.54	89.91
Provision for Tax	96.96	87.46	37.66	10.98	12.79
Other Provisions	3.15	1.70	0.74	-	-
Total	520.36	331.25	210.36	144.66	105.87
NET WORTH (A+B+C-D)	865.06	411.88	243.19	149.81	60.21
REPRESENTED BY					
E. SHARE CAPITAL					
Equity Share Capital	137.59	116.61	116.61	0.54	0.50
Preference Share Capital	-	56.00	-	-	-
Total	137.59	172.61	116.61	0.54	0.50
Share Application Money	-	-	3.18	-	-
F. RESERVES AND SURPLUS					
Profit and Loss Account	445.07	239.27	123.40	114.30	59.71
Share Premium Account	282.40	-	-	34.97	-
NET WORTH (E+F)	865.06	411.88	243.19	149.81	60.21

STATEMENT OF PROFIT & LOSS ACCOUNT, AS RESTATED
Annexure II
In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
A. INCOME					
Income from Operations	951.63	635.70	469.08	304.51	231.18
Other Income	15.41	2.34	16.55	12.32	12.45
Total	967.04	638.04	485.63	316.83	243.63
B. EXPENDITURE					
Project Related Costs	481.67	281.51	249.76	116.40	67.26
Employee Costs	131.25	125.70	92.29	82.92	70.45
Administration, Selling and Other Expenses	28.49	20.33	35.45	48.15	56.45
Total	641.41	427.55	377.50	247.48	194.16
Profits Before Depreciation, Interest & Tax (A-B)	325.62	210.50	108.12	69.35	49.47
Interest & Financial Charges	13.92	4.21	3.61	1.90	1.10
Profits Before Depreciation & Tax	311.70	206.29	104.51	67.46	48.37
Depreciation	8.83	6.35	4.14	2.85	2.49
Profits Before Tax	302.87	199.94	100.37	64.61	45.88
Less:					
Current Year's Tax	93.50	85.60	45.93	9.85	12.66
Deferred Tax Liability / (Asset)	(7.20)	(3.40)	0.01	0.17	(0.04)
Fringe Benefit Tax	3.46	1.87	3.56	-	-
Provision for Interest on TDS	0.45	-	-	-	-
Profits After Tax	212.65	115.87	50.87	54.59	33.26
Less:					
Dividend paid on Preference Shares	5.85	-	-	-	-
Dividend Distribution Tax Paid	0.99	-	-	-	-
Income Tax Refund received	-	-	-	-	(0.93)
Profits After Tax	205.80	115.87	50.87	54.59	34.19
Balance brought forward from Previous Year	239.27	123.40	114.30	59.71	25.52
Less: Capitalisation of Reserves (Bonus Issue)	-	-	41.77	-	-
BALANCE CARRIED TO SUMMARY OF ASSETS & LIABILITIES	445.07	239.27	123.40	114.30	59.71

STATEMENT OF CASH FLOWS, AS RESTATED

Annexure III
(Rupees in Millions)

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
A) Cash Flow from Operating Activities					
Net Profit before tax	302.87	199.94	100.37	64.61	45.88
Adjustments for:					
1) Depreciation	8.83	6.35	4.14	2.85	2.50
2) Interest Income	(2.25)	(0.65)	(1.13)	(0.41)	(0.07)
3) Interest Expense	8.50	1.83	1.38	1.19	0.82
4) Provision for Gratuity	0.27	0.97	0.74	-	-
5) Extra-ordinary Items before tax		0.16	0.61	0.09	-
6) Dividend Income	(5.92)	(0.08)	(3.12)	(10.99)	(12.72)
7) Capital (Gains)/Losses	(3.39)	(0.08)	(12.26)	0.99	0.33
8) Income Tax Refund		-	-	-	0.93
9) Direct Tax paid	(97.05)	(41.74)	(22.24)	(12.52)	(11.06)
Operating Profit before working capital changes	211.86	166.70	68.48	45.81	26.61
1) Sundry Debtors	(356.34)	(18.35)	28.38	(84.28)	(1.43)
2) Loans & Advances	(87.87)	(58.19)	(11.36)	3.50	(9.65)
3) Project For Customers Under Progress	(29.20)	(211.50)	(244.83)	(13.67)	-
4) Current Liabilities	155.79	59.72	4.23	25.66	44.18
Net Cash from Operating Activities [A]	(105.74)	(61.62)	(155.10)	(22.98)	59.69
B) Cash flow from Investing Activities:					
1) Purchase of Fixed Assets	(42.33)	(10.27)	(9.13)	(8.99)	(1.52)
2) Proceeds on Sale of Fixed Assets	16.03	1.46	0.53	0.23	0.05
3) Interest received	2.25	0.65	1.13	0.41	0.07
4) (Increase)/Decrease in investments	(118.90)	0.50	92.88	9.75	(67.49)
5) Dividend Income	5.92	0.08	3.12	10.99	12.72
Net Cash used in Investment Activities [B]	(137.03)	(7.58)	88.53	12.39	(56.17)
C) Cash flow from Financing Activities:					
1) Issue of Equity Shares	247.37	56.00	39.34	35.00	-
2) Proceeds from Borrowings	29.57	10.64	37.21	14.79	(0.85)
3) Interest Paid	(8.50)	(1.83)	(1.38)	(1.19)	(0.82)
4) Dividend Paid	(5.85)	-	-	-	-
Net cash used in Financing Activities [C]	262.59	64.81	75.17	48.60	(1.67)
Net Increase/(Decrease) in cash & cash equivalents ([A]+[B]+[C])	19.82	(4.39)	8.60	38.01	1.85
Cash & Cash equivalents at the beginning of the year	44.41	48.80	40.20	2.18	0.33
Cash & Cash equivalents at the end of the year	64.23	44.41	48.80	40.19	2.18

NOTES TO RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, PROFITS AND LOSSES AS RESTATED, FOR NU TEK INDIA LIMITED**1. SIGNIFICANT ACCOUNTING POLICIES****a) BASIS OF PREPARATION OF FINANCIAL STATEMENT ACCOUNTING**

The Financial Statements are prepared under the historical cost convention and accrual basis of accounting and comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 of India.

All incomes, revenue, expenses, assets and liabilities having a material bearing on the financial statements are recognized on accrual basis, unless otherwise stated.

Accounting policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles followed by the Company.

b) USE OF ESTIMATES

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual figures and estimates are recognized in the period in which they result / materialize.

c) REVENUE RECOGNITION

- (i) The Company follows Completed Services Contract Method of revenue recognition as mentioned in Accounting Standard 9, Revenue Recognition. Under this method, revenue is recognized in the year in which a project gets completed.
- (ii) Dividend income on mutual fund is accounted for only when the dividend is actually declared.
- (iii) Income from Interest on Fixed Deposit has been recognized on accrual basis.
- (iv) Revenue excludes service tax.

d) FIXED ASSETS

Fixed Assets have been stated at acquisition cost, (net of Cenvat / Modvat, if any) including directly attributable cost of bringing them to their respective working conditions for the intended use, less accumulated depreciation thereupon.

e) DEPRECIATION

- (i) Depreciation has been provided on Written Down Value Method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.
- (ii) Depreciation on additions / deletions to fixed assets is provided on pro-rata basis from / upto the date the asset is put to use/discarded.
- (iii) Assets costing less than Rs. 5,000/- have been depreciated fully in the year of acquisition.

f) INVESTMENTS

The investments are classified as Long-Term Investments and Current Investments. Investments, which are intended to be held for one year or more, are classified as Long Term Investments and investments, which are intended to be held for less than one year, are classified as Current Investments. Long-term investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for. Current Investments are valued at cost or market / fair value, whichever is lower.

The company has invested in its Subsidiary, Mutual Funds and in the shares of other companies, being in the nature of Long Term Investments and has accordingly been valued at Cost price. The reduction in prices, if of permanent in nature is appropriately adjusted in terms of the Accounting Standard.

g) FOREIGN EXCHANGE TRANSACTIONS

- (i) Transactions in foreign currencies are recorded at the rate of exchange in force at the time of occurrence of the transactions.
- (ii) Exchange differences arising on settlement of revenue transactions are recognized in the Profit and Loss Account.
- (iii) Monetary items denominated in foreign currency are restated using the exchange rates prevailing at the date of the Balance Sheet and the resulting net exchange difference is recognized in the Profit and Loss Account, as no forward cover is taken.

h) EMPLOYEE BENEFITS

- (i) Provident Fund is a defined contribution scheme and the contributions as required by the statute are charged to the Profit and Loss Account as incurred.
- (ii) Gratuity Liability is a defined obligation and is wholly unfunded. The company accounts for liability for future gratuity benefits based on an actuarial valuation.
- (iii) Company does not have a policy to encash earned leave of employees at the time of cessation of services except in certain specific cases specially sanctioned. No provision has, therefore been made in this regard.

i) TAXES ON INCOME

- (i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred tax is recognized, in accordance with the Accounting standard 22, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- (iii) Fringe Benefit Tax has been calculated and accounted for in accordance with the provisions of the Income Tax Act, 1961 and the Guidance note on Accounting for Fringe Benefit Tax issued by the Institute of Chartered Accountants of India.

2. NOTES ON ADJUSTMENTS FOR RESTATED FINANCIAL STATEMENTS

a) Summary

The reconciliation of Profit after Tax as per Audited Results and the Profit after Tax as per Restated Accounts is presented below in Table - 1. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit and loss:

TABLE - 1

(Rupees in millions)

Particulars	For the Financial Year / Period ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Profit After Tax (PAT) as per Audited Accounts	194.50	1,27.43	54.11	54.54	33.83
Adjustments for :					
<u>Change in Accounting Policies</u>	-	-	-	-	-
<u>Excess Deferred Tax Expense Recognized</u>	-	0.12	(0.11)	0.010	0.045
<u>Prior Period Adjustments</u>					
Project related costs (raw materials, consumables)	-	-	(0.60)	(0.89)	(0.060)
Employee costs	-	-	(0.018)	(0.17)	(0.092)

Particulars	For the Financial Year / Period ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Operating and Administrative expenses	-	(0.27)	(0.27)	(0.366)	(1.11)
Financial charges	-	(0.13)	-	0.032	-
Provision for FBT	-	-	(0.095)	-	-
Provision for Income Tax	-	(18.09)	(4.24)	(0.198)	(1.03)
Changes in consultancy Income and other income	-	0.34	-	0.33	(0.49)
Prior Period Adjustments debited / (credited) to Profit and Loss Account	0.06	1.11	1.88	1.31	2.13
Tax for Earlier Years debited to Profit and Loss Account	18.09	5.36	0.198	-	0.056
Income Tax Refund					0.93
Profit After Tax as Restated	212.65	115.87	50.87	54.60	34.20

b) Current Tax and Deferred Tax impact on restatement

The profit and loss account of some years include amounts paid/ provided for or refunded back/written back, in respect of excess or shortfall income tax arising out of income tax appeals, assessments etc. which has now been adjusted in the respective years' tax liability.

The Company was required to comply with the provisions of Accounting Standard – 22, Accounting for Taxes on Income with effect from financial year / period commencing on and after 1st April 2002. But the company adopted the Accounting Standard – 22 for the first time in preparing the financial statements for the year ended 31st March 2005. The restated accounts have been prepared after taking the effect of Deferred Tax Expenses for the years ended on 31st March 2003 and 31st March 2004 as per the provisions of the Accounting Standard – 22. The effect of the same is shown in Table – 1.

c) Prior Period Adjustments

The profit and loss account of all the financial years included some Prior Period Adjustments relating to the earlier years. The said adjustments have been adjusted in the respective years as is apparent from Table – 1. The Provision for Gratuity liability has been recognized for the first time in the year 2005-06 equivalent to Rs 7,36,295 which includes liability in respect of earlier years. The expense has been recognized in the year of provisioning.

d) Material Regroupings

Appropriate adjustments, wherever material, have been made in the Restated Summary Statements of Assets and Liabilities, Profits and losses, wherever required, by a reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the groupings as per the Audited Financials of the Company for the financial year ended on 31st March 2008 and the requirements of the guidelines issued by the Securities and Exchange Board of India (Disclosure and Investor Protection Guidelines, 2000) as amended from time to time. Sundry Debtors are stated net of advances received from the respective debtor. The expenses have been regrouped as Employee Cost, Administration, Selling and Other Expenses, Project Related Cost, and Interest and Financial Charges. The Administration, Selling and Other Expenses include Bad Debt amounting to Rs. 11.58 Millions for the year ended on 31st March 2006.

e) Segment Reporting:

Nu Tek India Limited, a Level 1 Enterprise is required to disclose the information required by Accounting Standard – 17. No separate segments have, however, been reported as the company does not have more than one Business or Geographical Segments, within the meaning of Accounting Standard – 17, which differ from each other in risk and reward.

f) Dividend

The Company has not declared any Dividend during the periods reported in the Restated Accounts except dividend on cumulative Optionally Convertible Preference Shares, for the period from the date of their issuance till their conversion into Equity Shares, @ 8% per annum as reflected in the Accounts.

3. AUDITORS' QUALIFICATIONS

Other Audit qualification matters for emphasis which do not require any corrective adjustment in the financial information are as follows:

(i) Under CARO in the year ended 31st March 2006:

Attention is drawn to remarks under the Companies (Auditor's Report) Order 2003, wherein the auditor has stated:

'According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally not regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax and other material statutory dues as applicable with appropriate authorities. Works Contract Tax of Rs 47,976 in respect of Assessment Year 2003-04 is due for a period of more than six months'.

(ii) Under CARO in the year ended 31st March 2007:

Attention is drawn to remarks under the Companies (Auditor's Report) Order 2003, wherein the auditor has stated:

'The Company is *not regular* in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.'

According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31.03.2007 for the period of more than six months from the date they become payable, *excepting in cases mentioned here under* :

<i>Name of the Statute</i>	<i>Nature of Dues</i>	<i>Amount Rs.</i>	<i>Period to which dues relates</i>
<i>Finance Act</i>	<i>Service Tax</i>	<i>1,406,437/-</i>	<i>April 2006-August 2006</i>
<i>Employees State Insurance Act, 1948</i>	<i>Employees State Insurance Contribution</i>	<i>187,869/-</i>	<i>July 2006</i>
<i>Income Tax Act, 1961</i>	<i>Tax Deducted at Source</i>	<i>68,791/-</i>	<i>A.Y. 2007-08</i>
<i>Local Sales Tax</i>	<i>Works Contract Tax</i>	<i>108,203/-</i>	<i>A.Y. 2003-04</i>
<i>Income Tax Act, 1961</i>	<i>Fringe Benefit Tax</i>	<i>391,116/-</i>	<i>A.Y. 2007-08</i>

(iii) Under CARO in the year ended 31st March 2008:

Attention is drawn to remarks under the Companies (Auditor's Report) Order 2003, wherein the auditor has stated:

In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size and nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. *The internal control and accounting system in relation to Projects Under Progress need to be strengthened.* During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

(iv) Under CARO in the year ended 31st March 2008:

Attention is drawn to remarks under the Companies (Auditor's Report) Order 2003, wherein the auditor has stated:

'The Company is *not regular* in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.'

According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31.03.2008 for the period of more than six months from the date they become payable, *excepting in cases mentioned here under* :

<i>Name of the Statute</i>	<i>Nature of Dues</i>	<i>Amount (Rs.) (Excluding Interest)</i>	<i>Period to which dues relates</i>
<i>Finance Act</i>	<i>Service Tax</i>	<i>5,860,423/-</i>	<i>April 2007-August 2007</i>
<i>Income Tax Act, 1961</i>	<i>Tax Deducted at Source</i>	<i>50,843/-</i>	<i>May 2007 – June 2007</i>
<i>Local Sales Tax</i>	<i>Works Contract Tax</i>	<i>108,203/-</i>	<i>A.Y. 2003-04</i>
<i>Income Tax Act, 1961</i>	<i>Fringe Benefit Tax</i>	<i>1,440,567/-</i>	<i>A.Y. 2008-2009</i>
<i>VAT</i>	<i>Value Added Tax</i>	<i>123,489/-</i>	<i>April 2007</i>
<i>Central Sales Tax Act</i>	<i>Central Sales Tax</i>	<i>140,456/-</i>	<i>June 2006 – March 2007</i>

The above amounts do not include interest and other dues as may be payable on account of non-payment / delay in payments of statutory dues, which could not be quantified.

All the aforesaid dues have been duly deposited by the company before the approval of final accounts by the Board of Directors and signing of the Audit Report.

Annexure V

Related Parties Relationships pursuant to Accounting Standard-18 for the Financial Year 2003-04 are as follows:

Name of the Party	Relationship	Related as per AS-18
Inder Sharma	Key Management Personnel	Para 3 (d)
Sumati Sharma	Key Management Personnel	Para 3 (d)

Transactions with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2003-04 are as follows:

Particulars	Relationship	Transaction	Amount (in Rs.)
Inder Sharma	Key Management Personnel	Salary	528,000
		Interest Free Loan given by the company (Closing Balance Dr.)	193,013
		Maximum Amount lent by the company during the year	193,013
Sumati Sharma	Key Management Personnel	Salary	386,100
		Interest Free Loan given by the company (Closing Balance Dr.)	821,695
		Maximum Amount lent by the company during the year	821,695

Related Parties Relationships pursuant to Accounting Standard-18 for the Financial Year 2004-05 are as follows:

Name of the Party	Relationship	Related as per AS-18
Inder Sharma	Key Management Personnel	Para 3 (d)
Sumati Sharma	Key Management Personnel	Para 3 (d)
Nutek Infrastructure	Partnership Firm in which Key Management Personnel (Inder Sharma) has substantial interest	Para 3 (e)
Web Telematics	Proprietorship Firm owned by Key Management Personnel (Inder Sharma)	Para 3 (e)

Transactions with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2004-05 are as follows:

Particulars	Relationship	Transaction	Amount (in Rs.)
Inder Sharma	Key Management Personnel	Salary	586,000
		Interest Free Loan given by the company (Closing Balance)	NIL
		Maximum Amount taken by the company during the year	573,198
Sumati Sharma	Key Management Personnel	Salary	490,450
		Interest Free Loan given by the company (Closing Balance)	NIL
		Maximum Amount given by the company during the year	1,197,177
Nutek Infrastructure	Partnership Firm in which Key Management Personnel (Inder Sharma) has substantial interest	Interest Free Loan taken by the company (Closing Balance Cr.)	2,814,315
		Maximum Amount borrowed by the company during the year	39,399,333
		Materials Purchased during the year	737,766
Web Telematics.	Proprietorship Firm	Sale of Land	6,713,575

Particulars	Relationship	Transaction	Amount (in Rs.)
	owned by Key Management Personnel (Inder Sharma)	Closing Balance at the end of the year (Cr.)	4,780,182

Related Parties Relationships pursuant to Accounting Standard-18 for the Financial Year 2005-06 are as follows:

Name of the Party	Relationship	Related as per AS-18
Inder Sharma	Key Management Personnel	Para 3 (d)
Sumati Sharma	Key Management Personnel	Para 3 (d)
Prashant Kumar	Key Management Personnel	Para 3 (d)
J.P. Sharma	Relative of Key Management Personnel	Para 3 (d)
Nutek Infrastructure	Partnership Firm in which Key Management Personnel (Inder Sharma) has substantial interest	Para 3 (e)
Web Telematics	Proprietorship Firm owned by Key Management Personnel (Inder Sharma)	Para 3 (e)

Transactions with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2005-06 are as follows:

Particulars	Relationship	Transaction	Amount (in Rs.)
Inder Sharma	Key Management Personnel	Salary Interest Free Loan given by the company (Closing Balance) Maximum Amount given by the company during the year	742,400 NIL 1,845,578
Sumati Sharma	Key Management Personnel	Salary Interest Free Loan given by the company (Closing balance) Maximum Amount given by the company during the year	742,400 NIL 1,190,455
Prashant Kumar	Key Management Personnel	Salary	201,732
Nutek Infrastructure	Partnership Firm in which Key Management Personnel (Inder Sharma) has substantial interest	Interest Free Loan taken by the company (Closing Balance Cr.) Maximum Amount borrowed by the company during the year Materials Purchased during the year	472,500 9,882,495 1,907,339
Web Telematics.	Proprietorship Firm owned by Key Management Personnel (Inder Sharma)	Loans re-paid during the year Closing Balance at the end of the year	4,780,182 NIL
J.P. Sharma	Relative of Key Management Personnel (Inder Sharma)	Share Application Money received by the company Share allotted against share application money	27,003,000 23,820,000

Related Parties Relationships pursuant to Accounting Standard-18 for the Financial Year 2006-07 are as follows:

Name of the Party	Relationship	Related as per AS-18
Inder Sharma	Key Management Personnel	Para 3 (d)
Sumati Sharma	Key Management Personnel	Para 3 (d)

Name of the Party	Relationship	Related as per AS-18
Prashant Kumar	Key Management Personnel	Para 3 (d)
J.P. Sharma	Relative of Key Management Personnel	Para 3 (d)
Nutek Infrastructure	Partnership Firm in which Key Management Personnel (Inder Sharma) has substantial interest	Para 3 (e)
Web Telematics	Proprietorship Firm owned by Key Management Personnel (Inder Sharma)	Para 3 (e)

Transactions with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2006-07 are as follows:

Particulars	Relationship	Transaction	Amount (in Rs.)
Inder Sharma	Key Management Personnel	Salary Rent paid for premises Loan taken	5,055,712 1,800,000 5,000,000
Sumati Sharma	Key Management Personnel	Salary Rent paid for premises	3,097,198 3,130,000
Prashant Kumar	Key Management Personnel	Salary	217,417
J.P.Sharma	Relative of Key Management Personnel (Inder Sharma)	Repayment of Share Application Money received earlier	3,183,000
Web Telematics	Proprietorship owned by Key Management Personnel (Inder Sharma)	Loan repayment*	4,780,182
Nutek - Infrastructure	Partnership Firm in which Key Management Personnel (Inder Sharma) has substantial interest	Payment of Trading Dues	16,206

* Loan repayment against cheque issued to the party in the year ending 31st March 2006, as the same was not presented by the party.

Related Parties Relationships pursuant to Accounting Standard-18 for the Financial Year 2007-08 are as follows:

Name of the Party	Relationship	Related as per AS-18
Nutek Telekomunikasyon Danismanlik Muhendislin Ve Dis Ticaret Sanayi Limited Sirketi	Enterprise that is directly controlled by Nu Tek India Ltd. (Subsidiary)	Para 3 (a)
Inder Sharma	Key Management Personnel	Para 3 (d)
Sumati Sharma	Relative of Key Management Personnel	Para 3 (d)
Vineet Sirpaul	Key Management Personnel	Para 3 (d)
Nutek Structures (P) Ltd.	Company owned by Key Management Personnel and his relative (Inder Sharma & Sumati Sharma)	Para 3 (e)
Oriental Stitch (P) Ltd.	Company owned & controlled by Key Management Personnel (Inder Sharma)	Para 3 (e)

Transactions with Related Parties pursuant to Accounting Standard-18 for the Financial Year 2007-08 are as follows:

Particulars	Relation	Transaction	Amount (in Rs.)
Inder Sharma	Key Management Personnel	Salary Rent paid for hiring premises Interest Free Loan taken by the company (Closing Balance) Maximum Amount borrowed by the company during the year.	8,264,400 1,800,000 NIL 7,650,000
Sumati Sharma	Relative of Key Management Personnel (Inder Sharma)	Rent paid	93,333
Vineet Sirpaul	Key Management Personnel	Salary	1,472,528
Nutek Structures (P) Ltd	Company owned by Key Management Personnel and his relative (Inder Sharma & Sumati Sharma)	Sale of Land	16,000,000
Oriental Stich (P) Ltd.	Company owned by Key Management Personnel (Inder Sharma)	Rent for office premises Security Deposit paid	4,200,000 2,100,000

DETAILS OF INVESTMENTS, AS RESTATED

Annexure VI In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
A. Quoted Investments at cost					
DSP Merrill Lynch liquid Plus Institutional Plan - Weekly Dividend	56.34	-	-	-	-
Gulf oil Corp.	3.44	-	-	-	-
Indiabulls real estate	3.31	-	-	-	-
Jayasawal Neco Ind.	3.42	-	-	-	-
Larsen & Turbo	8.12	-	-	-	-
Noida Toll Bridge	2.35	-	-	-	-
Reliance Energy (BSES)	3.59	-	-	-	-
Reliance Growth Fund Retail Plan	20.00	-	-	-	-
Reliance Diversified Power Sector Fund	20.00	-	-	-	-
FT- India Life Stage Fund of Fund the 50's Plan	0.90	0.90	1.29	2.88	20.00
Principal Cash Management- Weekly Div	-	-	0.03	5.31	-
Prudential ICICI Liquid Fund- Div Reinv	-	-	0.01	0.00	-
Prudential ICICI Dynamic Plan- Div Payout	-	-	-	10.47	-
Grindlays Floating Rate Fund	-	-	-	0.04	0.04
HSBC Equity Fund	-	-	-	-	20.40
HDFC Equity Fund	-	-	-	-	20.00
DSP ML Balance Fund- Div Cash Opt	-	-	-	14.62	20.00
DSP ML Equity Fund- Div Cash Opt	-	-	-	20.03	-
DSP ML Opportunities Fund- Div Cash Opt	-	-	-	8.08	-
Franklin India Flexicap Fund	-	-	-	10.60	-
Franklin India Prima Fund	-	-	-	10.00	-
Zurich India - Equity Fund	-	-	-	-	-
Zurich India - High Interest	-	-	-	-	-
Alliance India Blue Chip Fund	-	-	-	-	-
ICICI Pru Regular Income Fund	-	-	-	-	-
Merrill Lynch Bond Fund Growth	-	-	-	-	-
Total (A)	121.47	0.90	1.33	82.03	80.44
B. Unquoted Investments					
Northern Services LLC	-	0.04	0.04	-	-
Investment in Subsidiary	0.63	-	-	-	-
Nu Tek LLC	-	0.05	0.05	-	-
Land	-	-	-	-	6.71
Fixed Deposit- Vanilla	-	-	-	-	-
Mutual Fund	-	-	-	-	5.62
Total (B)	0.63	0.09	0.09	-	12.33
Total Investments (A+B)	122.10	0.99	1.43	82.03	92.77

DETAILS OF SUNDRY DEBTORS, AS RESTATED

Annexure VII
In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Unsecured, Considered Good					
- Less than six months	363.45	110.07	40.50	53.55	12.53
- More than six months	108.22	5.26	56.48	71.81	28.56
Total	471.67	115.33	96.98	125.36	41.09

DETAILS OF LOANS AND ADVANCES, AS RESTATED

Annexure VIII
In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Advances recoverable in cash or kind or for value to be received	163.73	75.87	17.68	6.41	9.95
Advance Tax and TDS	24.69	15.38	11.30	11.77	10.88
Total	188.42	91.25	28.98	18.18	20.83

DETAILS OF SECURED LOANS, AS RESTATED

Annexure IX
In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
LOANS FROM BANKS					
Citibank (Against Shares)	-	-	-	14.00	-
Citi Bank Car Loan (Maruti A/c)	0.26	0.78	1.26	(0.00)	0.25
HDFC Bank Limited - Auto Loan	0.00	0.00	0.70	1.11	0.22
ICICI Bank	1.32	2.20	2.28	1.75	0.15
Cash Credits	41.78	30.97	-	-	-
ICICI Bank- Laptop Loan	0.08	1.64	2.42	-	-
Kotak Mahindra Primus Ltd.	0.12	0.19	0.30	1.09	1.73
Standard Chartered Bank - Car Loan	-	-	-	-	0.05
<u>Loan Against Office Equipment from Others</u>					
SREI Infrastructure Finance Ltd.	1.37	-	-	-	-
Toshniwal Enterprises Control Account	8.49	-	-	-	-
<u>Loan Against shares from Religare Finvest Ltd.</u>	11.93	-	-	-	-
Total	65.35	35.78	6.98	17.95	2.39

OUTSTANDING AS ON 31st MARCH 2008

In Rupees Millions

PARTICULARS	Amount	Rate of Interest	Securities Offered	Repayment Terms
	31.03.08			
LOANS FROM BANKS				
<u>Auto Loan</u>				
HDFC Bank Ltd. A/c Auto Loan	0.00	20.29%	Two Wheeler	EMI Rs.919
<u>Car Loan</u>				
Citi Bank Car Loan (Maruti A/c)	0.26	5.79%	Car	EMI Rs.45534
ICICI Bank - 2526	0.06	10.25%	Car	EMI Rs.37512
ICICI Bank - 2037	0.24	6.42%	Car	EMI Rs.27100
ICICI Bank - 6592	0.50	9.94%	Car	EMI Rs.14961
ICICI Bank - 6594	0.52	13.51%	Car	EMI Rs.16182
<u>Cash Credit</u>				
ICICI Bank - Working Capital Loan	41.78	10.50%	Refer Note below	12 months
<u>Laptop Loan</u>				
ICICI Bank - Laptop loan-2325	0.02	12.50%	Laptop	EMI Rs.113538
ICICI Bank - Laptop loan-2857	0.06	12.50%	Laptop	EMI Rs.28385
<u>Loan Against Office Equipment from Others</u>				
SREI Infrastructure Finance Ltd.	1.37	15.04%	Gen Set	EMI Rs 58150
Toshniwal Enterprises Control Account	5.21	11.00%	TEMS Equipment	EMI Rs 332081
Toshniwal Enterprises Control Account	3.28	11.00%	TEMS Equipment	EMI Rs 314860
<u>Loan Against vehicles from Others</u>				
Kotak Mahindra Primus Ltd.-777/01	0.06	9.69%	Maruti Van	EMI Rs.4122
Kotak Mahindra Primus Ltd.-778/01	0.06	10.11%	Maruti Van	EMI Rs.4122

Loan Against shares from Religare Finvest Ltd.	11.93	14.50%	Lien on Shares of listed Companies in which the company has invested
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Note: Exclusive first charge on entire current assets of the Company. Exclusive first charge on all fixed assets of the Company excluding those financed with other banks. Equitable mortgage on residential property at A-118, Sushant Lok-1, Gurgaon-122002 valued at Rs 40 million. Equitable mortgage on commercial property at 1505-06, 15th Floor, Tower- D, Global Business Park, MG Road, Gurgaon valued at Rs 40 million. Personal guarantees of Mr. Inder Sharma, Director & Mrs. Sumati Sharma, Relative of Director.

DETAILS OF UNSECURED LOANS, AS RESTATED
Annexure X
In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
M/s Hitean Mercantile Pvt Ltd.	30.00	30.00	45.00	-	-
Home Loan - Ansal	-	-	-	-	0.77
Total	30.00	30.00	45.00	-	0.77

DETAILS OF CONTINGENT LIABILITIES, AS RESTATED
Annexure XI
In Rupees Millions

PARTICULARS	For the Financial Year / Period ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
IT Appeal pending before CIT(Appeals)	-	9.05	0.68	-	-
Bank Guarantees to Customers and other usual Business related requirements	64.14	118.22	73.78	15.38	-

DETAILS OF OTHER INCOME, AS RESTATED

Annexure XII
In Rupees Millions

PARTICULARS	For the Financial Year / Period ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Dividend Income	5.92	0.08	3.12	10.99	12.72
Interest Income	2.25	0.64	1.13	0.41	0.07
Short Term Capital Gains	1.17	0.08	8.56	(0.99)	(2.85)
Long Term Capital Gains	-	-	3.71	-	2.51
Misc Receipt	2.09	1.38	0.03	1.92	-
Profit on trading of shares	1.76	-	-	-	-
Profit on sale of Car	-	-	-	-	-
Profit on sale of Investment	2.22	-	-	-	-
Foreign Exchange Fluctuation Gain	-	0.16	-	-	-
Total	15.41	2.34	16.55	12.32	12.45

STATEMENT OF ACCOUNTING RATIOS
Annexure XIII

PARTICULARS	For the Financial Year / Period ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Net Worth (Rs. In Millions)	865.06	411.88	243.19	149.81	60.21
Restated Earnings attributable to Equity Share Holders (Rs. In Millions)	205.80	115.87	50.87	54.59	34.19
No. of Equity Shares outstanding at the end of period	13,759,300	11,661,300	11,661,300	53,500	50,000
Weighted Average no. of Equity Shares outstanding during the year / period	12,610,284	11,661,300	11,314,584	150,029	150,000
Weighted Average no. of Dilutive Equity Shares outstanding during the year / period	12,830,611	12,060,204	11,314,584	150,029	150,000
<i>Earnings Per Share (EPS) (Face Value Rs. 10/- each)</i>					
Basic Earnings per share (Rs.)	16.32	9.94	4.50	363.82	227.91
Diluted Earnings per share (Rs.)	16.04	9.61	4.50	363.83	227.91
Return on Net Worth (%)	23.79%	28.13%	20.92%	36.44%	56.78%
Net Assets Value per share of Rs. 10/- each	62.87	35.32	20.85	2800.25	1204.14

Formula:

Earning Per Share (Rs.) = Net Profit after Tax / Weighted No. of Equity Shares

Net Assets Value (Rs.) = Net Worth / No. of Equity Shares

Return on Net Worth (%) = Net Profit after Tax / Net Worth

CAPITALIZATION STATEMENT

Annexure XIV
In Rupees Millions

PARTICULARS	Pre Issue As At 31.03.2008	Post Issue*
Borrowings		
Secured Loans	65.35	
Unsecured Loans	30.00	
<i>Less: Short Term Debts</i>	NIL	
Total long-term borrowings	95.35	
Shareholders' Funds		
Equity Share Capital	137.59	
Reserves & Surplus		
Profit and Loss Accounts	445.08	
Securities Premium	282.40	
<i>Less: Miscellaneous Expenditure to the extent not written off</i>		
Total Shareholders' Funds	865.07	
Debt / Equity Ratio	0.11	

* Shareholders' funds post issue can be calculated only on the conclusion of the book building process

Note: Short Term Debts are debts maturing within next one year

COMPUTATION OF DEFERRED TAX ASSET / LIABILITY FOR THE YEAR ENDED
Annexure XV
In Rupees Millions

Particulars	For the Financial Year / Period ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Timing Differences					
WDV as per Companies Act, 1956	34.52	21.15	18.85	15.00	9.19
WDV as per Income Tax Act, 1961	34.51	20.25	18.21	14.50	9.14
Disallowed U/S 43B/40(a)	29.81	10.41	0.06	-	-
Timind Difference On Leased Assets	0.81	-	-	-	-
Total Timing Difference	(30.61)	(9.52)	0.59	0.51	0.05
Effective Tax Rates (%)	33.99	33.66	33.66	36.59	35.88
Tax on Timing Differences	(10.40)	(3.20)	0.20	0.19	0.02
Deferred Tax Liability / (Asset)	(10.40)	(3.20)	0.20	0.19	0.02

STATEMENT OF TAX SHELTERS

Annexure XVI
In Rupees Millions

PARTICULARS	For the Financial Year ended on				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Profit/(Loss) before tax as per Audited Accounts (A)	302.87	199.98	99.17	64.38	45.46
Effective Rate of Income Tax	33.99	33.66	33.66	36.59	35.88
Tax at Normal Income Tax Rates (B)	102.95	67.31	33.38	23.56	16.31
Adjustments:					
Permanent Differences					
Exempt Income					
Dividend u/s 10(34)	5.92	0.21	3.12	10.99	12.72
Long Term Capital Gain u/s 10(38)	-	0.06	3.71	-	-
Other Adjustments					
Lease Rental paid not debited to Profit & Loss Account	2.38	0.60	-	-	-
Prior Period Adjustments debited to Profit & Loss Account	-	-	(1.88)	(1.31)	(2.18)
Expenses of Personal Nature debited to Profit & Loss Account	-	-	(0.10)	(0.12)	-
Income Tax / Wealth Tax debited to Profit & Loss Account	-	-	(0.03)	(0.29)	-
Permanent Disallowances u/s 40	-	-	(0.17)	-	-
Filing fee to increase the authorized capital	(0.10)	-	-	-	-
Disallowance u/s 36(1)(v)(a)	(4.32)	(3.05)	-	-	-
Profit / (Loss) on Sale of Car	0.00	(0.16)	(0.61)	-	-
Expenses disallowed u/s 14A	-	-	-	(0.05)	(0.10)
Profit / Loss on sale of Investments	1.65	-	8.56	(0.99)	-
Interest Income not debited to Profit & Loss Account	-	(0.45)	-	-	-
Securities Transaction Tax debited to Profit & Loss Account	(0.85)	-	-	-	-
Total Permanent Differences (C)	4.67	(2.79)	12.60	8.23	10.44
Timing Differences					
Difference between book depreciation & IT act depreciation	0.01	(1.05)	0.53	0.40	(0.12)
Allowances under 40(a) / 43B	53.68	-	-	-	-
Disallowances under 40(a) / 43B	(28.07)	(54.68)	(0.06)	-	-
Total Timing Differences (D)	25.62	(55.73)	0.47	0.40	(0.12)
Net Adjustment (C) + (D)	30.29	(58.53)	13.07	8.62	10.33
Tax Savings Thereon	10.30	(19.70)	4.40	3.16	3.70
Income Taxed at Special Rates					
Profit on Sale of Investment u/s 111A (taxed at 10%)	1.65	-	8.56	-	-
Long term Capital Gain (taxed at 10%)	-	-	-	-	2.51
Rebate of Securities Transaction Tax u/s 88E	0.26	-	-	-	-

FINANCIAL STATEMENT OF SUBIDIARY

Nutek Telekomunikasyon Danismanlik Muhendislin Ve Dis Ticaret Sanayi Limited Sirketi

This company was incorporated as a new company by Nu Tek India Limited, which is one of its promoters. Nu Tek India Limited owns 75% stake in the subsidiary. This company was incorporated on 14th December 2007 and practically has no operations / immaterial operations till 31st December 2007, i.e., the date upto which the subsidiary is to prepare its first annual accounts. Nu Tek India Limited has not invested any amount in the subsidiary till 31st December 2007 and its investment of Rs. 633,694/- was made in January 2008. The subsidiary has adopted the calendar year as its accounting year. No financial statements have been prepared for the financial year (period) ended on 31st December 2007 in respect of the subsidiary, Nutek Telekomunikasyon Danismanlik Muhendislin Ve Dis Ticaret Sanayi Limited Sirketi.

In view of the above, it is not considered necessary / appropriate by us to consolidate the financial statements of the subsidiary with Holding company's financial statements.

For Vinod Kumar & Associates
Chartered Accountants

Vinod Jain
Partner
M.No. 081263

Place: New Delhi
Date: July 07, 2008

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of our significant outstanding secured/unsecured borrowings as of June 15, 2008.

Nature of Borrowing	Amount	Interest	Repayment	Utilisation/ Outstanding loans	Security Created
Fund & Non-Based Limit from ABN Amro Bank NV, Barakhamba Road, New Delhi	Fund Base : Rs 50.00 Million Bank Guarantee Limit : Rs 200.00 Million	PLR – 3.25% 1.5% p.a.	- -	Rs. 47.22 Million	Charge on stock Book Debts & on machine not financed by any banker, personal guarantee of promoters & equitable mortgage of immovable properties.
SREI Infrastructure	Rs 1.8 Million Loan for 365KVA DG Set	15.04%	36 Months	Rs. 1.36 Million	Hypothecation of Equipment / Machine & personal Guarantee of Directors
Toshniwal Enterprise	Rs. 7.12 Million for TEMS Equipment	11%	24 Months	Rs. 5.20 Million	Hypothecation of Equipment / Machine & personal Guarantee of Directors
Toshniwal Enterprise	Rs. 3.56 Million for TEMS Equipment	11%	24 Months	Rs. 3.28 Million	Hypothecation of Equipment / Machine & personal Guarantee of Directors
Loan against Shares from Religare Finvest Limited	Rs. 50.00 Million is the sanctioned limit	14.50% compounded daily payable monthly	On demand	Rs. 11.93 Million	Lien on Shares
Citi Bank N.A.	Rs 1.45 Million Vehicle Loan	5.79%	36 Months	Rs. 0.10 Million	Hypothecation of Vehicle
Kotak Mahindra Bank Ltd	Rs 0.19 Million Vehicle Loan	9.69%	60 Months	Rs. 0.04 Million	
	Rs. 0.19 Million Vehicle Loan	10.11%	60 Months	Rs. 0.04 Million	
ICICI Bank Ltd	Rs 0.90 Million Vehicle Loan	10.25%	60 Months	Rs. 0.01 Million	
	Rs 0.89 Million Vehicle Loan	6.42%	36 Months	Rs. 0.20 Million	
	Rs 0.89 Million Vehicle Loan	9.94%	60 months	Rs. 0.44 Million	
	Rs 0.89 Million Vehicle Loan	13.51%	60 Months	Rs. 0.44 Million	
HDFC Bank Ltd	Rs. 5.00 Million Vehicle Loan	9.20%	36 Months	Rs. 4.84 Million	

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our audited restated financial statements under Indian GAAP including the schedules, annexure and notes thereto and the reports thereon, which appear in this RHP beginning on page 92. You are also advised to read the Section titled "Risk Factors" beginning on page xi of this Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition, results of operations and cash flows. Unless otherwise stated, the financial information used in this Section is derived from our audited standalone financial statements under Indian GAAP, as restated. Our financial year ends on March 31 of each year, so all references to a particular financial year are to the 12-month period ended March 31 of that year.

Overview

We are a Telecom Infrastructure Service Provider offering infrastructure rollout solutions for both mobile and fixed telecommunication networks. Our strength lies in the breadth of services we offer in the telecom infrastructure space. We offer services to Telecom Operators, Telecom Equipment Manufacturers as well as third party infrastructure leasing companies in installing and maintaining telecom network equipment & infrastructure. We are registered with Department of Telecommunication as Infrastructure Provider - Category I.

The continued growth in the number of cellular service providers in each telecom circle alongwith increasing minutes of usage per subscriber will require telecom operators to add additional equipments and cell sites to maintain optimum performance of their networks. The telecom operators shall also have to continuously increase their foot-print by offering services to areas where there is no coverage. In order to meet the growing demands of the new subscribers and the market conditions, the telecom operators are resorting more and more to outsource their network roll out components. The activities like operation and maintenance is now being routinely outsourced by all major telecom operators.

We undertake initial feasibility studies, prepare strategies, undertake engineering, electronics, construction, installation, integration and maintenance of network components for our customers. We offer one stop shop for all outsourced integration services related to installation, construction, operation and maintenance of telecom networks.

With site-offices and facilities located in major cities and having executed projects in all the 23 telecom circles, we have the wherewithal to undertake multi-site projects pan India. We cater to almost all Telecom Operators and Telecom Equipment Manufacturers operating in India. We have a fully equipped maintenance team which is responsible to regularly maintain the telecom infrastructure so built and also the maintenance of passive infrastructure built by other infrastructure service providers.

Factors Affecting Our Business

One of the key drivers of our business is growth of mobile subscribers. With an addition of around 8 million subscribers per month, domestic mobile services segment is witnessing an exponential growth. The government has set a target of 500 million telephone subscribers by the year 2010. In order to achieve the target, TRAI has estimated the requirement of towers to be 330,000 by the year 2010. The high capex requirement to increase coverage to tap the growing subscriber base, together with the declining yield per minute has resulted in a huge demand for telecom sites.

- India has one of the lowest mobile telephone penetration rates in Asia. This low penetration of subscribers gives an opportunity for growth. After witnessing a phenomenal growth in the metros and the non-metros, the telecom operators are increasing their focus in the rural parts, which is quite under –penetrated. In order to provide connectivity to these far-flung areas, the telecom operators are investing heavily on creating telecom infrastructure.

- Declining tariffs and reduced handset costs has reduced the entry barrier and fuelled high subscriptions month to month. Lower equipment costs and bigger economies of scale have reduced airtime tariffs over the last 10 years. All this gives way for faster subscription and thereby equally fast need to expand networks.
- The license fees payable by the mobile operators have been substantially reduced over the years. From 15 percent of gross revenue for all the operators in the year 1999-2000, it has reduced to 6 percent in the year 2006-07. Given the fact that the government is committed to lowering the cost of telecom services, as part of the reforms program, the license fee is expected to decline further thus bringing it at par with other Asian countries. Any further reduction in the license fees payable by the telecom operators is likely to bring down the tariffs further, thereby driving the growth in subscription.
- The mobile phone market is being transformed from a voice only to a platform offering a variety of services. From simple applications like ring tones, the industry has moved to higher margin offerings like gaming, banking and location based services. The size of mobile value added services market, as per ASSOCHAM, is about US\$1.2 Bn as of March 2007 and is expected to grow by 45-50% pa. While the Indian Telecom industry is preparing itself for the 3G technology to enable high speed data transmissions and video conferencing over mobile phones, the implementation of the same would lead to an increased demand for the telecom sites as the high speed data transfer requires higher and closer location of these sites.
- The DoT's proposal to introduce mobile number portability in the metros would compel incumbents to improve mobile services thereby incurring higher spends on equipment and infrastructure. Other factors like stringent subscriber criteria for additional spectrum and rural penetration would also improve demand for telecom infrastructure.

In addition to mobile subscriber growth, there are several other factors which, we believe, would drive growth in telecom sites over the next few years and affect our business significantly.

Highly competitive market with few large operators

There are 12 wireless operators in India, of which some of the operators (Bharti Airtel, Reliance Communications, BSNL, Tata Teleservices and Vodafone) have a significant market share. A highly competitive market requires all operators to increase their network coverage aggressively, which would require massive investments thereby benefiting telecom infrastructure service providers like us.

Regulations in the Telecom sector

The TRAI has come out with recommendations on sharing of infrastructure. The regulator has focused on issues like - no amendments in license conditions for passive infrastructure sharing, limited active infrastructure sharing, identification of critical sites, backhaul sharing, financial and economic measures for infrastructure sharing and incentives for the use of non-conventional sources of energy. These shared sites generally have higher capital costs involved, which implies higher per unit revenues for the telecom infrastructure services company like us.

DoT has proposed some technological and strategic changes in the industry, which amongst others include number portability, adopting of advance technologies (like 3G) and increase in bandwidth. In order to provide infrastructure support for these technologies, it would require installation of new telecom sites (pop-up site).

Investments in the Telecom industry

The telecom industry in India is consolidating. Large telecom operators are growing larger by acquiring smaller players and entering newer markets and circles. These players have identified rural India as an untapped opportunity and have announced huge investments and expansion plans to enter these markets. They have also come out with different flexible tariff plans to suit the needs of the subscribers to boost tele-density in these rural circles. We expect the telecommunication service industry to invest heavily during next five years. Some of these investments are likely to convert into direct revenues to the telecom infrastructure service providers like us.

Release of Spectrum for additional requirement - emergence of OFC as an alternative

The interest in the telecom sector is evident from the fact that a number of new companies have applied for a telecom license with the Department of Telecommunication (DoT). The spectrum requirement for the new entrants,

coupled with the ever increasing demand of additional spectrum by the existing players, would require a release of the same by the Defence. This in turn would require DoT to provide an alternative to the Defence in the form of optical fiber network (OFC). Providing OFC network services being one of our offering, we believe that we are well placed to take advantage of this opportunity. We are already working for the Defence Force on a project, awarded to us by Bharat Electronics Limited.

Discussion on Results of Operations

PARTICULARS	For the Financial Year ended on							
	31.03.2008		31.03.2007		31.03.2006		31.03.2005	
	Amount	As %	Amount	As %	Amount	As %	Amount	As %
A.INCOME								
Income from Operations	951.63	100%	635.70	100%	469.08	100%	304.51	100%
Other Income	15.41	2%	2.34	0%	16.55	4%	12.32	4%
Total Income	967.04	102%	638.04	100%	485.63	104%	316.83	104%
B.EXPENDITURE								
Project Related Costs	481.67	51%	281.51	44%	249.76	53%	116.40	38%
Employee Costs	131.25	14%	125.70	20%	92.29	20%	82.92	27%
Administration, Selling and Other Expenses	28.49	3%	20.33	3%	35.45	8%	48.15	16%
Total Expenditure	641.41	67%	427.55	67%	377.50	80%	247.48	81%
Profits Before Depreciation, Interest & Tax	325.62	34%	210.50	33%	108.12	23%	69.35	23%
Interest & Financial Charges	13.92	1%	4.21	1%	3.61	1%	1.90	1%
Depreciation	8.83	1%	6.35	1%	4.14	1%	2.85	1%
Profits Before Tax	302.87	32%	199.94	31%	100.37	21%	64.61	21%
Less:								
Current Year's Tax	93.50	10%	85.60	13%	45.93	10%	9.85	3%
Deferred Tax Liability / (Asset)	(7.20)	-1%	(3.40)	-1%	0.01	0%	0.17	0%
Fringe Benefit Tax	3.46	0%	1.87	0%	3.56	1%	-	0%
Provision for Interest on TDS	0.45	0%	-	0%	-	0%	-	0%
Profits After Tax	212.65	22%	115.87	18%	50.87	11%	54.59	18%

We have achieved a year-on-year growth of 54%, 36% and 50% in our income from operations for the FY 2006, FY 2007 and FY 2008 respectively registering a CAGR of 46% over the last three years ending March 31, 2008.

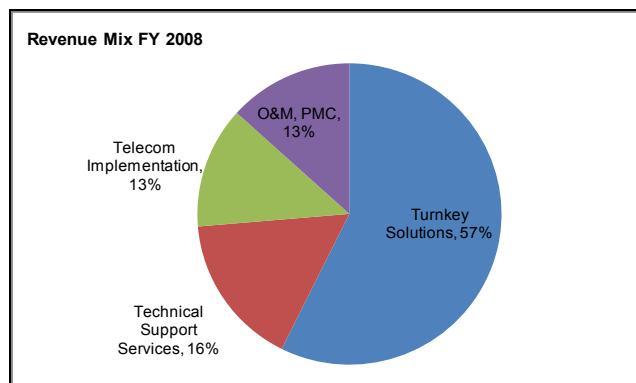
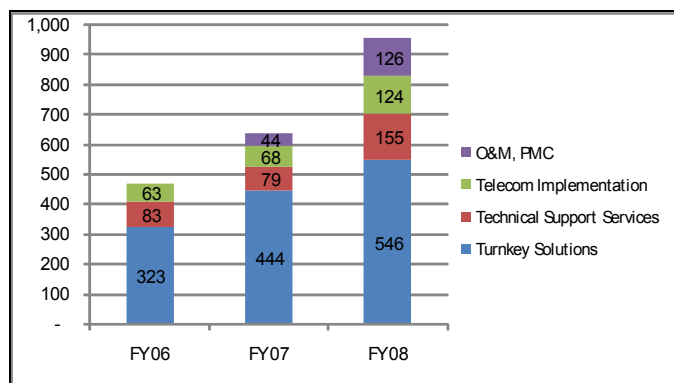
Our EBIDTA margins as a percentage of income from operations have improved from 23% in the FY 2005 and FY 2006 to 33% in FY 2007 and have sustained to be at 34% for the year ended March 31, 2008. This improvement in our financial performance is attributable to our revenue mix changing every year, making our portfolio of business offerings more diversified and optimum. Besides gradually moving into a higher value chain of our business, the effective cost controls have also contributed in the improvement of our margins.

We earned Profits After Tax of Rs.213 Mn for the financial year ended March 31, 2008 i.e. ~22% of our income from operations. Our post tax earnings have grown at a CAGR of 57% over the last three financial years ending on March 31, 2008 and at an average of 17% of our income from operations of these years. Our Net Worth stands at Rs.865 Mn as on March 31, 2008.

Our Revenue Mix - Business Activities

Business Activities	FY06	FY07	FY08
Turnkey Solutions	69%	70%	57%
Technical Support Services	18%	12%	16%
Telecom Implementation	14%	11%	13%
O&M, PMC	-	7%	13%

Over the years our focus has been to move up the value chain and offer one stop shop outsourced integration services to our clientele. Our continuous scaling up in the value chain has improved our revenue mix each year and consequently our margins.



Our past revenues dominantly came from our Technical Support Services (TSS) and Telecom Implementation (TI) business activities. We saw growth in our Turnkey Solutions (FTK) business in FY 2005 and this contribution improved significantly to ~69% of income from operations in FY 2006. It continued to contribute similarly in FY 2007 with ~70% of our income from operations. Due to significant growth in our O&M and PMC business, the contribution from FTK shifted relatively from ~70% in FY 2007 to ~57% of our income from operations in FY 2008. In absolute terms, however, our FTK revenues have grown from Rs.323 Mn in FY 2006 to Rs.546 Mn in FY 2008 with a CAGR of ~82% over the last three financial years ending on March 31, 2008. During the last three financial years ending March 31, 2008, our FTK business has contributed at an average of ~65% of our income from operations.

Our TSS revenues have been Rs.83 Mn i.e. ~18% of our income from operations in FY 2006, Rs.79 Mn i.e. ~12% of our income from operations in FY 2007 and Rs.155 Mn i.e. ~16% of our income from operations. Our TSS stream of revenues has been at an average of ~15% of our operational incomes for the last three years viz. FY 2006 to FY 2008.

Likewise, the revenue from our TI business as a percentage of income from operations have been ~14%, ~11% and ~13% in FY 2006, FY 2007 and FY 2008 respectively i.e. an average of 12% over these financial years. However, in absolute terms revenues from this business activity have almost doubled from Rs.63 Mn in FY 2006 to Rs.124 Mn in FY 2008.

Our O&M, PMC business have almost tripled in FY 2008 to reach Rs.126 Mn from Rs.44 Mn in FY 2007, which is ~13% of our income from operations in FY 2008 from ~7% in FY 2007.

Typically, Orders which are outsourced to us on TSS model moves on to the TI model and are gradually being covered as a part of our FTK Projects. Our O&M business activity is partially an offshoot of our FTK business. The increasing revenues from O&M business in the total operational income suggests visible and sustainable earnings for us. This constantly changing revenue mix over the past years has been in sync with our moving up the value chain towards being an end to end solution provider to our long standing and recurring clients by offering diversified portfolio of our services.

Our Geographic Presence

Most of our infrastructure roll out experience is concentrated in the northern region of the country, while our exposure to other regions in the country is limited to smaller projects. There is a huge amount of capex lined-up by all the telecom operators for the rollout of infrastructure across India, of which a sizable spending is expected in the under penetrated eastern part of the country.

During the financial year ended March 31, 2008, our revenues from operations in the northern region were to the tune of ~69.5% of our total income from operations. Considering our orders in hand and Letter of Intent as on June 15, 2008, ~46% of the same is to be executed in the northern region while the rest is spread across the rest of India. We are working aggressively on strengthening our presence in the eastern and southern regions, so as to address the opportunities arising out of the regional growth. We are also expanding into markets outside of India, such as,

Turkey where we expect a growth in Telecom Services requirements, thereby mitigating the geographic concentration risk.

Client Concentration

Contribution to Revenues	FY 06	FY 07	FY 08
Top Client	58%	57%	18%
Top 5 Clients	89%	83%	58%
Top 10 Clients	99%	96%	82%

**as a percentage of total income from operations as at the end of the respective financial years*

In the financial year 2008, our top client contributed 18% of our income from operations, our top 5 clients contributed 58% and top 10 clients contributed 82% of our income from operations. Our business is non customer-exclusive and our top clients have been varying each year depending on the volume of potential business with them. For the financial years 2006 and 2007, our top client, Nokia Siemens Networks Pvt. Ltd., has contributed 58% and 57% respectively, from whom we received a full turnkey project comprising over 1500 sites over those last two years. However, this work order got substantially completed in FY 2007 itself. During the FY 2008, our revenues were spread across clients like ZTE Telecom (~18%), Ericsson Telecommunication (~13%), Dishnet (~12%), Motorola India (~7.5%) and Tata Teleservices (~7%) contributing more than 50% of our total income from operations. Given the numbers of operators and telecom equipment manufacturers, such a client concentration is peculiar to the industry we operate in.

Debtors

In Rupees Millions

Particulars	FY 2006	FY 2007	FY 2008
Outstanding Debtors as at the end of the FY	96.98	115.33	471.67
Debtors less than 180 days*	42%	95%	77%
Debtors more than 180 days*	58%	5%	23%
Debtors Velocity (Avg. Number of Days)	87	61	113
Debtors Turnover (Avg. Number of Times)	4.22	5.99	3.24

**as a percentage of total debtors as at the end of the respective financial years*

Our debtors as on March 31, 2008 stood at Rs. 472 Million. Our income from operations during this year is Rs.952 Million. This indicates our average debtors turnover of 113 days. Our average debtors have been 87 days and 61 days for the financial years 2006 and 2007 respectively.

Comparison of the financial year 2007-08 with financial year 2006-07

Our income from operations for the year ended March 31, 2008 was Rs.952 Mn recording a y-o-y growth of 50% over the last financial year. During this year, our revenue mix underwent a change whereby our O&M business almost tripled to Rs.126 Mn from Rs.44 Mn in the previous financial year. This led to a decrease in FTK share in total operational income relatively from ~70% in the previous financial year to ~57% in FY 2008. However, in absolute terms, our FTK business showed a y-o-y growth of ~23% in FY 2008 contributing Rs.546 Mn to our total operational income. During this financial year, our TI business almost doubled to reach Rs.155 Mn and our TSS business grew by ~82% to reach Rs.124 Mn. Our Other Income has risen to Rs.15 Mn during this financial year which was primarily on account of dividend and interest incomes.

During this financial year Project Related Costs have risen absolutely from Rs.282 Mn to Rs.482 Mn showing a y-o-y growth of 71% vis-à-vis 50% increase in our income from operations. This is mainly because we also provide certain materials for some of our turnkey projects which gets accounted as our project related costs. Our Employee Costs for this financial year was Rs.131 Mn i.e. 14% of our income from operations vis-à-vis that of 20% in the last

financial year. This year the employee costs varied insignificantly in absolute terms and, thus, it improved by ~6% when compared with the earlier financial year. Our Administration, Selling and Other Expenses have been consistent during FY 2008 at ~3% of our income from operations.

We succeeded to maintain our EBIDTA margins at 34% and PBT margins at 32% during the financial year 2008 vis-à-vis that of 33% and 32% respectively in the financial year 2007. Our Profits After Tax for this financial year was Rs.213 Mn i.e. ~22% of our income from operations.

Comparison of the financial year 2006-07 with financial year 2005-06

During FY 2007, the turnover of our company kept pace with the past trends and showed an increase of about 36% from the previous financial year. In absolute terms we achieved total Income from Operations of Rs.636 Mn for the FY 2007 as compared to Rs.469 Mn for the FY 2006.

During the year under review, we added new clients by bagging Full Turnkey projects from Bharat Electronics, Airtel, Quipo Telecom & VSNL. We also added TSS business from ZTE Telecom & TI business from ZTE Telecom and Idea Cellular during the year. Full turnkey business from Nokia contributed a major portion of our revenues this year. We were also awarded an order of OFC backbone laying from Airtel during the year.

Our Other Income came down from Rs.16.6 Mn in FY 2006 to Rs.2.3 Mn in FY 2007. This Other Income constitutes dividend and interest income. During the year FY 2007, our management decided to divest the investments held by it to meet company's working capital requirements. Thus, our other incomes have shown a decline.

The execution of some of our projects involve purchase of raw materials like electric and telecom items, tools, kits and other consumables. Our Project Related Costs have gone up from Rs.250 Mn in FY 2006 to Rs.282 Mn during the year. However, we have been able to effectively control our costs & attain efficiency in our project related activities. During the FY 2006 the project cost to income from operation was 53% which came down to 44% during the FY 2007. In absolute terms, it increased by only 13% in FY 2007 over FY 2006 whereas our revenues showed a year on year growth of 36% during the same period.

We have been able to maintain the Employee Costs at 20% of the income from operations in the FY 2007. In absolute terms this cost has increased by 36% over the FY 2006, which is in line with year on year growth in revenues.

Our Administration, Selling & Other Expenses as a percentage of income from operations have reduced from 8% in FY 2007 to 3% in FY 2006. In absolute terms, it has reduced by 43% from Rs.35 Mn in FY 2006 to Rs.20 Mn in FY 2007.

Our Earnings Before Interest, Depreciation and Tax (EBIDTA) increased to Rs.211 Mn from Rs.108 Mn, almost doubled over the corresponding past year's figure. Our efficiencies in project related activities and absolute cost reduction in administration, selling and other expenses have helped us in improving our EBIDTA margins by 10% in FY 2007 against FY 2006, and the same reflected in our Profits After Tax (PAT) margins as well. Our net margins improved from 11% in FY 2006 to 18% in FY 2007.

Comparison of the financial year 2005-06 with the financial year 2004-05

In FY 2006, the income of our company increased considerably. Our income from operations increased from Rs. 305 Mn in FY 2005 to Rs.469 Mn in FY 2006 registering a year on year growth of 54%. In this year our Full Turnkey Revenues increased to 69% of the total income from operations vis-à-vis 30% in FY 2005. In absolute terms, the revenue from this activity more than tripled from Rs.90 Mn in FY 2005 to Rs.323 Mn in FY 2006 leading to an overall increase in our revenues.

This was the year in which our consolidation phase started. Major expansions were announced by almost all operators as the tele-density in India started growing.. We initiated our business relationship with Nokia during the year. We were awarded order for rolling out BSNL networks in the state of Jammu & Kashmir and Haryana. Towards the end of the year, Nokia further awarded us an order to rollout their BSNL network in the UP (East) circle as well.

Further, during the year, we also received orders from MTNL, Reliance Infocomm and Tata Teleservices, being the three CDMA Operators in Delhi, for covering CDMA coverage in the underground section of the Delhi Metro railway corridor on full turnkey basis. This provided us an opportunity to exhibit our competence in delivery capabilities of network design and implementation solutions for such diversified applications.

We also executed a major data rollout project for Huawei, a Chinese major telecom company, who won a bid from BSNL to rollout their National Internet Backbone project. This was dual play broadband project offering both internet & telephone services to end customers based on ADSL technology & covering over 1800 nodes across India.

Our company in the past had invested its surplus funds in mutual funds. During FY 2006 it was decided to divest a part of the same & use the funds so available to meet our increased working capital requirements. Our other income increased from Rs.12.3 Mn in FY 2005 to Rs.16.6 Mn in FY 2006 mainly due to capital gains from these investments.

Our Project Related Costs increased from Rs. 116 Mn in FY 2005 to Rs. 250 Mn in FY 2006, i.e. an increase of 115% on year on year basis. As a percentage to the income from operations, it has increased from 38% in FY 2005 to 53% in FY 2006. Though our Employee Costs have increased from Rs. 83 Mn in FY 2005 to Rs. 92 Mn in FY 2006, as a percentage to income from operations it has reduced from 27% in FY 2005 to 20% in FY 2006.

Our Administration, Selling & Other Expenses as a percentage of income from operations declined from 16% in FY 2005 to 8% in FY 2006. This was mainly due to implementation of cost control & cost cutting measures adopted by the Management. The expenses under this head reduced by 15% in absolute terms as compared to the FY 2005.

In absolute terms, our EBIDTA for FY 2006 increased by 56% to Rs. 108 mn from Rs. 69 Mn in FY 2005, which is in line with the overall revenue growth of 54% on year on year basis. Though, it continued to remain at 23% of the income from operations. Our PAT margins, however, reduced from 18% of the total income from operations in FY 2005 to 11% in FY 2006. In absolute terms the PAT decreased from Rs 55 Mn to Rs 51 Mn. This was primarily due to increased tax obligations in FY 2006 of Rs.46 Mn against that of Rs.10 Mn in FY 2005. Further, we had also provided for Fringe Benefit Tax of Rs 3.6 Mn in FY 2006.

Material developments subsequent to the last financial year

- Recently on 17th June 2008, we have entered into a contract with M/s Ericsson AB, Dubai for Resource Provider Services for their operations in Middle East and West Asia excluding Saudi Arabia. We have to provide Technical Support Services and will be deputing technical manpower at their work sites. The contract is valid upto 30th April 2009.
- We have participated in MTNL's tender for Operations and Maintenance of passive infrastructure in Delhi and NCR and are the lone bidder whose tender is under consideration by the MTNL management as per their letter dated 22nd May 2008.
- We have entered into an agreement on May 23, 2008 with o3 Capital LLC, New York, USA, an investment bank, appointing them as Financial Advisor in identifying target firms for acquisition.

Related Party Transactions

For details please refer to the discussion in the section titled "Financial Statements" on page 92 of this RHP.

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits or criminal or civil prosecutions, proceedings or tax liabilities against our Company, our Directors, our Promoters, Promoter group companies and there are no defaults, non-payment or overdue of statutory dues, institutional/bank dues and dues payable to holders of any debentures, bonds and fixed deposits, other unclaimed liabilities against our Company or Directors or Promoters or Promoter group companies and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Directors and our Promoters. Further, except as stated herein, there are no cases of litigations, defaults, etc. in respect of companies/firms/ventures with which the Promoter were associated in the past but are no longer associated, in respect of which the name(s) of the Promoter continues to be associated with those litigation(s).

CRIMINAL CASES

I.

Case No.	C.C. No.M/3695
Filed at	Before the Court of J.P. Nahar, M.M., Patiala House , Courts, New Delhi

The above complaint case has been instituted by M/s Bharti Airtel Ltd. U/s 138 of Negotiable Instruments Act for recovery of payment of Rs.1462/- (Rupees One thousand four hundred and sixty two only). As alleged, we have given an A/C Payee Cheque for the above stated amount in lieu of the payment of Telephone bill. The Ld. Court of M.M has issued summons against us for personal presence of the official.

We have deposited the amount of Rs.3440/- in cash (Rs.1462/- plus Rs.1978/- as penal charges) on December 21, 2007 with the complainant company. The matter is next listed on September 16, 2008 for further proceedings.

CIVIL CASES

I.

Case No.	191/W.C.A/2006
Filed at	Workman Compensation Commissioner, Bareilly, Uttar Pradesh
Filed by	Smt. Rajwati and Ors - Petitioner

The petitioner has sought compensation for the un-natural death of her husband, who was working as technician. It has been alleged by the petitioner that Late Sh. Chattra Pal died on March 4, 2005 after falling from the telecom tower, on which he was deployed by us for executing work. The petitioner has sought compensation of Rs.3,94,120/- with interest @ 12% per annum from us as per the Workman Compensation Act, 1923. The petitioner has also sought 50% penalty on the compensation amount.

We have filed our reply to the petition and have denied the allegations that Sh. Chattrapal has died of falling from the telecom tower and that he died naturally. It has been further stated that the actual cause of the death can be determined from perusal of FIR and Post-Mortem report. We have further denied that Sh. Chattra Pal was workman within the meaning of the Workman Compensation Act, 1923. We have an understanding with the Petitioner and as per the understanding, we were paying the Petitioner an amount of Rs.4000/- per month through A/C Payee Cheque. Till date we have paid Rs. 84,000/- to the Petitioner.

Matter is next listed on July 18, 2008.

II.

Case No.	Complaint No.4/05
Filed at	Chief Judicial Magistrate, Rewari, Haryana
Filed by	Labour Department, Haryana

A complaint case has been filed by the Labour Inspector, Rewari against our Managing Director before the Court of Chief Judicial Magistrate, Rewari. The said complaint has been filed for non-compliance of the provisions of Minimum Wages Act, 1948 by us. A court notice dated October 13, 2006 was issued. The matter is due for next hearing.

NOTICES RECEIVED BY THE COMPANY FROM REGULATORY AUTHORITIES

I

Notice No.	DPFC/4-1558/11821
Issued by	Dy. Provident Fund Commissioner, Jammu

The notice has been issued by the Dy. Provident Fund Commissioner, Jammu for recovery of Contribution, Administrative Charges and Damages as arrears of Land Revenue. The notice has been issued under the Jammu and Kashmir Employees Provident Fund Act, 1961. As per the said notice, we are liable to deposit an amount of Rs.1,26,595/- as Provident Fund Contribution for the period May 05, 2006 to June 12, 2006, Administrative Charges for the period May 05, 2006 to June 12, 2006 and Damages @25% on P.F. Contribution and Administrative Charges. The notice was issued on January 20, 2007 and 15 days time was provided to deposit the said amount.

We have been deducting and depositing the PF contribution of all the employees including those of Jammu Branch with Provident Commissioner, Gurgaon. Further, we have since obtained registration under J&K Employees Provident Fund Act and started depositing PF contribution of employees of Jammu Branch with Dy PF Commissioner, Jammu & Kashmir. Further we are in the process of transferring the amount of Rs. 126,595/- from PF Commissioner, Gurgaon to Dy PF Commissioner, Jammu.

II.

Notice No.	DyCL/IDC/2007/2K/ /DESK -28
Issued by	Asst. Commissioner of Labour, Mumbai

The notice was issued by the Asst. Commissioner of labour, Mumbai for the presentment of our authorised representative on October 25, 2007 for preliminary enquiry in the matter of dispute under the Industrial Dispute Act, 1947. The notice was issued pursuant to the Complaint dated August 29, 2007 filed by Mr. Bhauso N Talekar, who had worked with the Company as a Technician for a period of 3 years at a salary of Rs. 4500/- p.m. He has complained about non-payment of bonus and wages of Privilege Leave for the entire period of his employment and has demanded an amount of Rs. 29,104/-. We had represented on 25.10.07 and the matter is next listed for July 12, 2008.

III

Notice No.	286/2007
Issued by	Labour Enforcement Officer (Central), Mysore

The show cause notice was issued to Mr. Inder Sharma and Sh. Arshad Salam, Manager (Project) by the Labour Enforcement Officer (Central), Mysore for non compliance of some procedural requirements under Minimum Wages Act, 1948 and Child Labour (Prohibition & Regulation) Act, 1970 and Central Rules thereof. These irregularities were found in the inspection made by the said authority at one of our site on November 29, 2007. We had to rectify those irregularities within 10 days to avoid legal consequences. We have not done any violation of the said Acts. We have already replied to Labour Enforcement Officer, Mysore and have not received any communication thereafter from his office.

There are no outstanding litigations involving subsidiaries, promoters & group Companies.

MATERIAL DEVELOPMENT

In the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our material liabilities within the next 12 months except the following -

- Recently on 17th June 2008, we have entered into a contract with M/s Ericsson AB, Dubai for Resource Provider Services for their operations in Middle East and West Asia excluding Saudi Arabia. We have to provide Technical Support Services and will be deputing technical manpower at their work sites. The contract is valid upto 30th April 2009.
- We have participated in MTNL's tender for Operations and Maintenance of passive infrastructure in Delhi and NCR and are the lone bidder whose tender is under consideration by the MTNL management as per their letter dated 22nd May 2008.
- We have entered into an agreement on May 23, 2008 with o3 Capital LLC, New York, USA, an investment bank, appointing them as Financial Advisor in identifying target firms for acquisition.

AMOUNT OWED TO SMALL SCALE INDUSTRIAL UNDERTAKINGS

There are no outstanding dues payable to Small scale industries which are more than 30 days old.

GOVERNMENT AND OTHER APPROVALS

The Company has the following licenses, permits and registrations for conducting its business.

S. No.	Date of approval	Authority granting approval	Approval/ registration number	Applicable law	Nature of approval	Validity
1.	July 6, 1993	Registrar of Companies, Delhi and Haryana	55-54313	Companies Act, 1956	Certificate of Incorporation	Continuing
2.	March 24, 2006	Registrar of Companies, Delhi and Haryana	55-54313	Companies Act, 1956	Conversion of Company in to Public Ltd Company	Continuing
3.	July 6, 1993	Income Tax Department	AAACN2270L	Income Tax Act, 1961	Permanent Account Number	Continuing
4.		Income Tax Department	DELN05424G	Income Tax Act, 1961	Tax Deduction & Collection Account Number	Continuing
5.	February 5, 2002	Joint Director General of Foreign Trade, Delhi	0501060111		Importer Exporter Code	Continuing
6.	July 19, 2006	Inspector under Bombay Shops & Establishment Act, 1948	RC/006876	Bombay Shops and establishment Act, 1948	Registration	December 31, 2008
7.	April 1, 2007	Profession Tax Officer, Beliaghata Road, Kolkatta-110018	EWG 1582031	West Bengal State Tax of Profession, Trades, Callings and Employments Act, 1979	Certificate of Enrolment	Continuing
8.	September 29, 2006	Director, (BS/CS-III) Deptt. Of Telecom, New Delhi	134/2006	Indian Telegraph Act, 1885	Registration	Continuing
9.	May 18, 2007	The Deputy Commissioner of Service tax, CGO Complex, New Delhi	AAACN2270L ST002	The Finance Act, 1994	Centralized Registration	Continuing
10.	June 8, 2004	Regional provident Fund Commissioner, Gurgaon	HR/GGN/263 41	Employees Provident Fund & Miscellaneous Provisions Act, 1952	Registration	Continuing
11.	July 7, 2005	Regional Director E.S.I. Corporation, Faridabad	13/32320/66	Employees State Insurance Act, 1948	Registration	Continuing
12.	February 08, 2008	Dy. PF Commissioner, Jammu	DPFC/JK/J-4160/12092	Employees Provident Fund & Miscellaneous	Registration	Continuing

S. No.	Date of approval	Authority granting approval	Approval/ registration number	Applicable law	Nature of approval	Validity
				Provisions Act, 1952		
13.	June 06, 2008	Labour Inspector, Circle 8, Gurgaon	GCM/08	Punjab Shops and Commercial Establishment Act, 1958	Registration	March 31, 2011
14.	November 18, 2003 w.e.f August 18, 2003	Notified Authority	06141823769	Central Sales Tax Act, 1956	TIN	Continuing
15.	February 14, 2008	Labour Inspector, Circle III, Jammu	JK/III/13041	J&K Shops and Commercial Establishment Act, 1966	Registration	March 31, 2010
16.	November 18, 2003 w.e.f. August 18, 2003	Notified Authority	06141823769	Haryana Value Added tax Act, 2003	TIN	Continuing
17.	March 25, 2003	Asst. Commissioner, Sales Tax, Jammu	01931010557	Central Sales Tax Act, 1956	Registration	Continuing
18.	March 25, 2003	Asst. Commissioner, Sales Tax, Jammu	01931010557	Jammu and Kashmir General Sales Tax Act, 1962	TIN	Continuing
19.	February 24, 2006	Asst. Commissioner Trade Tax Officer Lucknow	LW 5110678	Central Sales Tax Act, 1956	Registration	Continuing
20.	April 25, 2006	Asst. Commissioner Trade Tax Officer Lucknow	LW-0254348	U.P. Trade Tax Act, 1948	Registration	Continuing
21.	December 22, 2007	Chief Inspector, Uttar Pradesh Shop and Commercial Establishment, Lucknow.	I.G.1490	U.P. Shop and Commercial Establishment Act, 1962.	Renewal of Registration	March 31 st , 2010
22.	May 30, 2007	Sales Tax Officer Registration Branch, Mumbai	1/1/34/11405	The Maharashtra State Tax on Professions, Trades, Callings & Employments Act, 1975	Registration	Continuing
23.	September 27, 2007	Sales Tax Officer (5) Registration Branch, Mumbai	27380627814C	Central Sales Tax Act, 1956	Registration	Continuing
24.	September 27, 2007	Sales Tax Officer (5) Registration Branch, Mumbai	27380627814V	Value Added Tax Act, 2002	TIN	Continuing

S. No.	Date of approval	Authority granting approval	Approval/ registration number	Applicable law	Nature of approval	Validity
25.	October 01, 2007	Assistant Commissioner, Sales Tax	07300333211	Delhi VAT Act, 2004	TIN	Continuing
26.	June 29, 2007	Sales Tax Officer	19676604231	Central Sales Tax Act, 1956	Registration	Continuing
27.	June 29, 2007	Sales Tax Officer	19676604037	West Bengal VAT Act, 2003	TIN	Continuing
28.	Feb 14, 2008 wef Jan 1, 2008	Officer Commercial Taxes Authority, Kota	08392909562	Rajasthan VAT Act, 2003	Allotment of TIN	Continuing
29.	Feb 12, 2008	Officer Commercial Taxes Authority, Kota	08392909562	Central Sale Tax Act, 1956	Certificate of Registration	Continuing
30.	Jan 07, 2008	Director, Shop & Establishment, Kota	A/3127/08	Rajasthan Shop & Establishment Act, 1958	Certificate of Registration	Dec 31, 2010
31.	Feb 14, 2008	Commercial Taxes Officer, Kota	08392909562	Rajasthan VAT Act, 2003	Certificate of Registration	Continuing
32.	Jun, 12, 2008 wef Mar 11, 2008	Commercial Taxes Authority, Govt. of Jharkhand	20360205523	Jharkhand Value Added Tax Act	Allotment of TIN	Continuing
33.	Mar 11, 2008	Dy Commissioner of Commercial Tax, east Circle, Ranchi	20360205523	Central Sale Tax Act, 1956	Certificate of Registration	Continuing
34.	May 20, 2008	Assistant Commissioner Sales Tax, Puri Range, Bhubaneswar	21051121194	Orissa Value Added Tax Act, 2004	Allotment of TIN	Continuing
35.	May 21, 2008	Assistant Commissioner of Sales Tax, Puri Range, Bhubaneswar	21051121194	Central Sales Tax Act	Certificate of Registration	Continuing
36.	May 27, 2008	Assistant Commissioner of Sales Tax, Puri Range, Bhubaneswar	21051121194	Orissa Entry Tax & Rules, 1999	Certificate of Registration,	Continuing
37.	December 07, 2007	Chief Executive NQAQSR Certification Pvt Ltd	07/320/J	ISO 9000: 2001	Registration	December 06, 2010

The Company has applied for the following registrations:

S. No.	Authority granting approval	Applicable law	Nature of approval
1.	Deputy Commissioner of Commercial Taxes, Patna	Bihar Value Added Tax Act, 2005	VAT Registration
2.	Deputy Commissioner of Commercial Taxes, Patna	Central Sales Tax Act, 1956	CST Registration
3.	Deputy Commissioner of Commercial Taxes, Delhi	Central Sales Tax Act, 1956	Certificate of Registration
4.	Executive Officer	The West Bengal Municipal Act, 1993	Certificate of Enlistment

We undertake that the activities proposed by us in view of the present approvals and approvals which have been applied by us, no further approvals from any Government Authorities / RBI are required by us to undertake the proposed activities.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Authority from the Company and the Selling Shareholder

This Issue has been authorised by the resolution of the Board of Directors passed at their meeting held on 14th April 2007, subject to the approval by the shareholders of our company. The shareholders of our company have approved this issue under Section 81(1A) of the Companies Act by a special resolution passed at our Extra General Meeting held on 14th May 2007 and 12th December, 2007.

The Selling shareholder have authorized the Issue as follows:

Selling Shareholder	No. of Shares offered	Date of Consent
Yamini Suppliers Pvt. Ltd.	1,000,000	12 th December 2007

Prohibition by SEBI

Our Company, the Selling Shareholder, our Promoter, our Directors, our subsidiary company and companies with which our directors are associated as directors or Promoter, has not been prohibited from accessing the capital market or restrained from buying, selling or dealing in securities under any order or directions passed by SEBI. The listing of any securities of our Company has never been refused at anytime by any of the stock exchanges in India.

Further, our Company, our Promoter, their relatives, our subsidiary company, our Directors and the Selling Shareholder have not been declared as willful defaulters by RBI / government authorities and there are no violations of securities laws committed by them in the past and no proceedings are pending against them.

Eligibility for the Issue

At the time of filing of Draft Red Herring Prospectus, we were not complying with the eligibility criteria as specified under clause 2.2.1 of SEBI DIP Guideliens. For the financial year ended March 31, 2005, more than 50% of our net tangible assets were deployed in monetary assets. The summary of our distributable profits, net worth, net tangible assets and monetary assets are as under:

(Rs. in millions)					
Particulars	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005	March 31, 2004
Net Tangible Assets	949.99	474.46	295.37	167.95	63.39
Monetary Assets	185.71	45.32	50.14	122.24	94.96
Monetary Assets as a % of Net Tangible Assets	19.55	9.55	16.98	72.78	149.80
Distributable Profit	205.80	115.87	50.87	54.59	34.19
Net Worth	865.06	411.88	243.19	149.81	60.21

1. Net tangible assets is defined as the sum of fixed assets (including work in progress and capital advances and excluding revaluation reserves), investments, current assets (excluding deferred tax assets) less current liabilities.
2. Monetary Assets are defined as the sum of Cash in Hand, Liquid Investments, Balance with Scheduled Bank in Current accounts and Fixed Deposits and non-trade investments.
3. Distributable profits have been defined in terms of section 205 of the Companies Act, 1956.
4. Net worth has been defined as the aggregate of equity share capital and reserves, excluding miscellaneous expenditures, if any.

We are an unlisted company now complying with the conditions specified in Clause 2.2.1 and as well as 2.2.2 of the SEBI Guidelines and the IPO is being made under clause 2.2.2 SEBI Guidelines.

In accordance with the Clause 2.2.2A of SEBI Guidelines, we ensure that the number of allottees in the proposed Issue shall be atleast 1,000; otherwise, we shall forthwith refund the entire subscription amount received. In case of delay, if any, in refund, we shall pay interest on the application money at the rate of 15% per annum for the period of delay.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO SEBI.

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT 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 FOR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS, SPA MERCHANT BANKERS LIMITED AND INDIA INFOLINE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENTARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURES AND INVESTOR PROTECTION) GUIDELINES IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ISSUER COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER SPA MERCHANT BANKERS LIMITED AND INDIA INFOLINE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 08, 2008 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992, WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS MORE PARTICULARLY REFERRED TO IN THE ANNEXURE HERETO 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 COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**
 - (a) THE DRAFT RED HERRING PROSPECTUS FORWARDED TO THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - (b) ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY THE BOARD, THE 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 SEBI (DISCLOSURE AND**

INVESTOR PROTECTION) GUIDELINES, 2000 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. WE HAVE SATISFIED OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM SHAREHOLDERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, WILL 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 CLAUSE 4.6 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
7. WE UNDERTAKE THAT CLAUSES 4.9.1, 4.9.2, 4.9.3 AND 4.9.4 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION AND SUBSCRIPTION FROM ALL FIRM ALLOTTEES WOULD 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 COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. - NOT APPLICABLE
8. WHERE THE REQUIREMENTS OF PROMOTERS' CONTRIBUTION IS NOT APPLICABLE TO THE ISSUER, WE CERTIFY THE REQUIREMENTS OF PROMOTERS' CONTRIBUTION UNDER CLAUSE 4.10 {SUB-CLAUSE (A), (B) OR (C), AS MAY BE APPLICABLE} ARE NOT APPLICABLE TO THE ISSUER. - NOT APPLICABLE
9. 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.
10. 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 SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.

11. WE CERTIFY THAT NO PAYMENT IN THE NATURE OF DISCOUNT, COMMISSION, ALLOWANCE OR OTHERWISE SHALL BE MADE BY THE ISSUER OR THE PROMOTERS, DIRECTLY OR INDIRECTLY, TO ANY PERSON WHO RECEIVES SECURITIES BY WAY OF FIRM ALLOTMENT IN THE ISSUE.
12. 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
13. 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 SHARES OF THE COMPANY AND
 - (b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

THE FILING OF OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR 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 PUBLIC ISSUE. SEBI, FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT."

Disclaimer from Our Company, the selling shareholder & the BRLMs

Our Company, the selling shareholder, our Directors, and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone placing reliance on any other source of information, including our website, www.nutek.in, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Memorandum of Understanding dated December 19, 2007 entered into between the BRLMs and our Company and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by us, the BRLMs and the Underwriters 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 house research or sales reports, at bidding centres or elsewhere.

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 authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission if any), trust registered under the Societies Registration Act, 1860, as amended from time to time or any other trust law and who are authorised under their constitution to hold and invest in shares), permitted insurance companies, pension funds and to NRIs, FIIs, Venture Capital Funds and Foreign Venture Capital Investors registered with SEBI. The RHP does not, however, constitute an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an issue or invitation in such jurisdiction. Any person into whose possession the RHP comes is required to inform himself / herself about and to observe any such restrictions. Any disputes arising out of this issue will be subject to the jurisdiction of appropriate courts at Delhi, 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 RHP has been submitted to SEBI for its observations and SEBI has given its observation. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the RHP may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the RHP nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to "qualified institutional buyers", as defined in Rule 144A of the Securities Act in reliance on Rule 144A under 233 the Securities Act, and (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act.

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.

Disclaimer Clause of BSE

As required, a copy of the DRHP has been submitted to the BSE (**the designated stock exchange**).

"Bombay Stock Exchange Ltd. ("The Exchange") has given vide its letter dated February 13, 2008 permission to this Company to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which the Company's securities are proposed to be listed. The Exchange has scrutinized this Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner-

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document; or
2. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
3. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Prospectus has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter ref. NSE/LIST/71974-W dated April 29, 2008 permission to the issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or

endorse the correctness or completeness of any of the contents of this Offer Document nor does it warrant that our securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquires any of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

A copy of the RHP has been filed with the Corporate Finance Department of SEBI at Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under section 60B of the Companies Act has been delivered and a copy of Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration to the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Listing

Applications have been made to the BSE and NSE for permission to deal in and for an official quotation of our Equity Shares. Our existing Equity shares are not listed on any stock exchange in India.

BSE shall be the Designated Stock Exchange with which the basis of allotment will be finalized for the QIB, Non-Institutional portion and Retail portion.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our company and the Selling shareholder shall forthwith repay, without interest all monies received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within 8 days after our company becomes liable to repay it (i.e. from the Date of Refusal or within 15 days from the date of Bid/Issue closing date whichever is earlier), then our Company, the Selling shareholder and every director of our Company who is an officer in default shall, on and from expiry of 8 days, will be jointly and severally liable to repay the money with interest @15% per annum on application money as prescribed under Section 73 of the Companies Act.

Our Company together with the assistance of the BRLMs shall ensure that all steps for the completion of the necessary requirements for listing and commencement of trading at both the Stock Exchanges mentioned above are taken within seven working days of finalisation and adoption of the basis of allotment for the offer.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"Any person who:

- (a) Makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*
- (b) Otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name*

shall be punishable with imprisonment for a term which may extend to five years."

Consents

Consents in writing of (a) our Promoters, Directors, Company Secretary and Compliance Officer, (b) the Selling shareholder (c) the Auditors, (d) Legal Advisor, (e) Bankers to our Company, (f) Book Running Lead Manager, (g) Registrar to the Issue, (h) Bankers to the Issue, (i) Syndicate Members and (j) Balyasny SI Limited (k) IPO Grading

Agency to act in their respective capacities, have been obtained and would be filed along with a copy of this Red Herring Prospectus with the RoC, NCT of Delhi & Haryana as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn upto the time of delivery of the Red Herring Prospectus for registration with the RoC, NCT of Delhi & Haryana. Consents in writing of the underwriters will be obtained and filed along with the final prospectus and other relevant documents required to be filed under Section 60 of the Companies Act with RoC, NCT of Delhi & Haryana.

M/s Vinod Kumar and Associates, Chartered Accountants, our Auditors have also given their written consent vide their letter dated June 20, 2008 for inclusion of their report in the form and context in which it appears on page no. 92 in the Red Herring Prospectus and such consent and report have not been withdrawn upto the time of delivery of a copy of the Red Herring Prospectus for registration with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Expert Opinion

Except as stated in the section titled "Financial Statements" on page 92 and the tax benefit certificate obtained from M/s Vinod Kumar and Associates, Chartered Accountants on page 35 of this RHP and that of CRISIL Limited, IPO Grading Agency, in annexeure on page 206 of this RHP, we have not obtained any expert opinions.

Expenses of the Issue

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

Particulars	Amount Rs. Million	% of Issue Size	% of Issue Expenses
BRLM / Syndicate member fee	[•]	[•]	[•]
Underwriting & Selling Commission	[•]	[•]	[•]
Advertising & Marketing expenses	[•]	[•]	[•]
IPO Grading Fee	[•]	[•]	[•]
Registrar fee	[•]	[•]	[•]
Printing, Stationary, Dispatch	[•]	[•]	[•]
Other expenses (including listing fee, SEBI filing fee, Legal Counsel fee, Depository charges, Auditor's fee, etc.)	[•]	[•]	[•]
Total	[•]	[•]	[•]

* Will be incorporated after finalisation of the issue price at the time of the Prospectus.

The Issue expenses, except the listing fee, shall be shared between us and the Selling Shareholder in the proportion to the number of shares sold to the public as part of the Issue.

Fees Payable to the BRLMs

The fees payable to the BRLMs (including underwriting commission and selling commission) for the Issue will be as per the engagement letter from our Company to the BRLMs and the Memorandum of Understanding dated December 19, 2007 executed between us and BRLMs, copy of which are available for inspection at our registered office.

Fees Payable to the Syndicate Members

The fees payable to the Syndicate Members (including underwriting commission and selling commission) for the Issue will be as per the engagement letter dated from our Company to the Syndicate Members copy of which are available for inspection at our registered office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Memorandum of Understanding between Registrar to the Issue and our company dated December 28, 2007, a copy of which is available for inspection at our Registered Office.

Adequate funds will be provided to the Registrar to the Issue by our Company to enable them to send refund orders or Allotment advice by registered post / under certificate of posting.

Previous Public / Rights Issues

Our Company has not made any public or rights issue of Equity Shares/Debentures since incorporation.

Issue of Shares otherwise than for Cash

Except for issue of 7,774,200 equity shares issued as bonus shares on February 6, 2006 as stated in the Chapter "Capital structure" appearing on page 16 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash since incorporation.

Commission and Brokerage on Previous Equity Issues

Since this is the Initial Public Issue of our Equity Shares, no sum has been paid or is payable as commission and brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our incorporation.

Companies under the same Management

Except Nu Tek Cellulars Private Limited, Nu Tek Structures Private Limited, Oriental Stitch Private Limited, Nu Tek Telesoft Private Limited, Nu Tek Inc. and Northern Services LLC, the details of which are given on page 86 of this RHP, we don't have any other company under the same management within the meaning of section 370 (1B) of the Companies Act, 1956.

Neither our company, nor any other companies under the same management has made any Capital Issue during the last three years.

Promises V/S Performance

Since, our Company has not made any public issue in past, Promise vis-à-vis Performance is not applicable to us.

Listed Ventures of Promoters

Our promoter does not have any listed ventures.

Outstanding Debenture or Bond Issues

As on the date of filing of this Red Herring Prospectus with SEBI, our Company does not have any outstanding Debentures or Bonds.

Outstanding Preference Shares

As on the date of filing of this Red Herring Prospectus with SEBI, our Company does not have outstanding Preference Shares.

Stock Market Data for Our Equity Shares

This being an initial public offering of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Memorandum of Understanding between the Registrar to the Issue and us provides for retention of records with the Registrar to the Issue for a period of atleast three year from the date of closing of this Issue.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details including name, address of the applicant, application number, number of shares applied for, amount paid on application, depository participant, demat account number and the bank branch or collection centre where the application was submitted.

Our Company has constituted a Share Holders Grievances Redressal Committee to look into the redressal of shareholder/ investor complaints such as Issue of duplicate/split/consolidated share certificates, allotment and listing of shares and review of cases for refusal of transfer/transmission of shares and debentures, complaints for non receipt of dividends etc. For further details on this committee, please refer under the head 'Corporate Governance' on page 76.

Disposal of Investor Grievances

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances shall be 10 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 appointed Ms. Sanjay Kumar Singh, Company Secretary as the Compliance Officer and he may be contacted at the following address in case of any pre-Issue or post-Issue-related problems:

Mr. Sanjay Kumar Singh

Company Secretary and Compliance Officer

Nu Tek India Limited

B-27, Infocity, Sector-34,

Gurgaon - 122 001 (Haryana)

Tel.: +91 124 305 4603

Fax: +91 124 305 4675

Website: www.nutek.in

Email: ipo@nutek.in

Changes in Auditors during the last five years

Sr. No.	Name of Auditors	Date of Appointment	Date of Resignation
1.	Jain Sanjay & Co.	Since Incorporation	19 th Feb, 2007
2.	Vinod Kumar & Associates	20 th Feb, 2007	NA

Capitalisation of Reserves or Profits

We have issued bonus shares on 6th Feb, 2006 in the ratio of 2:1, details of which are mentioned under "Notes to Capital structure" appearing on page 17 of this Red Herring Prospectus.

Revaluation of Assets

There has not been any revaluation of Assets since incorporation.

TERMS OF THE ISSUE

The Equity Shares being offered through this Issue are subject to the provisions of the Companies Act, SEBI (DIP) Guidelines, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, Red Herring Prospectus, Prospectus, Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority from the Company

The Issue has been authorized by a resolution of our Board dated 14th April 2007, subject to the approval of members in their general meeting and by special resolution passed pursuant to section 81(1A) of the Companies Act, at the EGM of the shareholders of our Company held on May 14, 2007 and December 12, 2007.

The selling Shareholder have authorized the Issue as follows:

Selling Shareholder	No. of Shares offered	Date of Consent
Yamini Suppliers Pvt. Ltd.	1,000,000	12 th December 2007

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act.

Compliance with SEBI Guidelines

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

Face Value and Issue Price

The Equity Shares having a face value of Rs. 10/- each are being offered in terms of this Red Herring Prospectus at the Price of Rs. 170 per Equity Share at the lower end of the Price Band and Rs. 192 per Equity Share at the upper end of the Price Band. The issue price will be determined by the Board of Directors of our Company in consultation with the BRLMs on the basis of assessment of market demand for the equity shares offered by way of book building. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meeting and exercise voting rights unless prohibited by law;
- Right to vote on poll either personally or by proxy;
- Right to receive offer for rights shares and the allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder under the Act, terms of the listing agreements with the Stock Exchanges(s) and the Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to among other things, voting rights, dividend, forfeiture and lien and/or consolidation/splitting, etc., see the section entitled “Articles of Association of our Company” beginning on page 170.

Market Lot and Trading Lot

In terms of section 68B of the Companies Act, the Equity Shares of the Company shall be allotted only in dematerialised form. In terms of existing SEBI Guidelines, the trading in the Equity Shares shall only be in dematerialized form for all investors.

Since trading of the Equity Shares will be in dematerialised mode, the tradeable 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 minimum of 30 equity shares to the successful bidders.

Nomination Facility to 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 allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the equity share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents 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 our Board, elect either:

- a) to register himself or herself as the holder of the equity shares; or
- b) to make such transfer of the equity shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys 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 dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with competent courts/ authorities in New Delhi, India.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Net Issue including devolvement of the members of the syndicate, if any, within 60 days from the Bid/Issue Closing Date, we shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after we become liable to pay the amount, our

Company and every director of our Company who is an officer in default, becomes liable to repay the amount with interest as per Section 73 of the Companies Act.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under subscription in the Issue, equity shares in the Fresh Issue will be issued prior to the sale of equity shares in Offer for Sale.

Arrangements for Disposal of Odd Lots

Since, our Equity Shares will be traded in dematerialised form only; the marketable lot is one (1) Equity Share. Therefore, there is no possibility of any odd lots.

Restrictions, If Any on Transfer and Transmission of Equity Shares/ Debentures and on their Consolidation/ Splitting

Except as mentioned under the heading “Transfer of Securities” under section titled “Articles of Association of Our Company” on page 177 of this Red Herring Prospectus, there are no restrictions on transfer / transmission on our Equity Shares.

Withdrawal of Issue

Our Company and the selling shareholder in consultation with the BRLMs reserves the right not to proceed with the issue any time after the Bid / Issue opening date but before the Board meeting for allotment without assigning any reason thereof.

Period of Subscription

The subscription list for public issue shall remain open for atleast 3 working days and not more than 10 working days.

ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein atleast 50% of the Net Issue shall be allocated to QIBs on a proportionate basis, out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remaining shall be available for allotment on a proportionate basis to Qualified Institutional Buyers including Mutual Funds, subject to valid bids being received from them at or above the Issue Price. Further, upto 15% of the Net Issue would be allocated to Non-Institutional Bidders and upto 35% of the Net Issue would be allocated to Retail Individual Bidders on a proportionate basis, subject to valid bids being received from them at or above the Issue Price. Further upto 100,000 equity shares shall be available for allocation on a proportionate basis to Eligible Employees (excluding employees who are promoters) subject to valid bids being received from them at or above the Issue Price. If atleast 50% of the Net Issue cannot be allocated to QIBs, then the entire subscription money will be refunded forthwith.

Bidders are required to submit their Bids through the BRLMs and/or their affiliates. Further, QIB Bids can be submitted only through BRLMs / Syndicate Members. In case of QIB Bidders, the Company and the Selling Shareholder in consultation with the BRLMs, as the case may be, may reject Bids at the time of acceptance of Bid cum Application Form provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders and Eligible Employees, our Company and the Selling Shareholder would only have the right to reject the Bids only on technical grounds.

Investors should note that the Equity Shares would be allotted to all successful Bidders only 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.

Bid cum Application Form

Bidders shall only use the specified Bid-cum-Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of this Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid-cum-Application Form and such options shall not be considered as multiple Bids. Upon the allotment of Equity Shares, dispatch of the CAN / Allocation Advice and filing of the Prospectus with the RoC, the Bid-cum-Application Form shall be considered as the Application Form. Upon completing and submitting the Bid-cum-Application Form to a member of the Syndicate, the Bidder is deemed to have authorized our Company and the Selling Shareholder to make the necessary changes in this Red Herring Prospectus and the Bid-cum-Application Form as would be required for filing the Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed color of the Bid cum Application Form for various categories is as follows:

Category	Color of Bid cum Application Form
Indian public, Eligible NRIs applying on a non-repatriation basis	White
Non Residents, Eligible NRIs, or FIIs, Foreign Venture Capital Funds registered with SEBI, Multilateral and Bi-lateral Development Financial Institutions applying on a repatriation basis	Blue
Eligible Employees	Pink

Who Can Bid

1. Indian nationals resident in India who are majors, in single or joint names (not more than three);
2. 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 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;

3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares;
4. Mutual Funds registered with SEBI;
5. Indian Financial Institutions, commercial banks, regional rural banks, co-operative banks (subject to the RBI regulations and SEBI guidelines and regulations, as applicable);
6. Venture Capital Funds registered with SEBI;
7. Foreign Venture Capital Investors registered with SEBI;
8. State Industrial Development Corporations;
9. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts/societies and who are authorized under their constitution to hold and invest in Equity Shares;
10. Eligible Non Residents including NRIs on a repatriation basis or a non-repatriation basis subject to applicable laws;
11. FIIs registered with SEBI;
12. Scientific and/or Industrial Research Organizations authorized to invest in Equity Shares;
13. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
14. As permitted by the applicable laws, Provident Funds with minimum corpus of Rs. 250 million (or 2500 Lakhs) and who are authorized under their constitution to hold and invest in Equity Shares;
15. Pension Funds with minimum corpus of Rs. 250 million (or 2500 Lakhs) and who are authorized under their constitution to hold and invest in Equity Shares;
16. Multilateral and Bilateral Development Financial Institutions;
17. Eligible Employees (excluding employees who are promoters); and
18. Pursuant to the existing regulations, OCBs are not eligible to participate in the Issue.

Note: The BRLM and Syndicate Member(s) shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligation. However, associates and affiliates of the BRLM and Syndicate Members may subscribe for Equity Shares in the Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis.

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 the applicable law.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Funds Portion. In the event that the demand is greater than 2,200,000 Equity Shares, allocation shall be made to Mutual Funds on proportionate basis to the extent of the Mutual Funds Portion, i.e. 110,000 equity shares. The remaining demand by Mutual Funds, if any, shall, as part of the aggregate demand by QIB Bidders, be made available for allocation proportionately out of the remaining of the QIB Portion, after excluding the allocation in the Mutual Funds Portion.

The Bids made by the Asset Management Companies or Custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as Multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

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 the Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments by index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights.

Restriction on Foreign ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy of the Government of India and FEMA. While the Industrial 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 Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy upto any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. No person shall make a Bid in pursuance of this Issue unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

Investors making a bid in response to the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM, 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 subscribed to the Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the BRLM, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor whether such investor is eligible to subscribe to Equity Shares of our Company.

Investment by NRIs / FIIs

It is to be distinctly understood that there is no reservation for Non-Residents, NRIs and FIIs and all Non-Resident, NRI and FII applicants will be treated on the same basis as other categories for the purpose of allocation. As per the RBI regulations, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Bids by Eligible NRIs

1. Bid cum application forms have been made available for NRIs at our registered /corporate office, members of the Syndicate of the Registrar to the Issue.
2. NRI applicants may note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

No single FII can hold more than 10% of the post-Issue paid-up capital of our Company (i.e., 10% of 17,259,300 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 total issued capital of our Company in case such sub account is a foreign corporate or an individual.

As of now, the aggregate FII holding in our Company cannot exceed 24% of the total issued capital of our Company. With the approval of the Board of Directors and the shareholders by way of a special resolution, the aggregate FII holding can go upto 100%. However, as of this date, no such resolution has been recommended for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals, including in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, and pursuant to SEBI's press release number 286 of 2007 dated October 25, 2007, an FII may issue, deal or hold, off shore derivative instruments such as Participatory Notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed on any stock exchange in India only in favor of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "know your client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity. Associates and affiliate of the Underwriters, including the BRLMs and Syndicate, that are FIIs may issue off shore derivative instruments against Equity Shares allocated to them in the Issue.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Funds:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, the holding by any individual venture capital fund or foreign venture capital investor registered with SEBI should not exceed 33.33% of the corpus of the venture capital fund/ foreign venture capital investor provided not more than 25% of the corpus of an Indian Venture Capital Fund should be invested in one Venture Capital Undertaking. However, the aggregate holdings of venture capital funds and foreign venture capital investors registered with SEBI could go upto 100% of our Company's paidup equity capital.

The SEBI has issued an amendment on October 16, 2006 stating that the shareholding of SEBI registered Venture Capital Funds held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for atleast one year prior to the time of filing the RHP with SEBI.

The above information is given for the benefit of the Bidders. The Bidders are advised to make to their own enquiries about the limits applicable to them. Our Company, Selling Shareholder and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, Selling Shareholder and the BRLM are not liable to inform the investors of any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

Maximum and Minimum Bid size

- a) **For Retail Individual Bidders:** The Bid must be for minimum 30 Equity Shares and in multiples of 30 Equity Shares thereafter subject to maximum bid amount of Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision in bid or revision of the Price Band or on exercise of Cut-off price option, the Bid would be considered for allotment under the Non-Institutional Bidders category. The Cut-off price option is an option given only to the Retail Individual Bidders indicating their agreement to bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- b) **For Non-Institutional Bidders and QIBs Bidders:** The Bid must be for a minimum of such number of Equity Shares and in multiples of 30 Equity Shares such that the Bid Amount exceeds Rs. 100,000. A Bid cannot be submitted for more than the size of the Issue. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them under applicable laws. Under existing SEBI guidelines, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay QIB Margin upon submission of Bid.

In case of revision in Bids, the Non-Institutional Bidders who are individuals have to ensure that the Bid Amount is greater than Rs. 100,000, for being considered for allocation in the Non Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of Price Band, the same

would be considered for allocation under the Retail Portion. Non Institutional Bidders and QIB Bidders do not have the option of bidding at 'Cut-off price'.

- c) **For Employee Reservation Portion:** The bid must be for a minimum of 30 equity shares and in multiples of 30 equity shares thereafter. The maximum bid in this category by an eligible employee (excluding employees who are promoters) cannot exceed the size of the Issue.

Information for the Bidders

1. The Company and the Selling Shareholder will file the Red Herring Prospectus with the RoC atleast 3 (three) days before the Bid/ Issue Opening Date.
2. The Company and BRLM shall declare the Bid / Issue opening date, Bid / Issue closing date and Price Band at the time of filing of the Red Herring Prospectus with the ROC and also publish the same in accordance with the provisions of Section 66 of the Companies Act and shall be in the format as prescribed in Schedule XX-A to the SEBI (DIP) Guidelines.
3. The members of the Syndicate will circulate copies of the Red Herring Prospectus alongwith the Bid-cum-Application Form to potential investors.
4. Any investor (who is eligible to invest in the Equity Shares) desirous of obtaining a copy of the Red Herring Prospectus/ Red Herring Prospectus/Bid-cum-Application Form can obtain the same from our Registered Office or from the BRLM or from a member of the Syndicate or their authorized agent(s) to register the bids.
5. Investors who are interested in subscribing for our Company's Equity Shares should approach the BRLM or Syndicate Member or their authorized agent(s) to register their Bid.
6. The Bids should be compulsorily submitted on the prescribed Bid-cum-Application Form only. Bid-cum-Application Forms should bear the stamp of a member of the Syndicate. The Bid-cum-Application Forms, which do not bear the stamp of a member of the Syndicate, will be rejected.

Method and Process of bidding

1. We, with the BRLM shall declare the Bid/Issue Opening Date and Bid/Issue Closing Date in the Red Herring Prospectus filed with RoC and publish the same in two national newspapers (one each in English and Hindi). This advertisement, subject to the provisions of Section 66 of the Companies Act shall be in the format prescribed in Schedule XX-A of the SEBI DIP Guidelines. The members of the Syndicate shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.
2. The bidding centres and collection centres shall be at all the places, where the recognised stock exchanges are situated.
3. Investors who are interested in subscribing for our Equity Shares should approach any of the members of the Syndicate or their authorized agent(s) to register their Bid.
4. The Bidding Period shall be a minimum of 3 (three) working days and not exceeding 7 (seven) working days. In case the Price Band is revised, the revised Price Band and the Bidding Period will be informed to the Stock Exchanges and published in two national newspapers (one each in English and Hindi) and the Bidding Period may be extended, if required, by an additional 3 (three) working days, subject to the total Bidding Period not exceeding 10(ten) working days.
5. QIBs shall place their bids only through the member of syndicate, who shall have the right to vet the bids.
6. Each Bid cum Application Form will give the Bidder the choice to bid for upto three optional prices (for details refer to the paragraph entitled "Bids at Different Price Levels" as given below) within the Price Band and specify the demand (i.e., the number of Equity Shares bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid price, will become automatically invalid.
7. The Bidder cannot bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allotment of

Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed in the paragraph “Build up of the Book and Revision of Bids” on page 151 of this Red Herring Prospectus.

8. The members of the Syndicate will enter each bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive upto three TRSs for each Bid cum application Form. It is the responsibility of the bidder to obtain the TRS from the Syndicate Member.
9. Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph “Terms of Payment and Payment into the Escrow Collection Account” on page 153 of this Red Herring Prospectus.

Bids at Different Price Levels

1. The Price Band has been fixed at Rs. 170 to Rs. 192 per Equity Share, Rs. 170 being the floor of the Price-Band and Rs. 192 being the cap of the Price Band. The Bidders can bid at any price within the price Band, in multiples of Re. 1. The minimum application value shall be within the range of Rs. 5,000 to Rs. 7,000.
2. In accordance with SEBI Guidelines, our Company and Selling Shareholders, in consultation with the BRLM in accordance with this clause, without the prior approval of, or intimation, to the Bidders, can revise the Price Band. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band disclosed in the Red Herring Prospectus. In case of a revision in the Price Band, the Issue will be kept open for a further period of three working days after the revision of the Price Band, subject to the total Bidding Period not exceeding ten working days.
3. Any revision in the Price Band and the revised Bidding Period/Issue Period, if applicable, will be widely disseminated by informing the Stock Exchanges, by issuing a public notice in two national newspapers (one each in English and Hindi) and also indicating the change on the relevant websites of the BRLM and the terminals of the members of the Syndicate.
4. Our Company and Selling Shareholders, in consultation with the BRLM, can finalize the Issue Price within the Price Band without the prior approval of, or intimation to, the Bidders.
5. The Bidder can bid at any price within the Price Band. The Bidder has to bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders and Eligible Employees applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at “Cut-off”. However, bidding at “Cut-off” is prohibited for QIBs, Non Institutional Bidders and Eligible Employees bidding in excess of Rs. 100,000 and such Bids shall be rejected.
6. Retail Individual Bidders and Eligible Employees who bid at the Cut-off agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders and Eligible Employees bidding at Cut-off shall deposit the Bid Amount based on the Cap Price in the Escrow Account. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders and Eligible Employee, the Bidder shall receive the refund of the excess amounts from the Refund Account.
7. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and Eligible Employee who had bid at Cut-off could either (i) revise their Bid or (ii) make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed Rs. 100,000 if the bidder wants to continue to bid at Cut-off Price), with the member of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e. original Bid Amount plus additional payment) exceeds Rs.100,000 the Bid will be considered for allocation under the Non-Institutional category in terms of this Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares bid for shall be adjusted downward for the purpose of allocation, such that no additional payment would be required from the Bidder and the Bidders shall be deemed to have approved such revised Bid at Cut-off Price.

8. In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders and Eligible Employee who have bid at Cut-off could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Refund Account.
9. In the event of any revision in the Price Band, whether upwards or downwards, the Minimum Application Size will be suitably revised such that the minimum application falls within the range of Rs. 5,000/- to Rs. 7,000/-.

Bids by Eligible Employees

The Bid must be for a minimum of 30 Equity Shares and in multiples of 30 Equity Shares thereafter. Bidders under the Employee Reservation Portion can apply for a maximum of the size of the Issue. The allotment in the Employee Reservation Portion will be on a proportionate basis. However, in case of an oversubscription in the Employee Reservation Portion, allotment will be on a proportionate basis subject to a minimum allotment of 30 Equity Shares. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut off Price.

For the purpose of the Employee Reservation Portion, Eligible Employee means all or any of the following:

- i. a permanent employee of the Company as of the date of filing the RHP with the RoC and based, and present in India as on the date of submission of the Bid cum Application Form.
- ii. a Director of the Company, being a whole time Director, part time Director, or otherwise except our Promoter or members of the Promoter Group, as of the date of filing the RHP with the RoC and based, working and present in India as on the date of submission of the Bid cum Application Form.

Employees who are Promoters or forming part of Promoter Group are not eligible to bid through the Employees Reservation Portion.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. pink colour form).
- Only Eligible Employees would be eligible to apply in this Issue under the “Employee Reservation Portion”, (excluding employees who are promoters).
- The sole/ First Bidder shall be the Eligible Employee as defined above.
- Bids by Eligible Employees will have to bid like any other Bidder. Only those Bids, which are received at or above the Issue Price, would be considered for allocation under this category.
- The Bids must be for a minimum of 30 Equity Shares and in multiples of 30 Equity Shares thereafter. The allotment in the Employee Reservation portion will be on a proportional basis.
- Eligible Employees who Bid for Equity Shares of or for a value of not more than Rs. 100,000 in any of the bidding options can apply at Cut-Off Price. This facility is not available to other Eligible Employees whose Bid Amount in any of the bidding options exceeds Rs. 100,000.
- The maximum bid under Employee Reservation Portion by an Employee cannot exceed the size of the Issue.
- Bid/ Application by Eligible Employees can also be made in the Net Issue portion and such Bids shall not be treated as multiple bids.
- If the aggregate demand in this category is less than or equal to 100,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand. If the aggregate demand in this category is greater than 100,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, see “Basis of Allotment or Allocation” on page 165 of this RHP.
- Under-subscription, if any, in the Employee Reservation Portion shall be added back to the Net Issue. In case of under-subscription in the Net Issue, spill over to the extent of undersubscription shall be permitted from the Employee Reservation Portion. Such inter-se spill over, if any, would be affected in accordance with applicable laws, regulations and guidelines.

Build Up of the Book and Revision of Bids.

- a. Bids registered by various Bidders through the members of the Syndicate shall be electronically transmitted to the NSE or BSE mainframe on on-line basis. Data would be uploaded on a regular basis.
- b. The book gets build up at various price levels. This information will be available with the BRLM on a regular basis.
- c. During the Bidding 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, which is a part of the Bid-cum-Application Form.
- d. Revisions can be made in both the desired numbers of Equity Shares and the bid price by using the Revision Form. Apart from mentioning the revised options in the revision form, the Bidder must also mention the details of all the options in his or her Bid-cum-Application Form or earlier Revision Form. For example, if a Bidder has bid for three options in the Bid-cum-Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being changed, in the Revision Form unchanged. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.
- e. The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she has placed the original Bid. Bidders are advised to retain copies of the blank Revision Forms and the revised Bid must be made only in such Revision Form or copies thereof.
- f. 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. 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. In case of QIBs, the members of the Syndicate may at their sole discretion waive the payment requirement at the time of one or more revisions by the QIB Bidders.
- g. When a Bidder revises 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 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.

Electronic Registration of Bids

- a. The members of the Syndicate will register the Bids using the on-line facilities of NSE and BSE. There will be atleast one NSE/ BSE on-line connectivity to each city where a Stock Exchange is located in India and the Bids are accepted.
- b. NSE and BSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents during the Bidding Period. Members of the Syndicate can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently download the off-line data file into the on-line facilities for book building on a regular basis. On the Bid / Issue Closing Date, the Syndicate Member shall upload the Bids till such time as may be permitted by NSE and BSE.
- c. The aggregate demand and price for Bids registered on their electronic facility of NSE and BSE will be uploaded on a regular basis and display graphically the consolidated demand at various price levels. This information can be assessed on BSE's website at www.bseindia.com or on NSE's website at www.nseindia.com.
- d. At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the online system:
 - Name of the bidder (Bidders should ensure that the name given in the Bid cum application form is exactly the same as the Name in which the Depository Account is held. In case the Bid cum Application Form is submitted in joint names, bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form).
 - Investor Category – Individual, Corporate, NRI, QIBs, FII, Mutual Fund, Eligible Employee, etc.
 - Numbers of Equity Shares bid for.
 - Bid price and applicable Margin Amount.
 - Bid-cum-Application Form Number.

- Whether payment is made upon submission of Bid-cum-Application Form.
 - Depository Participant Identification Number and Client Identification Number of the Demat Account of the Bidder.
- e. A system generated TRS 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. The registration of the Bid by the members of the Syndicate does not guarantee that the Equity Shares shall be allocated either by the members of the Syndicate or our Company.
 - f. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
 - g. Consequently, all or any of the members of the Syndicate may reject QIB Bids provided the rejection is at the time of receipt of such Bids and the reason for rejection of the Bid is communicated to the Bidder at the time of such rejection. In case of Bidders under Non-Institutional Bidders, Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion, bids would not be rejected except on the technical grounds listed on Page 159 of this Red Herring Prospectus.
 - h. It is to be distinctly understood that the permission given by NSE and BSE 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 or BRLM are cleared or approved by NSE and BSE; 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 Promoter, our Management or any scheme or project of our Company.
 - i. It is also to be distinctly understood that the approval given by NSE and BSE should not in any way be deemed or construed that this Red Herring Prospectus has been cleared or approved by the NSE and BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the NSE and BSE.
 - j. Only Bids that are uploaded on the Online IPO system of the NSE and BSE shall be considered for allocation. In case of discrepancy of data between the NSE or the BSE and the members of the syndicate, the decision of the BRLM, based on the physical records of Bid cum Application Form, shall be final and binding in all concerned.

Application in the Issue

Equity Shares being offered through this Red Herring Prospectus should be applied for in dematerialised form only.

Escrow Mechanism

We shall open Escrow Accounts with one or more Escrow Collection Banks in whose favor 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 Bidders in a certain category would be deposited in the respective Escrow Account for the Issue. The Escrow Collection Banks will act in terms of the Red Herring Prospectus and Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Bidders shall maintain the monies in the Escrow Account of our Company. The Escrow Collection Bank(s) 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 an amount equivalent to Issue proceeds (i.e. Final Issue price multiplied by the number of Equity Shares allotted through this issue) from the Escrow Account to the Public Issue Account with the Bankers to the Issue as per the terms of the Escrow Agreement with our Company and the balance amount shall be transferred to the Refund Account, from where payment of refund to the Bidders shall be made.

The Bidders may note that the Escrow Mechanism is not prescribed by SEBI and the same has been established as an arrangement between us, the Syndicate, Escrow Collection Bank(s) and the Registrars to the Issue to facilitate collections from the Bidders.

Terms of Payment and Payment into the Escrow Collection Account

Each category of Bidder shall pay the applicable Margin Amount with the submission of the Bid-cum-Application Form draw a cheque/ demand draft for the maximum amount of his/ her Bid in favor of the Escrow Account of the Escrow Collection Bank(s) (for details refer to the paragraph “Payment Instructions” on Page No. 157 of this Red Herring Prospectus) and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid-cum-Application Forms accompanied by cash or stockinvest shall not be accepted. The maximum bid price has to be paid at the time of submission of the Bid-cum-Application Form based on the highest bidding option of the Bidder.

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 Bidders till 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 and Refund Account. Not later than 15 days from the Bid / Issue Closing Date, our Company will instruct the Refund Banker to refund all amount payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for allocation to the Bidders.

The Margin Amount payable by each category of Bidders is mentioned under the heading “Issue Structure” on page 30 of this Red Herring Prospectus. Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares allocated at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in-Date, which shall be a minimum period of 2 (two) days from the date of communication of the allocation list to the members of the Syndicate by the Registrar to the Issue. If the payment is not made favoring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled. However, if the applicable margin amount for the Bidders is 100%, the full amount of payment has to be made at the time of submission of the Bid-Cum-Application Form. QIB Bidders will be required to deposit a margin of 10% at the time of submitting of their Bids.

Where the Bidder has been allocated lesser number of Equity Shares than he or she had Bid for, the excess amount paid on bidding, if any, after adjustment for allocation, will be refunded to such Bidder within 15 days from the Bid Closing Date/Issue Closing Date failing which we shall pay interest at 15% per annum for any delay beyond the periods as mentioned above.

Signing of Underwriting Agreement and RoC Filing

1. We, the BRLM, and the Syndicate Members shall enter into an Underwriting Agreement on finalization of the Issue Price.
2. After signing the Underwriting Agreement, we will update and file the updated Red Herring Prospectus with RoC, which then would be termed ‘Prospectus’. The Prospectus would have details of the Issue Price, Issue Size, underwriting arrangements and would be complete in all material respects.
3. We will file a copy of the Prospectus with Registrar of Companies, NCT Delhi and Haryana in terms of section 56 and section 60 of the Companies Act.

Advertisement regarding Issue Price and Prospectus

After filing of the Prospectus with the RoC, a statutory advertisement will be issued by our company in a widely circulated English national newspaper and a Hindi national newspaper of wide circulation. 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 Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

General Instructions**Do’s:**

1. Check if you are eligible to apply having regard to applicable laws, rules, regulations, guidelines and approvals and the terms of this Red Herring Prospectus.

2. Read all the instructions carefully and complete the Bid-cum-Application Form [(White) or (Blue) or (Pink) in colour] as the case may be;
3. Ensure that the details about Depository Participant and beneficiary account are correct;
4. Ensure that the Bids are submitted at the bidding centres only on Bid cum Application forms bearing the stamp of a member of the Syndicate;
5. Ensure that you have been given a TRS for all your Bid options;
6. Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;
7. Ensure that the bid is within the price band;
8. Investors must 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. In case, the Bid-cum-Application Form is submitted in joint names, investors should ensure that the beneficiary account is held in the same joint names and in the same sequence as they appear in the Bid-cum- Application Form;
9. The bidder should mention their PAN allotted under the I.T. Act in the Application cum Bid form irrespective of the amount for which application is made. In case of joint holders, all the holders should mention their PAN in the application form. Any application without PAN details are liable to be rejected.

Don'ts:

1. Do not Bid for lower than minimum Bid size;
2. Do not Bid or revise the Bid Price to less than floor price or higher than the cap price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate;
4. Do not pay Bid amount in cash, through Stock Invest, by money order or postal order;
5. Do not Bid at cut off price (for QIB Bidders and Non-Institutional Bidders and Eligible Employees bidding in the Employee Reservation Portion for Bid Amount is in excess of Rs. 100,000);
6. Do not fill up the Bid cum Application Form such that the Equity shares bid for exceeds the investment limit or maximum number of Equity Shares that can be held by a Bidder under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
7. Do not send Bid cum Application Form by post; instead submit the same to a member of the Syndicate only.
8. Do not provide your GIR number instead of PAN number;
9. Do not submit the Bid without the QIB Margin Amount, in case of a Bid by a QIB.

Instructions for Completing the Bid-Cum-Application Form

Bidders can obtain Bid-cum-Application Forms and / or Revision Forms from our Registered Office or from the BRLM or from a member of the Syndicate.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

1. Made only in the prescribed Bid-cum-Application Form or Revision Form, as applicable (white colour for Resident Indians and blue colour for NRI or FII or foreign venture capital fund registered with SEBI applying on repatriation basis and pink colour for Eligible Employees).
2. Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid-cum- Application Form or in the Revision Form. Incomplete Bid-cum-Application Forms or Revision Forms are liable to be rejected.
3. The Bids from the Retail Individual Bidders must be for a minimum of 30 Equity Shares and in multiples of 30 thereafter subject to a maximum of Rs. 100,000.
4. For Non-institutional and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid amount exceeds Rs. 100,000 and in multiples of 30 Equity Shares thereafter. Bids cannot be made for more than the size of the Issue. 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 applicable laws or regulations.

5. For Eligible Employees bidding in the Employee Reservation Portion, the Bids must be for a minimum of 30 equity shares and in multiple of 30 thereafter subject to a maximum of upto the Issue Size.
6. In single name or in joint names (not more than three and in the same order as their Depository Participant details).
7. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's Depository Account Details

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN THE DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT'S IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID-CUM-APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID-CUM-APPLICATION FORM IS SUBMITTED IN JOINT NAMES, 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.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository demographic details of the Bidders such as address, occupation, bank account details for printing on refund orders / refund advices or for giving refund through any of the mode namely ECS or Direct Credit or RTGS or NEFT (hereinafter referred to as Demographic Details). Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLM nor the Company or the Selling Shareholders or the registrar or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid-cum-Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/refund advice / for credit of Refunds through ECS or Direct Credit or RTGS or NEFT for refunds/CANs/Allocation Advice and printing of Bank particulars on the refund order / refund advice and the Registrar would not use the Demographic Details given by Bidders in the Bid-cum-Application Form for these purposes. Hence, Bidders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Bid-cum-Application Form, Bidder would have deemed to authorize the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic details as available on its records.

Refund Advice / Refund Orders/ Allocation Advice/ CANs would be mailed at address of the first Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/ refund advice/ allocation 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 Bidders in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither our Company nor the Selling Shareholder nor the Registrar nor the Escrow Collection Banks nor the BRLM shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

The Company and the Selling Shareholders in their absolute discretion, reserve the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by non-residents including NRIs, FIIs and Foreign Venture capital Funds registered with SEBI on a repatriation basis.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bidcum-Application Form. We will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

As per the RBI Regulations, OCBs cannot participate in this Issue.

It is to be distinctly understood that there is no reservation for Non Residents, NRIs, FIIs and Foreign Venture Capital Funds and all Non Residents, NRI, FII and Foreign Venture Capital Fund applicants will be treated on the same basis with other categories for the purpose of allocation.

Bids under Power of Attorney

In case of bids made pursuant to a power of attorney or by limited companies, corporate bodies or registered societies, 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 & Articles of Association and/or Bye Laws must be lodged along with the Bid-cum-Application Form. Failing this, our company and the Selling Shareholder reserves the right to reject such Bids in whole or in part, without assigning any reason therefore.

In case of Bids made pursuant to a Power of Attorney by FIIs, FVCFs, VCFs and Mutual Funds, 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 their SEBI registration certificate must be submitted with the Bid-cum-Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject such Bids in whole or in part, without assigning any reason therefore.

In case of Bids made by insurance companies registered with Insurance Regulatory and Development Authority, a certified copy of the Certificate of Registration issued by Insurance Regulatory and Development Authority must be submitted with the Bid-cum-Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject such Bids in whole or in part, without assigning any reason therefore.

In case of Bids made by provident fund with the minimum corpus of Rs. 2500 Lac and pension fund with the minimum corpus of Rs. 2500 Lac, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged with the Bid-cum-Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject such Bids in whole or in part, without assigning any reason thereof.

Our Company and the Selling Shareholder, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid-cum-Application Form, subject to such terms and conditions as our Company/Selling Shareholder/BRLM may deem fit.

Payment Instructions

The Company, Selling Shareholder and the members of the Syndicate shall open an Escrow Account with the Escrow Collection Banks for the collection of the Bid Amounts payable upon submission of the Bid cum Application Form and for amounts payable pursuant to allocation in the Issue.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Bidders shall maintain the monies in the Escrow Account. The Escrow Collection Bank(s) 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 Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be held for the benefit of the Bidders who are entitled to refunds. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Company, the members of the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Payment into Escrow Account

1. The Bidders shall draw a Payment Instrument for the applicable margin in favor of the Escrow Account with the submission of the Bid-cum-Application Form and submit the same to the members of the Syndicate. For categories other than QIBs, the applicable margin amount is equal to 100%, whereas for QIBs it is 10%.
2. In case the above Margin Amount paid by the Bidders during the Bidding Period is less than the Issue Price multiplied by the Equity Shares allocated to the Bidder, the balance amount shall be paid by the Bidders into the Escrow Account of our Company within the period specified in the Intimation Note / CAN which shall be subject to a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLM.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - a. In case of Resident Retail and Non-Institutional Bidders: **"Escrow Account - NUTEK IPO - Retail - R"**
 - b. In case of Non Resident Retail and Non Institutional Bidders (on repatriable basis) : **"Escrow Account - NUTEK IPO - Retail - NR"**
 - c. In case of resident QIB bidders: **"Escrow Account - NUTEK IPO - QIB - R"**
 - d. In case of non - resident QIB bidders: **"Escrow Account - NUTEK IPO - QIB - NR"**
 - e. In case of Eligible Employees: **"Escrow Account - NUTEK - IPO - Employees"**
4. In case of Bids by 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 Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of a Non-Resident Ordinary (NRO) Account of a Non-Resident bidder bidding on a 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 Account.
5. In case of Bids by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in 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.

6. In case of Bids by FIIs, FVCIs registered with SEBI 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.
7. Where a Bidder has been allocated a lesser number of Equity Shares than what the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Account.
8. The monies deposited in the Escrow Account will be held for the benefit of the Bidders till the Designated Date.
9. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
10. On the Designated Date and no later than 15 days from the Bid/Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

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 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/ stock invest/money orders/ postal orders will not be accepted. Investors in the QIB category may also make payments by RTGS.

Bidders are advised to mention the number of Bid cum Application Form on the reverse of the cheque/demand draft to avoid misuse of instruments submitted along with the Bid cum Application Forms.

Payment by Stock invest

In terms of Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-2004 dated November 5, 2003, the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Hence, payment through stock invest will not be accepted.

Submission of Bid-cum-Application Form

All Bid-cum-Application Forms or Revision Forms duly completed and accompanied by Account Payee cheques or drafts shall be submitted to the member of the syndicate at the time of submitting the Bid. No separate receipts shall be issued for the money payable on submission of Bid-cum-Application Form or Revision Form. However, the collection centre of the Syndicate Member 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.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In 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 or Revision Form. All communication 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 in single or joint names will be deemed to be multiple bids if the sole and/ or first bidder is one and the same. Bid by Eligible Employees can be made also in the Net Issue and such bids shall not be treated as multiple bids.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are set forth below:

1. All applications with the same name and age will be accumulated and taken to a separate process file, which would serve as a multiple master.
2. In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master.
3. The addresses of all the applications in the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names. The applications with same name and same address will be treated as multiple applications.
4. The applications will be scanned for similar DP ID and Beneficiary Account Numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.
5. Subsequent to the aforesaid procedures, a print out of the multiple master will be taken and the applications physically verified to tally signatures as also 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.

We reserve the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number (PAN)

The Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/her Permanent Account Number (PAN) allotted under the I.T. Act. The applications without this information will be considered incomplete and are 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.

Unique Identification Number (UIN)

SEBI has through its circulars dated July 25, 2007 and September 7, 2007, discontinued the use of UIN.

Our Right to Reject Bids

In case of QIB Bidders, Our Company in consultation with the BRLM may reject Bids provided that the reason for rejecting the same shall be provided to such Bidders in writing. In case of Non-Institutional Bidders, Retail Individual Bidders and Bidders under the Employee Reservation Portion, we have the right to reject Bids based on technical grounds only. Consequent refunds shall be made by cheque or pay order or draft or ECS or Direct Credit and will be sent to the Bidder's address at the Bidder's risk.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected on technical grounds, including the following:-

- Amount paid doesn't tally with the amount payable for the highest value of Equity Shares bid for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Age of First Bidder not given;
- Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane persons;
- PAN Number is not given;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than the lower end of the Price Band;

- Bids at a price more than the higher end of the Price Band;
- Bids at cut-off price by Eligible Employees in Employee Reservation Portion in excess of Rs. 100,000, Non-Institutional Bidders and QIB Bidders;
- Bids for number of Equity Shares, which are not in multiples of 30
- Category not ticked;
- Multiple bids as defined in this Red Herring Prospectus;
- In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Bids accompanied by Stock invest/money order/ postal order/ cash;
- Bids not duly signed by the sole/joint Bidders;
- Bid-cum-Application Form does not have the stamp of the BRLM / Syndicate Member(s);
- Bid-cum-Application Form does not have Bidder's depository account details;
- Bid-cum-Application Forms are not submitted by the Bidders within the time prescribed as per the Bid-cum-Application Form and this Red Herring Prospectus and as per the instructions in this Red Herring Prospectus and the Bid-cum-Application Form;
- Bids for amounts greater than the maximum permissible amounts prescribed by the relevant regulations;
- In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Bidders (including the order of names of joint holders), the depository participant's identity (DP ID) and the beneficiary's identity;
- Bids by OCBs;
- Bids by U.S. persons other than "qualified institutional buyers" as defined in Rule 144A of the Securities Act.
- Bids by NRIs not disclosing their residential status.
- Bids where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s); and
- Bids by persons prohibited from buying, selling or dealing in shares directly or indirectly by SEBI or any other regulatory authority.
- Bids in respect where the Bid cum Application form do not reach the Registrar prior to the finalisation of the basis of allotment;
- Bids not uploaded in the Book would be rejected; and
- Bids or revision thereof by QIB Bidders and Non- Institutional Bidders where the Bid amount is in excess of Rs. 100,000, uploaded after 5.00 p.m. or any such time as prescribed by Stock Exchange on the Bid / Issue closing Date.
- Bids in Eligible Employees Portion by Employees who are not Eligible Employees or are Promoters.

Price Discovery and Allocation

1. After the Bid/Issue Closing Date, the BRLM shall analyse the demand generated at various price levels and discuss pricing strategy with our Company and the Selling Shareholder.
2. The Company and the Selling Shareholder, in consultation with the BRLM shall finalize the Issue Price and the number of Equity Shares to be allotted in each investor category.
3. The allocation in the Issue to Non-Institutional Bidders and Retail Individual Bidders of upto 15% and 35% of the Net Issue respectively, and the allocation to QIBs for atleast 50% of the Net Issue, would be on proportionate basis, in the manner specified in the SEBI Guidelines and the Red Herring Prospectus, in consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price. Further upto 100,000 equity shares shall be available for allocation on a proportionate basis to Eligible Employees (excluding employees who are promoters) subject to valid bids being received from them at or above the Issue Price.
4. In case of over-subscription in all categories, atleast 50% of the Net Issue shall be available for allocation on a proportionate basis to QIB Bidders out of which 5% shall be available to Mutual Funds. Mutual Funds participating in the 5% share in the QIB Portion will also be eligible for allocation on proportionate basis 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 QIB Bidders in proportion to their Bids. Further, upto 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and upto 35% of the Net 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.

5. Under subscription, if any, in Retail and Non-Institutional Category would be met with spill-over from other categories or a combination of categories. Under subscription, if any in the Employees Reservation Portion will be added back to the Net Issue to the Public. Such inter-se spill over, if any, would be affected in accordance with applicable laws, regulations and guidelines. In case of under subscription in the Net Issue, spill-over to the extent of under subscription shall be permitted from the Employees Reservation Portion.
6. QIB Bidders will be required to deposit the QIB Margin Amount at the time of submitting of their Bids. After the closure of bidding, the level of subscription in the various categories shall be determined. Based on the level of subscription, additional margin money, if any, shall be called for from the QIB Bidders. The QIB Bidders shall pay such additional margin money within a period of two days from the date of the letter communicating the request for such additional margin money.
7. The BRLM, in consultation with our Company shall notify the Syndicate Members of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
8. Allocation to NRIs, FIIs registered with SEBI or Mutual Funds or FVCIs registered with SEBI will be subject to applicable laws, rules, regulations, guidelines and approvals.
9. Our Company and the Selling Shareholder, in consultation with the BRLM reserve the right to cancel the Issue any time after the Bid/Issue Opening Date but before the Board meeting for Allotment without assigning reasons whatsoever.
10. In terms of SEBI Guidelines, QIB Bidders shall not be allowed to withdraw their Bid after the Bid / Issue Closing Date.
11. The allotment details shall be put on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

- (a) The Company, the Selling Shareholders, the BRLMs, and the Syndicate Members shall enter into an Underwriting Agreement on finalisation of the Issue Price and allocation(s)/ Allotment to the Bidders.
- (b) After signing the Underwriting Agreement, the Company would update and file the updated Red Herring Prospectus with RoC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.
- (c) The Company will file a copy of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.
- (d) The Company will issue an advertisement after the filing of the Prospectus with the RoC in two national newspapers (one each in English and Hindi). 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 Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of Intimation Note and Confirmation of Allocation Note to bidders, other than QIBs

- a) Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLM or the Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated 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 prior to the approval of the basis of allocation for the Retail Bidders, Non-Institutional Bidders and Eligible Employees in the Employee Reservation Portion. The investor should note that our Company shall ensure that the demat credit of the Equity Shares pursuant to Allotment shall be made on the same date to all the investors in this Issue.
- b) The BRLM or the members of the Syndicate would then send the CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the Balance Amount Payable for all the Equity Shares allocated to such Bidder. Those Bidders who have not paid the Bid Amount in full into the Escrow Account at the time of bidding shall pay in full the amount payable into the Escrow Account by the Pay-in Date specified in the CAN.

c) Bidders who have been allocated Equity Shares and who have already paid into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of their cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed as a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares to be allotted to such Bidder.

Issuance of Intimation Note and Confirmation of Allocation Note to QIB bidders.

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the BSE/ NSE system. This shall be followed by a physical book prepared by the Registrar on the basis of Bid-cum-Application Forms received. Based on the electronic book or the physical book, as the case may be, QIBs may be sent a CAN, indicating the number of Equity Shares that may be allocated to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the physical book prepared by the Registrar. Subject to SEBI Guidelines, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and basis of Allotment as approved by the Designated Stock Exchange. In addition, there are foreign investment limitations applicable to the Company, which may result in a change (including potentially a decrease) in the number of Equity Shares being finally allotted to Non Resident investors (including FIIs). As a result, a revised CAN may be required to be sent to QIBs and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date, Allotment of Equity Shares and Transfer of Funds to Public Issue Account

- a. Our Company will ensure that the allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, we would allot the Equity Shares to the allottees and would ensure the credit to the successful Bidder's depository account within two working days from the date of allotment.
- b. As per SEBI Guidelines, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the allottees.
- c. After the funds are transferred from the Escrow Accounts to the Issue Account on the Designated Date, our Company will allot the Equity Shares to the Allottees.
- d. Successful Bidders will have the option to rematerialize the Equity Shares so allotted/transferred if they so desire 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 allocated to them pursuant to this Issue.

Disposal of Applications and Application Money

We shall ensure dispatch of allotment advice and/or refund orders/refund advice (in case refunds made through ECS/ Direct Credit, RTGS, NEFT) as the case may be giving credit to the Beneficiary Account of the bidders with their respective Depository Participant and submission of the allotment and listing documents to the Stock Exchanges within two working days of finalization of the basis of allotment of Equity Shares.

We shall give credit of Equity Shares allotted to the beneficiary account with Depository Participants within 15 working days of the Bid/Issue Closing Date. Applicants residing at 68 centres as mentioned below will get refunds through ECS (subject to availability of all information for crediting the refund through ECS) except where applicants are otherwise disclose as eligible to get refunds through Direct Credit, NEFT or RTGS.

The payment of refund, if any, would be done through various modes as given hereunder:

1. **ECS** – Payment of refund would be mandatorily done through ECS for applicants having an account at any of the following 68 centers: Ahmedabad, Bangalore, Bhubaneswar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, Jodhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non-MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakhpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the abovementioned 68 centers, except where the applicant, being eligible, opts to receive refund through direct credit or RTGS. Refunds through ECS may also be done at other locations based on operational efficiency and in terms of demographic details obtained by Registrar from the depository participants.
2. **Direct Credit** – Applicants applying through the web/internet whose service providers opt to have the refund amounts for such applicants being by way of direct disbursement by the service provider through their internal networks, the refund amounts payable to such applicants will be directly handled by the service providers and credited to bank account particulars as registered by the applicant in the demat account being maintained with the service provider. The service provider, based on the information provided by the Registrar, shall carry out the disbursement of the refund amounts to the applicants.
3. **RTGS** – Applicants having a bank account at any of the abovementioned 68 centres and whose refund amount exceeds Rs. 1 million, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid-cum-application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by Our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.
4. **NEFT (National Electronic Fund Transfer)** – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. 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. The process flow in respect of refunds by way of NEFT is at an evolving stage hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.

For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be despatched under certificate of posting for value upto Rs. 1,500 and through Speed Post/Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Letters of allotment or refund orders

The Company and the Selling Shareholder shall give credit of Equity Share allotted to the beneficiary account with Depository Participants within 2 (Two) working days from the Date of Allotment. Applicants residing at 68 centres as disclosed under the section titled under “Disposal of applications and application monies” on page 162 will get refunds through ECS only (subject to availability of all information for crediting the refund through ECS) except where applicant is otherwise disclosed as eligible to get refunds through direct credit and RTGS. In case of other applicants, our Company shall ensure dispatch of refund orders, if any, of value upto Rs. 1,500 by “Under Certificate of Posting”, and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post, except for Bidders who have opted to receive refunds through the ECS facility. Applicants to whom refunds are made through Electronic transfer of funds will be send a letter (Refund Advice) through ordinary post intimating them about the mode of credit of refund within 15 working days of closure of Issue and adequate funds for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue.

In accordance with the Companies Act, the requirements of the stock exchanges and SEBI Guidelines, our Company and the Selling Shareholder, further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 15 days of the Bid/Issue Closing Date;
- Refunds shall be made within 15 days from the Bid/Issue Closing Date at the sole or first Bidder’s sole risk, except for Bidders who have opted to receive refunds through Direct Credit, NEFT, RTGS or ECS; and
- Our Company and the Selling Shareholder shall pay interest at 15% per annum (for any delay beyond the 15 day time period as mentioned above), if allotment letters/refund orders are not dispatched or refund instructions have not been given to the clearing system in the manner disclosed above.

Our Company and the Selling Shareholder will provide adequate funds required to the Registrar to the Issue for refunds to unsuccessful applicants or allotment advice.

Where refunds are made through electronic transfer of funds, a suitable communication will be sent to the bidders within 15 days of closure of the issue, giving details of the Bank where refund will be credited along with amount and expected date of electronic credit of refund.

The bank account details for ECS/ Direct Credit, RTGS, National Electronic Funds Transfer (NEFT) credit will be directly taken from the depositories’ database and hence bidders are required to ensure that bank details including MICR code maintained at the depository level are updated and correct.

Our Company and Selling Shareholder shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within seven working days of finalization of the basis of allotment.

Refunds will be made by Direct Credit, ECS, RTGS cheques, pay orders or demand drafts drawn on a bank appointed by us as a refund banker and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Interest in case of delay in Despatch of Allotment Letters/Refund Orders or delay in Refund Instructions:

Our Company and the Selling Shareholder agrees that allotment of securities offered to the public shall be made not later than 15 days from the Bid/Issue Closing Date. Our Company and the Selling Shareholder further agrees that it shall pay interest @15% per annum if the allotment letters/ refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within 15 days from the Bid/Issue Closing Date.

Basis of Allotment or Allocation

For Retail Individual Bidders

1. Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to all the successful Retail individual Bidders will be made at the Issue Price.
2. Net Issue size less allocation to Non-Institutional Bidders and QIBs shall be available for allocation to Retail Individual Bidders who have bid in the Issue at a price, which is equal to or greater than the Issue Price.
3. If the aggregate demand in this category is less than or equal to 1,540,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Retail Individual Bidders to the extent of their demand.
4. If the aggregate demand in this category is greater than 1,540,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis upto a minimum of 30 Equity Shares and in multiples of one Equity Share thereafter. For the method of proportionate basis of allocation, refer below.

For Non Institutional Bidders

1. Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to all successful Non-Institutional Bidders will be made at the Issue Price.
2. The Net Issue size less allocation to QIBs and Retail Portion shall be available for allocation to Non-Institutional Bidders who have bid in the Issue at a price, which is equal to or greater than the Issue Price.
3. If the aggregate demand in this category is less than or equal to 660,000 Equity Shares at or above the Issue Price, full allocation shall be made to Non-Institutional Bidders to the extent of their demand.
4. In case the aggregate demand in this category is greater than 660,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis upto a minimum of 30 Equity Shares and in multiples of one Equity Share thereafter. For the method of proportionate basis of allotment refer below.

For Employee Reservation Portion

1. The Bid must be for a minimum of 30 Equity Shares and in multiples of 30 Equity Shares thereafter. However, in case of an oversubscription in the Employee Reservation Portion, the allotment in the Employee Reservation Portion will be on a proportionate basis subject to a minimum allotment of 30 Equity Shares and in multiples of one Equity Share thereafter. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid-at Cut off Price.
2. The maximum Bid under the Employee Reservation Portion cannot exceed the size of the Issue.
3. Bids received from the Eligible Employees at or above the Issue Price shall be grouped together to determine the total demand under this category. The allocation to all the successful Eligible Employees will be made at the Issue Price.
4. If the aggregate demand in this category is less than or equal to 100,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
5. If the aggregate demand in this category is greater than 100,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis subject to a minimum of 30 Equity Shares and in multiple of 1 Equity Shares thereafter. For the method of proportionate basis of allocation, refer below.
6. Only Eligible Employees (excluding employees who are promoters) are eligible to apply under Employee Reservation Portion.

For QIB Bidders

1. Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to all the QIB Bidders will be made at the Issue Price.
2. The QIB Portion shall be available for allocation to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
3. Allotment shall be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for upto 5% of the QIB Portion shall be determined as follows:
 - (i) In the event that Bids from Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for upto 5% of the QIB Portion.
 - (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, then all Mutual Funds shall get full allotment to the extent of valid bids received at or above the Issue Price.
 - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available to all QIB Bidders as set out in (b) below;
 - (b) In the second instance allocation to all QIBs shall be determined as follows:
 - (i) The number of Equity Shares available for this category shall be the QIB Portion less allocation only to Mutual Funds as calculated in (a) above.
 - (ii) The subscription level for this category shall be determined based on the overall subscription in the QIB Portion less allocation only to Mutual Funds as calculated in (a) above.
 - (iii) Based on the above, the level of the subscription shall be determined and proportionate allocation to all QIBs including Mutual Funds in this category shall be made.
4. The aggregate allocation to QIB Bidders shall be atleast 2,200,000 Equity Shares.
5. In case the aggregate demand in this category is greater than 2,200,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis subject to a minimum of 30 Equity Shares and in multiples of one Equity Share thereafter. For the method of proportionate basis of allocation refer below.

Under-subscription, if any, in any category other than QIB, would be allowed to be met with spillover from the other categories or a combination of categories. Such inter-se spill over, if any, would be affected in accordance with applicable laws, regulations and guidelines. If atleast 50% of the Net Issue cannot be allocated to QIBs, then the entire subscription money will be refunded forthwith.

The BRLMs, Registrar to the Issue and the Designated Stock Exchange shall ensure that the basis of allotment is finalized in a fair and proper manner in accordance with SEBI Guidelines. The drawal of lots (where required) to finalize the basis of allotment, shall be done in the presence of a public representative on the Governing Board of the Designated Stock Exchange.

Method of Proportionate Basis of Allotment

In the event the Issue is over-subscribed, the basis of allotment shall be finalised by Our Company and the Selling Shareholder 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 basis of allotment is finalized in a fair and proper manner. Allotment to Bidders shall be as per the basis of allocation as set out in this Red Herring Prospectus under “Issue Structure”.

The allotment shall be made in marketable lots, on a proportional basis as explained below:

- a) Bidders will be categorized according to the number of Equity Shares applied for by them.
- 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 shares applied for) multiplied by the inverse of the over-subscription ratio. The minimum allotment lot shall be the same as the minimum application lot, i.e. 30 equity shares, irrespective of any revisions to the Price Band.
- 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 portion multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate allotment is less than 30 Equity Shares per Bidder, the allotment shall be made as follows:

- The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that portion is equal to the number of Equity Shares calculated in accordance with (b) above.
 - Each successful Bidder shall be allotted a minimum of 30 Equity Shares; and
- e) If the proportionate allotment to a Bidder works out to a number that is more than 30 but is a fraction, the fraction would be rounded off to the higher whole number if that decimal is 0.5 or more. If that decimal is lower than 0.5, it would be rounded off to the lower whole number. Allotment to all Bidders 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 Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category.

The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

UNDERTAKING BY OUR COMPANY AND THE SELLING SHAREHOLDERS

Our Company and the Selling Shareholder undertake the following:

1. The complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily
2. All steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the securities are to be listed are taken within seven working days of finalization of Basis of Allotment
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrars to the Issue by us
4. Where the refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicants within 15 days of the closure of the issue giving details of the Bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. The dispatch of Share Certificates / refund orders and demat credit is completed and the allotment and listing documents will be submitted to the Stock Exchanges within two working days of finalization of Basis of Allotment
6. The certificates of the securities / refund orders to the Non-Resident Indians shall be dispatched within specified time
7. The Company agrees that it shall pay interest @ 15% p.a. if the allotment is not made and / or the refund orders are not dispatched to the investors within 15 days from the date of closure of the Issue for the period of delay beyond 15 days.
8. No issue of securities shall be made till the securities offered through this Red Herring Prospectus until the shares are listed or application moneys are refunded on account of non-listing, under subscription, etc.

The Selling Shareholder undertake that:

1. The Equity Shares being sold pursuant to the Offer for Sale, have been held by the Selling Shareholder for a period of more than one year and the Equity Shares are free and clear of any liens or encumbrances, and shall be transferred to the eligible & successful Bidders within the specified time; and
2. That the Selling Shareholder shall not have recourse to the proceeds of the Offer until the approval for the trading of the Equity Shares from all the stock exchanges, where listing is sought, has been received;
3. the funds required for despatch of refund orders or Allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by the Company;
4. that the complaints received in respect of this Issue shall be attended to by the Selling Shareholders expeditiously and satisfactorily. The Selling Shareholders has authorized the Compliance Officer and the Registrar to the Issue to redress complaints, if any, of the investors; and
5. that the refund orders or Allotment advice to the successful Bidders shall be dispatched within specified time.

The Company shall transfer to the Selling Shareholders, the proceeds from the Offer for Sale, on the same being permitted to be released in accordance with applicable laws.

UTILISATION OF FRESH ISSUE PROCEEDS

Our Board of Directors certifies that:

- a) All monies received out of the Fresh Issue of shares shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act, 1956;
- b) Our Company shall not have any recourse to the Fresh Issue proceeds until the approval for trading the Equity Shares is received from the Stock Exchanges.
- c) Details of all monies utilized out of the Fresh Issue shall be disclosed under an appropriate separate head in the balance sheet of our Company, indicating the purpose for which such monies have been utilized;
- d) Details of all monies utilized out of the funds received from Reservation Portion shall be disclosed under an appropriate head in the balance sheet of our Company, indicating the purpose for which such monies have been utilized;
- e) Details of all unutilized monies out of the Fresh Issue of shares, if any, shall be disclosed under the appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.
- f) Details of all unutilized monies out of the funds received from Reservation Portion, if any, shall be disclosed under the appropriate separate head in the balance sheet of our Company, indicating the form in which such unutilized monies have been invested.

Equity Shares in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted only in a dematerialized 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 tripartite agreements have been signed among our Company, the Depositories and the Registrar:

- a. An Agreement dated May 28, 2008 between NSDL, our Company and Registrar to the issue; and
- b. An Agreement dated April 01, 2008 between CDSL, our Company and Registrar to the issue.

All bidders can seek allotment only in dematerialised mode. Bids from any Bidder without the following details of his or her depository account are liable to be rejected:

1. A Bidder applying for Equity Shares must have atleast one beneficiary account with either of the Depository Participants of NSDL or CDSL prior to making the Bid.
2. The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant's Identification number) appearing in the Bid-cum-Application Form or Revision Form.
3. Equity Shares allotted to a Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
4. Names in the Bid-cum-Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the depository account of the Bidder(s).
5. If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid-cum-Application Form or Revision Form, it is liable to be rejected.
6. The Bidder is responsible for the correctness of his or her demographic details given in the Bid-cum-Application Form visà-vis those with his/her Depository Participant.

It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL or CDSL. BSE and NSE, where Equity Shares are proposed to be listed, are connected to

NSDL and CDSL. Non-transferable allotment advice or refund orders will be directly sent to the Bidder by the Registrar to this Issue. Investors are advised to instruct their DP to accept the Equity Shares that may be allocated to them, pursuant to the issue.

Pre and Post Issue Related Grievances:

We have appointed Mr. Sanjay Kumar Singh, Company Secretary, as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems, at the following address:

Mr. Sanjay Kumar Singh

Company Secretary and Compliance Officer

Nu Tek India Limited

B-27, Infocity, Sector-34,

Gurgaon - 122 001 (Haryana)

Tel.: +91 124 305 4603

Fax: +91 124 305 4675

Website: www.nutek.in

Email: ipo@nutek.in

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 number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

ARTICLES OF ASSOCIATION OF OUR COMPANY

Part I : Main Provisions of Articles of Association

DEFINITIONS

Clause of Article		Particulars
3		Save as permitted by section 77 of the Act, the funds of the Company shall not be employed in the purchase of, or lent on the security of Shares in the Company and the Company shall not give, directly or indirectly, any financial assistance, whether by way of loan, guarantee, the provision of security or otherwise, for the purpose of or in connection with any purchase of or subscription for Shares in the Company or any company of which it may, for the time being, be a subsidiary
5		Notwithstanding anything contained in these Articles, the Company shall have the power to buy-back its Shares or other securities in accordance with the provisions of Section 77A, 77AA and 77B of the Act, from its existing Shareholders or the holders of other securities on a proportionate basis or by purchase of Shares or securities issued to the employees of the Company pursuant to a scheme of stock option or sweat equity
6	Share Capital	The Authorized Share Capital of the Company is Rs.23,00,00,000/- (Rupees Twenty Three Crore Only) divided into 2,30,00,000/- (Two Crore Thirty Lac Only) Equity Shares of Rs.10/- (Rupees Ten each). The minimum paid up capital of the company is Rs.5,00,000.
7	Increase in Share Capital	<p>Subject to Article 295 the Company shall have the power to increase or reduce the capital for the time being of the Company and to divide the Shares in the capital into several classes with rights, privileges or conditions as may be determined. The Company may issue preference shares which shall, or at the option of the Company shall be, liable to be redeemed.</p> <p>A Where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued capital or out of the increased share capital then:</p> <ol style="list-style-type: none"> i. such further Shares shall be offered to the Persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those Shares at the date. ii. such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined. iii. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the Shares offered to them in favour of any other Person and the notice referred to in sub clause ii hereof shall contain statement of this right, PROVIDED THAT the Directors may decline, without assigning any reason to allot any Shares to any Person in whose favour any member may renounce the Shares offered to him. iv. After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may

		<p>dispose of them in such manner and to such Person(s) as they may think, in their sole discretion, fit.</p> <p>B Notwithstanding anything contained in sub-section (a) hereof, the further Shares aforesaid may be offered to any Persons (whether or not those Persons include the Persons referred to in sub clause i of sub clause (70) hereof, in any manner whatsoever, provided that:</p> <p>I A special resolution to that effect is passed by the Company in General Meeting, or</p> <p>II Where no such special resolution is passed, if the votes cast (whether on a show of hands or on poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.</p>
10		<p>Subject to the provisions of section 81 of the Act and these Articles, the Shares (including any Shares forming part of any increased 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 in (subject to the compliance with the provision of section 79 of the Act) at a discount and at such time, as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may be so allotted may be issued as fully paid up Shares and if so issued as fully paid up Shares, shall be deemed to be fully paid Shares. Provided that option or right to call of Shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting</p>
12	Issue of Preference	<p>Subject to the provisions of these Articles including Article,295 the Company shall have the power by special resolution to issue preference shares carrying a right to redemption out of the profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of such redemption is liable to be redeemed at the option of the Company and the Board may subject to the provisions of section 80 of the Act exercise such powers in such manner as may be provided in these Articles.</p>
13	Commission	<p>The Company may exercise the powers of paying commission conferred by Section 76 of the Act. In such case it shall comply with the requirements of that Section. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in one way and partly in the other. The Company may also on any issue of Shares or debentures pay such brokerage as may be lawful</p>
15	Issue shares at a Discount	<p>With the previous authority of the Company in General Meeting and the sanction of the court and upon otherwise complying with Section 79 of the Act, the Directors may issue at a discount shares of a class already issued.</p>
16	Payment of Issue	<p>If, by the conditions of allotment of any share, the whole or part of the amount</p>

	Price in Installment	or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the persons who, for the time being, shall be the registered holder of the shares of by his executor or administrator.
17		The joint holders of share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share.
18	Registered holder of share to be absolute owner	Save as herein otherwise provided and subject to Section 187C of the Companies Act, 1956, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or interest in such share on the part of any other person.
19		Shares may be registered in the name of any person, Company or other body corporate. Not more than three persons shall be registered as joint-holders of any share. No share shall be allotted to or registered in the name of a person of unsound mind or a partnership.
CERTIFICATES		
20	Certificates	The issue of share certificates and duplicates and the issue of new share certificates on consolidation or sub-division or in replacement of share certificates which are surrendered for cancellation due in their defaced, torn, old, decrepit or worn out of the cases for recording transfer having been utilised or of share certificates which are lost or destroyed shall be in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or any statutory modification or re-enactment thereof. If any share certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board and on such indemnity as the Board thinks fit being given, a new certificate in lieu thereof shall be given to the party entitled to the Shares to which such lost or destroyed certificate shall relate
21		Every member shall be entitled free of charge to one or more certificates in the marketable lot for all the Shares of each class registered in his name or if the Board so approves, to several certificates each for one or more of such Shares unless, the conditions of issue of any Shares otherwise provide, the Company shall within two months after the date of either allotment and on surrender to the Company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issue against letters of acceptance or of renunciation or in cases of issue of bonus Shares) or within one month of receipt of the application for registration of the transfer of any of its Shares, as the case may be, complete and have ready for delivery the certificate of such Shares. In respect of any Share held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of the several joint holders named first on the Register shall be sufficient delivery to all such holders
CALLS		
22	Calls on shares	The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the provisions of Section 91 of the Act, make such calls, as the Board thinks fit, upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by installment and shall be deemed to have been made when the resolution of the Board authorizing such call was passed.

25	Interest on delayed payment	If the sum payable in respect of any call or installments be not paid on or before the day appointed for payment thereof, the holders for the time being in respect of the share for which the call shall have been made or the installment shall be due shall pay interest for the same at the rate of 12 (twelve) per cent per annum from the day appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.
26		The Board shall be at liberty to waive payment of any such interest either wholly or in part
29	Call in Advance	The Board may, if it thinks fit, receive from any member willing to advance the same, all or part of the money due upon the share held by him beyond the sum actually called for, and upon the money 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 share in respect of which such advance was made, the Company may pay interest at such rate at such rate as the Board thinks fit. Money so paid in excess of the amount of calls shall not rank for dividends for confer a right to participate in profits. The Board may at any time repay the amount so advanced upon giving to such member not less than three months notice in writing.
30	Revocation of Call	A call may be revoked or postponed at the discretion of the Board.
FORFEITURE		
31	Notice in case of failure to pay Call	If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter, during such time as the call for installment remains unpaid serve a notice on such member 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.
32		The notice shall name a day (not being less than thirty days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited.
33	Forfeiture in case of default	If the requisitions of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board of that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares but not actually paid before the forfeiture, subject to the Section 205A of the Act.
34	Notice of Forfeiture	When any shares shall have been so forfeited, notice of the forfeiture shall be given 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 Registrar, 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.
35	Board's Power to sell / re-allot	Any share so forfeited, shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose off the same in such manner as it thinks fit.
36	Annulment of forfeiture	The Board may at any time before any share so forfeited shall have been sold, re-allot or otherwise dispose off, annul the forfeiture thereof upon such conditions as it thinks fit.

37	Liability to pay Calls, Interest, etc.	A person whose share has been forfeited shall cease to be a member in respect of the share, but shall, notwithstanding such forfeiture remain liable to pay, and shall forthwith pay to the Company all calls, or installments, interest and expenses, owing upon or in respect of such share, at the time of the forfeiture together with interest thereon, from time of the forfeiture until payment, at 12 (twelve) per cent per annum or at such other rates as the Board may determine and the Board may enforce the payment thereof, or any part thereof, without any deduction or allowances for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.
38	Conclusive evidence of Forfeiture	A duly verified declaration in writing that the declarant is a Director or the Secretary of the Company and that certain shares in the Company have been duly forfeited 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 shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares and the person to whom any such share, is sold shall be registered as the holder of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.
39	Non-payment of other sums	The provisions of Articles 31 to 35 hereof shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time whether on account of the nominal value of a Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified
40		The Company shall have a first and paramount lien upon every share (not being fully paid-up) registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called or payable at fixed time in respect of such share whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 12 thereof is to have full effect. Such lien shall extend to all dividends, from time to time, declared in respect of such share, Subject to Section 205 A of the Act, unless otherwise agreed the registration of a transfer of Share operate a waiver of the Company's Lien, if any, on such share.
41	Enforcement of Lien by Sale	For the purpose of enforcing such lien the Board may sell the shares such lien the Board may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or his committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such share for fourteen days after the date of such notice.
44	Issue of New Share Certificate	Where any share under the powers in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such share, the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up.
TRANSFER AND TRANSMISSION		
45	Instrument of	Save as provided in Section 108 of the Act, no transfer of a share shall be

	Transfer	registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transfer or and by or on behalf of the transferee has been delivered to the Company together with the certificate or if no such certificate is in existence, the letter of allotment of the share. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation.
46	Application for Transfer	Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall in case of a partly paid share be affected unless the Company gives the notice of the application to the transferee in the manner prescribed by Section 110 of the Act and subject to the provisions of these Articles the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name and the particulars of the transferee as if the application for registration of transfer was made by the transferee.
47	Form of Instrument of Transfer	The instrument of transfer of any share shall be in writing in the form prescribed by the Act or the Rules made thereunder or where no such form is prescribed in the usual common form prescribed by the Stock Exchange in India or as near thereto as circumstances will admit.
48	Refusal to Register Transfer	The Board may subject to the right of appeal under Section 111A of the Companies Act, 1956 decline to register: (a) The transfer of shares not being fully paid to a person whom they do not approve. (b) Any transfer of shares on which Company has a lien, provided that the registration of transfer shall not be refused on the ground being either alone or jointly with any person or persons indebted to the Company to the Company on any account except lien.
49	Transfer of Shares for a Minor, Insolvent, etc.	The Board shall not issue or register a transfer of any shares for a minor (except in case they are fully paid) insolvent or person of unsound mind.
52	No fee to be charged	No fee shall be charged by the Company for registration and transmission of shares.
53	Transmission of Registered Shares	The executor or administrator of a deceased member (not being one of several joint-holders) shall be the only person Recognized by the Company as having any title to the share registered in the name of such member and in case of death of any one or more of the joint-holders of any registered share, the survivor shall be the only person recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on the share held by him jointly with any other person. Before recognizing any executor or administrator the Board may require him to obtain a Grant of Probate or Letters of Administration to other legal representation as the case may be, from a Court in India competent to grant it. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with the production of Probate or Letters of Administration or such other legal representation upon such terms as to indemnify or otherwise as the Board, in its absolute discretion, may think fit.
54	Transmission Article	Any committee or curator bonis of a lunatic or guardian of a minor member of any person becoming entitled to or to transfer a share in consequence of the

		death or bankruptcy or insolvency of any member upon producing such evidence that the sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may with the consent of the Board (which the Board shall not be bound to give) be registered as a member in respect of such share or may subject to the regulation as to transfer hereinabove contained, transfer such shares. The Article is hereinafter referred to as "The Transmission Article."
55	Notice by person entitled to Transmission	If the person so becoming entitled under the Transmission Article shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating he so elects.
56		If the Person aforesaid shall elect to transfer the Shares, he shall testify his election by executing an instrument of transfer of the share.
57		All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of instruments of transfer of a Share shall be applicable to any such notice of transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.
58	Entitlement to dividend and other advantages	A person so becoming entitled under the Transmission Article to a share be reason of the death, lunacy, bankruptcy or insolvency of the holder shall, subject to the provisions of Article 83 and Section 206 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he was the registered holder of the share. Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice has been complied with.
INCREASE AND REDUCTION OF CAPITAL		
60	Alteration of Share Capital	The Company in General Meeting may, from time to time, alter the conditions of its Memorandum of Association to increase its capital by the creation of new shares of such amount and class as may be deemed expedient
61	Terms of further issue of shares	Subject to any special rights for the time being attached to any shares in the capital of the Company then issued and to the provisions of Section 81 of the Act, the new shares may be issued upon such terms and conditions, and with such rights attached thereto as the general meeting resolving upon the creation thereof shall direct, and if not direction be given, as the Board shall determine, and in particular such shares may be issued with a preferential right to dividends and in the distribution of assets of the Company.
64	Reduction in Capital	The Company may from time to time, by special resolution, reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner and with and subject to any incident authorized and consent required under Sections 100 to 104 of the Act.
66	Dematerialization of shares	Dematerialisation: Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialise its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialised form pursuant to the Depositories Act, and the rules framed thereunder, if any.
67		Options for Investors: Subject to Section 68B of the Act, every Person subscribing to Securities offered by the Company shall have the option to

		receive security certificates or to hold the Securities with a Depository. Such a Person who is the Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Securities in a manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required Certificate of Securities
68		If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities
69		Securities in Depositories to be in fungible form: All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
70		<p>Rights of Depositories & Beneficial Owners:</p> <ol style="list-style-type: none"> Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner. Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it. Every Person holding Shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.
72	Transfer of Securities	<p>Transfer of Securities:</p> <ol style="list-style-type: none"> Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository. In the case of transfer or transmission of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.
73		Allotment of Securities dealt with in a Depository: Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities
75		Register and Index of Beneficial Owners: The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Members and Security holders for the purposes of these Articles.
ALTERATION OF CAPITAL		
76	Consolidation, Subdivision etc.	Subject to the applicable provisions of the Act, the Company in General

		<p>Meeting may, from time to time:</p> <ul style="list-style-type: none"> a Consolidate and divide all or any of its share capital into Shares of large amount than its existing Shares. b Sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on such reduced Share shall be the same it was in the case of the Share from which the reduced Share is derived. c. Cancel any Shares, which at the date of the passing of the resolution have not been taken or agreed to be taken by any Person and diminish the amount of its share capital by the amount of the Shares so cancelled. d Convert all or any of its fully paid Shares into stock and reconvert that stock into fully paid up Shares of any denomination
78	Surrender of Shares	Subject to the provisions of Sections 100 to 105, both inclusive, of the Act, the Board may accept from any member the surrender on such terms and conditions, as shall be agree, of all or any of his shares.
RIGHT OF SHAREHOLDERS		
79	Transfer of Stock	The holders of may transfer the same or any part thereof in the same manner, and subject to the same regulation, as and subject to which the shares from which the stock arose might previously to conversion have been transferred, of an near thereto as circumstances admit; and the Board may from time to time, fix the minimum amount of the shares from which stock arose.
80	Rights of Stockholders	The holders of stock shall, accordingly to the amount of stock held by them the same rights, privileges and advantages as regards dividends, voting at the meetings of the Company, and other matters as if they hold the shares from which the stock arose; but no such privileges or advantages (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 that privilege or advantage.
81	Articles applicable to Paid-up shares to apply to Stock	Such of the Articles of the Company(other than relating to share warrants) as are applicable to paid-up shares shall apply to stock the words "Shares" and "Shareholder" therein shall include "Stock" and "Stockholder" respectively.
SHARE WARRANTS		
82	Share Warrants	Subject to the provisions of Sections 114 and 115 of the Act and subject to any directions which may be given by the Company in general meeting, the Directors may issue Share Warrants in such manner and on such terms and conditions as the Board thinks fit. In case of such case, regulation 40 to 43 of Table "A" of Schedule 1 of the Act shall apply.
MODIFICATION OF RIGHTS		
83	Modification of Rights	If at any time the share capital into different classes, of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class may, whether or not less than three-fourth of the issued shares of that class or with the sanction of a special resolution passed at a separate General Meeting of the holders of the shares of that class. To every such separate General Meeting the provisions of these Articles relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class, but so that if any adjourned meeting of such holders a

		quorum as above defined is not the class present in person or by proxy may demand a poll and, on a poll, his voting rights shall be as per Section 87 of the Act, This article is not by implication to curtail the power modification which the Company would have is the Article were omitted.
BORROWING POWERS		
84	Borrowing Powers	The Board may, from time to time and at its discretion, subject to the provisions of Section 58A, 292, 293 and 370 of the Act and Regulations made there under and directions issued by Reserve Bank of India raise of borrow, either from the Directors or form elsewhere and secure the payment of any sum or sum of money for the purpose of the Company.
85		The Board may raise or secure the repayment or payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and, in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
86	Right to issue Debentures and other Securities	Any debentures, debenture stock, bonds or other securities may be issued at a discount premium or otherwise and with any special rights, as to redemption, surrender, drawing allotment of shares, appointment of Directors and otherwise. Debentures, debenture-stock bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except in conformity with the provisions of Section 81(3) of the Act.
87	Transfer of Debenture	Save as provided in Section 108 of the act, no transfer of debentures shall be register unless a proper instrument of transfer duly stamped and executed by the transfer and transfer has delivered to the Company together with the certificate or certificates of the debentures.
GENERAL MEETING		
88	Annual General Meeting	In addition to any other meetings, Annual General Meetings of the Company shall be held within such intervals as are specified in Section 166 (1) Read with Section 210 (3) of the Act, and subject to the provisions of section 166 (2) of the Act, at such times and places as may be determined by the Board. All other meetings of the Company shall except in the case of a statutory meeting, be called Extra Ordinary General Meetings and shall be convened under the provisions of next following Article.
89	Extraordinary General Meeting	The Board may, whenever it thinks fit, can call extraordinary general meeting, and it shall, on the requisition of the members in accordance with Section 169 of the Act proceed to call an Extraordinary General Meeting as provided by Section 169 of the Act.
90	Notice	The Company shall comply with the provisions of section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members
91		Subject to the provisions of Section 171 to 186 of the Act, notice of every meeting of the Company shall be given to such persons and in such manner as provided by Section 172 of the Act. Where any business consist of "Special Business" as hereinafter-defined in Article 72 there shall be annexed to the notice a statement complying with Section 173 (2) and (3) of the Act..
92		The accidental omission to give any such notice to or the non-receipt by any member of other persons to whom it should be given shall not invalidate the proceedings of the meeting.

PROCEEDING AT GENERAL MEETING		
93	Ordinary and Special Business	The ordinary business of an Annual General meeting shall be to receive and consider the Profit and Loss account, the Balance Sheet and the report of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any other General Meeting shall be deemed special business.
		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 he is presented in accordance with Section 187A of the Act.
97	Voting	Every question submitted to a meeting shall be decided, in the first instance by a show of hands and in case equality if votes on a show of hands and on a poll, the Chairman of the meeting shall have a casting vote in addition of the votes to which he may be entitled as a member.
98	Evidence of Votes cast	At any general meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of section 179 of the Act a declaration by the Chairman that the resolution has or has not been carried or has been carried either unanimously, or by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the meeting of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes of cast in favor of, or against the resolution.
99		If a poll be demanded as aforesaid, it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting and in any other case in such manner and at such time not being later than forty eight hours from the time when the demand was made, and at such place as the Chairman of the meeting directs and subject as aforesaid, either at once or on after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.
104		The Chairman of a general meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
106		Notwithstanding anything contained in these Articles , the Company shall adopt the mode of passing a resolution by the members of the Company by means of a postal ballot and/or other ways as may be prescribed by the Central Government in this behalf in respect of the following matters instead of transacting such business in a General Meeting of the Company: - a Any business that can be transacted by the Company in General Meeting; and b Particularly, resolutions relating to such business as the Central Government, may by notification, declare to be conducted only by postal ballot. The Company shall comply with the procedure for such postal ballot and/ or other ways prescribed by the Central Government in this regard.

VOTES OF MEMBERS		
107	Votes of Members	On a show of hands every member present in person and being holder of Equity Shares shall have one vote and every Person present either as a proxy in behalf of a holder of Equity Shares as a duly authorised representative of a body corporate being a holder of an Equity Share shall, if he is not entitled to vote in his own right, have one vote. On a poll the voting rights of a holder of any Equity Share shall be as specified in Section 87 of the Act
108		The holder of a preference share shall not be entitled to vote at general meeting of the Company except as provided for in Section 87 of the Act. At any meeting at which or upon any question the holders of the said Preference Shares are entitled to vote the said Preference Shares shall, on a show of hands, and on a poll confer the same voting rights as Equity Shares.
109		No body corporate shall vote by proxy so long as a resolution of its Board of Directors under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at the general meeting a which the vote by proxy is tendered.
111	Right to Vote of person entitled under Transmission Article	Any person entitled under the Transmission Article to transfer any share may vote at any general meeting in respect there of in the same manner as if he were the member registered in respect of such share, provided that forty-eight hours at least 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 Board of his right to transfer such shares, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or no-curator or other legal curator and such last mentioned persons may give their votes by proxy.
112	Voting by Joint Holders	Where there are members registered jointly in respect of any one of such persons may vote at any meeting either personally or proxy in respect of such share as if he were solely entitled thereto; and if more than one of such members so present whose name stands first on the Registrar in respect of such shares alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purpose of this Article be deemed to be member registered jointly in respect thereof.
113	Voting on Poll	On a poll, votes may be given either personally or by proxy, or in case of a body corporate, by a representative duly authorized as aforesaid.
114		The instrument appointing a proxy shall be in writing under the hand of the appointer or his Attorney duly-authorised in writing or if such appointer is a body corporate be under its common seal or the hand of its officer or Attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a special proxy and any other proxy shall be called a general proxy.
119	Restriction on Voting Rights when calls due	No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company 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.
DIRECTORS		
122	Number of Directors	Until otherwise determined by a General Meeting of the Company and subject to provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.
123		The Company in General Meeting may from time to time increases or reduces the number of Directors within the limits by Articles 122.
124		Following are the first Directors of the Company.

		<p>1. Inder Sharma</p> <p>2. Sumati Sharma</p>
125		So long as the Investor holds Shares in the Company, then the Investor shall have the right to appoint and remove from time to time during the currency of the Shareholders Agreement, one (1) Director on the Board (hereinafter referred to as "Investor Nominee Director").
126		So long as the Investor holds Shares in the Company, then the Investor shall also have the right to appoint and remove from time to time one Board observer, who shall be entitled to attend all Board meetings and be given all relevant information as is provided to the Board members, but such observer shall not be entitled to participate in discussions or vote at the Board meetings
127		The Investor shall be entitled to nominate for appointment by the Board an alternate Director for its Investor Nominee Director. The alternate director so appointed shall be entitled to attend the meetings of the Board and vote in the event the Investor Nominee Director is unable to attend any meeting of the Board. The Company, the Promoter, the Prior Shareholder and the Investor shall take all steps necessary to secure the appointment of the alternate Directors
128		The Other Shareholders hereby agree to vote in favour of any Shareholders' resolution for the re-election of the Investor Nominee Director and ensure his/her re-election to the Board, as and when he/she retires by rotation and offers himself/herself for re-election. The Investor hereby agrees to vote in favour of any Shareholders' resolution for the re-election of the Promoter' Nominee Directors and ensure that he/she is re-elected to the Board, as and when he/she retires by rotation and offers himself/herself for re-election
129	Appointment of Directors, not to retire by rotation	If at any time the Company obtains any loans from any financial institution and/or any central or state Government referred to in the Articles as "The Corporation" or enters into underwriting arrangements with the Corporation and it is a term of such loans or of the underwriting arrangements that the Corporation shall have the right to appoint one or more Directors then subject to the terms and conditions of such loans or underwriting arrangements the corporation shall be entitled to appoint one or more Directors as the case may be, to the Board of Directors of the Company and to remove from office any Director, so appointed and to appoint another in his place or in the place of director appointed who resigns or otherwise Vacates his office. Any such appointment or removal shall be made in writing and shall be signed by the Corporation or by any Person duly authorized by it and shall be served at the office of the company. The Director or Directors so appointed shall not be liable to retire by rotation of Directors in accordance with provisions of these Articles, but he/they shall be counted in determining the number of retiring directors.
130	No Qualification Shares required	A Director of the Company shall not be required to hold any shares as his qualification.
131	Remuneration of Directors, Managing Directors, Whole Time Directors	The remuneration of a Director for his service shall be such sum as may be fixed by the Board of Directors subject to a ceiling as may be prescribed by the Central Government from time to time for each meeting of the Board or a Committee thereof attended by him. The Directors subject to the sanction of the Central Government (if any required) may be paid such further remuneration as the Company in General Meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time

		determine
132		Subject to the provisions of the Act, a Director who is either in the whole time employment of the Company or a Managing Director may be paid remuneration as provided in Sections 198, 309, 310 and 311 of the Act and Schedule XIII of the Act either by way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
133		Subject to the provisions of the Act, a Director who is neither in the whole-time employment of the Company nor a Managing Director may be paid remuneration as provided in Sections 198, 309, 310 and 311 of the Act and Schedule XIII of the Act either: <ul style="list-style-type: none"> a by way of a monthly, quarterly or annual payment with the approval of the Central Government; or b by way of commission if the Company by special resolution authorise such payment
134	Remuneration for extra services	Subject to the provisions of the Act and rules framed thereunder, each Director may receive out of the funds of the Company by way of sitting fees for his services a sum not exceeding the sum prescribed under the Companies Act 1956, for every meeting of the Board of Director or Committee thereof attended by him.
138		No Director or other person referred in Section 314 of the Companies Act shall hold an office of place of profit save as permitted by that Section.
139		A Director of this Company may be or become a Director of any other Company promoted by this Company or in which it may be interested as a member, shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such company. Provided however, during the currency of the Shareholders Agreement, no individual who is serving as a Director on the Board of the Company shall be a director on the board of directors of a Significant Competitor of the Company at the same time.
140	Directors may contract with the Company	Subject to the provisions of Section 297 and 299 of the Act, neither shall a Director be disqualified from contracting with Company either as vendor, purchase or otherwise for goods materials or services or for underwriting the subscription of any share in or debentures of the Company nor shall any such contract of arrangement entered into by or on behalf of the Company with a relative of such Director of a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or Director, be avoided not shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realized by any such contract, arrangement by reason of such Director holding office or of the fiduciary relating thereby established.
143	Appointment of additional Directors	The Board shall have power to appoint any person as additional Director as an addition to the Board. In doing so the total number of Directors shall not exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting of the Company and shall then eligible for re-appointment.
144	Appointment of Alternate Director	Subject to Section 313 of the Act, the Director may appoint any person to act as alternate Director for a Director during the latter's absence for a period of not less than three months from the State in which the meeting of the Directors are ordinarily held and such appointment shall have effect an such appointee while he / she holds office as an alternate Director shall be entitled to notice of

		meetings of the Directors and to attend and vote thereat accordingly, but he shall ipso facto vacate office if and when the absent Director returns to the State in which meetings of the Directors are ordinarily held or the absent Director vacates office as a Director.
145	Filling of Casual Vacancy	If any Director appointed by the Company in General Meeting vacates office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any Person so appointed shall remain in his office so long as the vacating Director would have retained the same of no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any Person who has been removed from the office of Director under Article 149.
146	Retirement by rotation	At each Annual General Meeting of the Company, one third of such of the Directors are liable to retire by rotation. If the number is not three or multiple of three, then the member nearest to one-third shall retire from office.
147		Subject to the provisions of these Articles, the Director to retire by rotation at every Annual general Meeting and shall be those who have been longest in office since their last appointment. As between persons who became Directors on the same day those to retire shall in default of a subject to any agreement among themselves be determined by lot.
148		The Company may remove any Director before the expiration of his period of office in accordance with the provisions of Section 284 of the Act and may, subject to the provisions of Section 262 of the Act, appoint another Person in his place if the Director so removed was appointed by the Company in General Meeting or by the Board under Articles
149		Subject to the provisions of Sections 316 & 317 of the Act, the Board may, from time to time appoint one or more Directors to be Managing Director of the Company, as per the provisions of Companies Act, 1956 and may from time to time (subject to the provisions of any contract between him and the Company) remove or dismiss him from office and appoint another in his place
153		Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 292 and 293 thereof, the Board may, from time to time, entrust to the confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Board as it 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 it thinks fit, and the Board may confer such power, either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf, and may from time to time, revoke, withdraw, after or very all or any of such powers
PROCEEDING OF DIRECTORS		
154	Meeting of Board of Directors	The Director may meet together as a Board for the dispatch of business from time to time unless the Central government by virtue of the proviso to section 285 of the Act otherwise directs shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit. The provision of this Article shall not be deemed to have been contravened merely be 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 quorum. Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.

155		Director may at any time and the secretary shall upon the request of a Director made at any time, convene a meeting of the Board
156	Appointment of Chairman	The Board may appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed or if at any meeting of the Board the Chairman be not present within five minutes after the time appointed for holding the same, Directors present shall choose some one of their number to be Chairman of such meeting.
157	Quorum for a Board Meeting	The quorum for a meeting of the Board shall be minimum two or 1/3rd of total strength; whichever is higher subject to the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time, as the chairman of the Board shall appoint
160		The Board may, subject to provisions of the Act, from time to time and at any time, delegate any of its power to a committee consisting of such Director or Directors as it thinks fit, and may, from time to time, revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed upon it by Board.
162		All acts done by the meeting of the Directors, or any committee of Directors, or any person acting as a Director, shall not withstanding that it may afterwards be discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or had vacated office by virtue of any provisions contained in the Act or in these Articles be as valid as if every such Director or person had been duly appointed and was qualified to be a Director and had not vacated such office provided that nothing in this Article shall be deemed to give validity to acts done by a Director after the appointment of such Director has been shown to be invalid or to have terminated.
163		Save in those cases where a resolution is required by sections 262, 292, 297, 319 and 372(5) and 386 of the Act or any other provisions of the Act to be passed at a meeting of the Board, resolution shall be valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted if it is passed by circulation in the manner as provided in section 289 of the Act.
MINUTES		
164	Minutes	The Board in accordance with the provisions of Section 193 of the Act causes minutes to be kept of proceedings of every general meeting of the Company, Board and Committee of the Board.
165		Any such minutes of proceedings of any meeting of the Board or Committee of the Board or of the Company in general meeting shall be evidence of matters stated in such minutes. The minute books of general meetings of the Company shall be kept at the office. It will be open for inspection by the members during the hours of 11 a.m. and 1 p.m. on such business days as the Act requires them to be open for inspection.
POWER OF THE BOARD		
166	Powers of the Board	Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and the things as the Company is authorized to exercise and do provided that the Board shall not exercise any power or do any act or things which is directed or required, whether by the Act or any other statute or by the Memorandum of Association of the Company in general meeting. Provided

		further that in exercised any such power doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Actor any other statute or in the Memorandum of Association of the Company or in these Articles or in any regulations not inconsistent therewith and duly made there under including regulations made by the Company in general meeting, 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 regulations had not been made
167		Without prejudice to the general powers conferred by the preceding Article, the Director may delegate managers, secretaries, officers, assistants or other employees or other persons any of the powers, authorities and discretions for the time being are vested in the Board. The Board may remove any person so appointed and may annual or very delegation.
MANAGEMENT		
169	Management	Subject to the provisions of Section 197A, 198, 269, 309 and 310 of the Companies Act, the Company may appoint or re-appoint Managing Director, Whole time Director and Manager upon such terms and conditions as it thinks fit.
170		Subject to Section 383A of the Act, the Directors may appoint a Secretary and /or consultant and/or advisor on such terms, at such remuneration and upon such conditions as they may think fit and any secretary or consultant or advisor so appointed may be removed by the Directors
171		A Director may be appointed as a Secretary and /or consultant and or Advisor subjects to the provisions of the Act
172		Any provision of the Act or these Article requiring or authorising a thing to be done by a Director, manager or secretary shall not be satisfied by its being done by the same Person acting both as Director and as or in place of the Manager or Secretary
RESERVES		
177	Reserves	The Board may, from time to time, before recommending any dividend set apart any and such portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures; debts or other liabilities of the Company, for equalization of dividends, for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interests of the Company; and may subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments(other than Shares in the Company) as it may think fit ,and from time to time deal with and very such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserves into such special funds as it thinks fit ,with full power to employ the reserves or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets.
178		Any general meeting may upon the recommendation of the Board resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company and standing to the credit of the reserves, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend or representing premiums received on the issue of Shares and standing to the credit of the Share Premium Account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the

		<p>footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full any unissued Shares, of the Company which shall be distributed accordingly or in or towards as payment of the uncalled liability on any issued Shares, and such distribution to payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum. Provided that any sum standing to the credit of Share Premium Account or a Capital Redemption Reserve Account may, for the purposes 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>
179		<p>The Company in general meeting may, at any time and time to time, resolve that any surplus money in the hands of the Company representing capital profits arising from the receipt of money received or recovered in respect of or arising from the realisation of any capital assets of the Company, or any investment representing the same instead of being applied in the purchase of other capital assets or for capital purposes be distributed amongst the equity shareholders on the footing that they receive the same as capital and in the same proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend provided always that no such profit as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid-up share capital of the Company for the time being.</p>
180		<p>For the purpose of giving effect to any resolution under the two last preceding Articles, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificate.</p>
DIVIDENDS		
181	How profits shall be divisible	<p>Subject to Section 205 of the Companies Act the rights of the members entitled to Shares (if any) with preferential rights or special rights attached thereto, the profits of the Company which it shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares in the Company but so that partly paid-up Shares shall only entitled the holder with respect thereof to such proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such Shares. 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 being if any share is issued on terms providing that it shall rank for dividend as from a particular date; such share shall rank for dividend accordingly. Where capital is paid-up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, rank for dividends or confer a right to participate in profits.</p>
182	Declaration of Dividend	<p>The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.</p>
183	Restriction on declaration of larger dividend	<p>No larger dividends shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.</p>
184	Dividends payable out of profits only	<p>Subject to the provisions of Section 205 of Act, no dividend shall be payable except out of the profits of the Company or out of moneys provided by the Central or a State Government for the payment of the dividend in pursuance</p>

		of any guarantee given by such Government and no dividend shall carry interest against the Company.
185	Net profits as per audited accounts	The declaration of the net profit of the Company as stated in the audited Annual Accounts shall be conclusive.
186	Interim Dividend	The Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company.
187	Deduction of amounts due to Company	Subject to section 205A of the Act, the Board may deduct from any dividend payable to any member all sum of moneys, if any, presently payable by him to the Company on accounts of calls or otherwise in relation to the shares in the Company.
188	Set-off of Dividend against Call	Subject to Section 205A of the Act, any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixed not exceeding the amount remaining unpaid on the shares, but so that the call on each member also does not exceed the dividend payable to him and so the call be made payable at the same as the dividend and in such case the dividend may, if so arranged between the Company and the members, be set off against the call.
189	Payment of Dividend in Cash	No dividend shall be payable except in cash; provided that nothing in the foregoing shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on the shares held by the members of the Company.
190	Transfer of Right to Dividend on registration	A transfer of share shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company.
191	Payment of Interest on Capital	The company may pay interest on capital raised for the construction of works or buildings when and so far as it shall be authorized to do by section 208 of the Act.
195	Manner of Payment of Dividend	Unless otherwise directed in accordance with section 206 of the Act, any dividend, interest or other moneys payable in cash in respect of any share may be paid by Cheque or warrant sent through the post to the registered address of the members or in case of members who are registered jointly to the registered address of that one of such member who is first named in the Register in respect of joint-holding or to such person and to such address as the members or the members who are registered jointly, as the case may be, may direct, and every Cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any Cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by forged endorsement of any Cheque or warrant or fraudulent recovery thereof by any other means.
196	Unclaimed / Unpaid Dividend	Any unclaimed or unpaid dividend shall be dealt with and regulated under Section 205A of the Companies Act, 1956, and the rules made thereunder.
197	Time limit for Payment of Dividend	The Company shall pay the dividend or send the warrant in respect thereof to shareholders entitled to the payment of dividend, within thirty days from the date of the declaration unless: (a) When the dividend could not be paid by reason of the operation of any law. (b) Where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with. (c) Where there is a dispute regarding the right to receive the dividend.

		<p>(d) Where the dividend has been lawfully adjusted by the Company against any sum due to from shareholder; or</p> <p>(e) Where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.</p>
SERVICE OF NOTICE AND DOCUMENTS		
206	Services of Notice and Documents	A notice or other document shall be given or sent by the Company to any member either personally or by sending it by post to him to his registered address in India or if he has no registered address in India by air mail post to the address outside India supplied to the Company for the giving of notice to him.
210		A notice or other documents may be served by the Company on the joint-holders of a share by giving the notice to the joint-holder named first in the Registered in respect of the share.
211		A notice or other documents may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by name of by name or by the title of representative of the deceased or assignee of the insolvent or by any like description, at the address in India supplied for the purpose by the persons claiming to be entitled, or until such and address has been so supplied, by giving the notice in any manner in which the same might have been if the death or insolvency had not occurred.

Part II : Rights and obligations of the Parties to the Shareholders Agreement

Part II of the Articles provide for all the rights and obligations of the Parties to the Shareholders Agreement as executed in connection with the Investor subscribing to the Shares of the Company and will cease to exist upon filing of RHP/Prospectus to the Registrar of the Companies.

DEFINITIONS

231		<p>In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context or otherwise defined in the Transaction Documents:</p> <p>(iii) "Affiliate" of a Party shall mean any company, which is under the Control of or under common Control with such Party, or a company, which exercises Control over such Party, and where such Party is an individual, shall mean the Relative of such Party;</p> <p>(iv) "Atherstone" means Atherstone Infrastructure Corporation Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 121,12th Floor, Maker Chamber IV, Nariman Point, Mumbai 400021;</p> <p>(v) "Apollo" means Apollo Partners Limited, a company duly organised and existing under the laws of the United kingdom having its registered office at Cariocca Busines Park, 2 Sawley Road, Manchester, Greater Manchester, M40 8BB (UK);</p> <p>(xix) "Change in Control" shall be deemed to have occurred (a) if the Promoter's holding (whether direct or indirect) in the Company at any time, falls below 50% of the share capital of the Company on a Fully Diluted Basis by virtue of (X) one or more transfer(s) of the Shares held by the Promoter in the Company other than to an Affiliate of such Promoter or (Y)</p>
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		<p>by way of any share sale, sale, merger, consolidation, amalgamation of the Company, or (b) by way of any assignment, transfer, conveyance or disposition (whether in one or a series of transactions) directly or indirectly of all or substantially all of the assets and properties of the Company;</p> <p>(vi) "Closing" means the date on which the Investor Shares are issued to the Investor, as contemplated in Clause 7 of the Subscription Agreement;</p> <p>(vii) "Exit Default" means the failure of the Company and / or the Promoter or the Prior Shareholder as the case may be, to (X) consummate an IPO or (Y) complete any of the transactions, including but not limited to, failure to make payment of the Exit Price to the Investor, in connection with effectuating any of the Alternative Exit Rights, upon the exercise thereof by the Investor, before the expiry of the Exit Period;</p> <p>(viii) "Fully Diluted Basis" means that the calculation is to be made assuming that all outstanding convertible securities (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged;</p> <p>(ix) "Initial Escrow Agent" means Nishith Desai Associates, a sole proprietorship owned by Mr. Nishith Desai and having its office at 93-B, Mittal Court, Nariman Point, Mumbai - 400021;</p> <p>(x) "Investor Shares" means all or any class of Equity Shares or other instruments convertible into Equity Shares in the Company as held by Investor from time to time;</p> <p>(xi) "IPO" shall mean the initial public offering of the Company whereby the Company's Equity Shares, American Depositary Shares or Global Depositary Shares are listed and admitted for trading in any of the Stock Exchanges;</p> <p>(xii) "Other Shareholders" means and includes the Promoter, the Prior Shareholder and any other Shareholder of the Company who has executed the Deed of Adherence;</p> <p>(xiii) "Prior Shareholder" means Yamini Suppliers Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 1005, 10th Floor, Chowringhee Road, Kolkata - 700 071;</p> <p>(xiv) "Prior Shareholder's Shares" mean any and all Equity Shares now or hereafter held by the Prior Shareholder;</p> <p>(xv) "Restated Articles" means the restated and amended Memorandum and Articles, which shall be to the satisfaction of the Investors and substantially in conformity with the Transaction Documents</p> <p>(xvi) "Shareholders Agreement" means the agreement entered into among the Investor, the Promoter, the Prior Shareholder, Atherstone, Apollo and the Company as on October 10, 2007, and shall include all the schedules, annexures and exhibits thereto to provide for certain of their respective rights and obligations regarding the management of the Company and certain other rights and obligations as set forth therein;</p>
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USE OF SUBSCRIPTION AMOUNT

232		The Subscription Amount shall be utilized by the Company for the purpose of the Company's Business and for working capital needs, acquisitions and capital expenditures, as the case may be, as decided by the Board from time to time.
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ESCROW AGREEMENT

233		At any time within a period of 30 days from the Closing Date, the Promoter, the Prior Shareholder and the Investor shall enter into and execute an escrow agreement (" Escrow Agreement ") with the bank to be appointed as the escrow
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		agent (" Escrow Agent ") thereunder and send instructions to the Initial Escrow Agent for the release of the Escrow Property to the Escrow Agent and the Company shall do all acts, deeds and things as may be necessary to give full effect to the provisions of this Article.
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DUE DILIGENCE.

234		The terms and conditions of the Transaction Documents are subject to a legal, financial, business and operational due diligence of the Company (" Due Diligence ") as may be conducted by the Investor at its sole discretion, at anytime within a period of 3 months from the Closing Date.
235		In event of any default of compliance by the Company with the requirements of applicable Law as may be determined by the Investor pursuant to the Due Diligence, the Investor shall send a written notice in respect thereof to the Company and the Company shall and the Promoter and the Prior Shareholder shall cause the Company to rectify such defaults within a period of thirty (30) days from the date of such notice
236		In the event the Company fails to rectify such defaults within the period specified under Article 235 above, then such a failure shall be construed as an Exit Default

EXIT OPTIONS TO THE INVESTOR

237		Within a period of eighteen (18) months from the Closing Date (" Exit Period "), the Company shall provide the Investor an exit option in the form of an IPO of the Company, in accordance with this Article 237 and Articles 239 to 245 at a valuation that is mutually agreeable to the Parties, in writing
238		<p>Notwithstanding the provisions of Article 237, the Investor shall, at any time after the first (1st) anniversary of the Closing Date be entitled, but not obligated, to exercise alternative exit rights to receive the Exit Price and exit from the Company before the expiry of the Exit Period ("Alternative Exit Rights"), and the Company, the Prior Shareholder and the Promoter as applicable, shall, and the Prior Shareholder and the Promoter shall cause the Company to effectuate such Alternative Exit Rights of the Investor, which Alternative Exit Rights may <i>inter alia</i> include:</p> <ol style="list-style-type: none"> a. A Buy Back or a Put Option in respect of the Investor Shares as contemplated under Article 246 and more particularly provided for under Articles 248 to 252 and Articles 253 to 255 below, at a price which shall, subject to applicable Law, be the aggregate of the Subscription Amount and any dividends accrued thereon plus 20% IRR ("Exit Price"). b. Sale. Facilitating a sale of the Investor Shares ("Sale"). The Company shall endeavor to find a buyer to buy Investor Shares at a value greater than or equal to the Exit Price. In case of a Sale as envisaged herein, the Investor shall have the right (but not the obligation) to require all the Other Shareholders to sell their shareholding or a portion of it, as may be determined by the Investor at its sole discretion, to such buyer.

INITIAL PUBLIC OFFERING

239		<p>The Company shall immediately take steps to file for the completion of an IPO in the event of any of the following occurring:</p> <ol style="list-style-type: none"> a the Board of the Company taking a decision to file for an IPO; or b anytime during the Exit Period, upon Investor, at its sole discretion, making a request for an IPO to the Company.
240		<p>The Company shall determine the following matters in connection with its IPO and/or offer for sale:</p> <ol style="list-style-type: none"> a. whether the public offering shall be by a fresh issue of Shares by the Company and/or an offering for sale by the Shareholders;

		<ul style="list-style-type: none"> b. the price at which the Shares shall be issued / offered to the public; c. the quantum of Shares to be comprised in the issue / offering including that of the Parties; d. appointment of lead managers, registrars, financial advisors, issue managers and other intermediaries, and
241		In the event of an offer for sale, the proportion of Equity Shares offered will be decided by the Board and will follow a pro rata division among the Investor the Prior Shareholder and the Promoter. However, under no circumstance shall the Investor be obligated to offer for sale, its shareholding in the Company and the Company hereby agrees that it shall not compel the Investor to offer for sale its shareholding to make up the minimum shareholding required to obtain listing of the Company.
242		Subject to applicable Laws, the Investor shall not be considered as a promoter of the Company and therefore the Investor Shares shall not be subject to any lock-in conditions applicable to promoters, for and after the IPO.
243		Subject to applicable Laws, in the event of an IPO being conducted outside India on a Stock Exchange in the United States of America or elsewhere, then the Investor shall be entitled to negotiate customary registration rights with the Company as set out in Articles 289 to 294 below.
244		<p>The Company, the Promoter and the Prior Shareholder jointly and severally undertake to do the following:</p> <ul style="list-style-type: none"> a. The Promoter and the Prior Shareholder undertake to exercise their respective voting rights (at the Board and shareholder levels), and to cause the Board to take all steps necessary for the Company to undertake such IPO, to enable the Investor to transfer the Investor Shares (or any part thereof) through such IPO, including but not limited to, preparing and signing the relevant offer documents, conducting road shows, entering into such documents, providing all necessary information and documents necessary for preparing the offer document, obtaining such regulatory or other approvals and doing such further reasonable acts or deeds as may be necessary or are customary in transactions of such nature, or do all acts necessary to facilitate such a sale by the Investor. b. Ensure that the total offer of Shares to the public shall constitute not less than such percentage (as prescribed under the then prevalent rules and laws) of the total post issue paid-up share capital of the Company to comply with the listing requirements of the concerned Stock Exchanges and the concerned regulatory authority. c. Provide all material information and ensure compliance with all applicable provisions under the Act, SEBI Guidelines, the listing agreement of the relevant Stock Exchange(s) and other regulations existent at the time of the IPO and subsequent listing of the Equity Shares of the Company for trading on the Stock Exchange. d. All expenses in connection with an IPO shall be borne by the Company. However, where an IPO involves a part of the offering to the public comprising a secondary sale of the Equity Shares held by any of the Shareholders, then the underwriting commission with respect to the secondary sale component of the IPO shall be borne by the selling Shareholders pro rata to the number of Equity Shares being sold by them in the offering, and all other expenses relating to the IPO shall be borne by the Company. e. If necessary, obtain permission from banks/financial institutions for the

		Company to make an IPO, pursuant to the terms of the documents relating to the availing of financial assistance between the Company and the said banks/financial institutions.
245		Notwithstanding anything contained in these Articles, the provisions of Articles 239 to 245 shall be subject to the Affirmative Consent of the Investor as per Article 295.

ALTERNATIVE EXIT RIGHTS

246		<p>At any time after the first (1st) anniversary of the Closing Date, the Investor shall have the right, exercisable in its sole discretion, to sell all or a part of the Investor Shares to the Company, the Promoter or to the Prior Shareholder and the Company, the Promoter or the Prior Shareholder as the case may be, shall be obligated to purchase all or such number of Investor Shares proposed to be sold by the Investor. The Parties agree that the Company, the Prior Shareholder and the Promoter shall and the Prior Shareholder and the Promoter shall cause the Company to, subject to applicable Law, do all such acts and things as may be necessary, including but not limited to, the procurement of all Consents and regulatory approvals, to effectuate any of the following Alternative Exit Rights as may be exercised by the Investor in its sole discretion, to ensure the payment of the Exit Price to the Investor prior to the expiry of the Exit Period.</p> <ol style="list-style-type: none"> Buy Back (which shall have the meaning ascribed to such term under Article 249 below) by the Company of the Investor Shares held by the Investor in accordance with Articles 248 to 252 below; or Put Option (which shall have the meaning ascribed to such term under Article 253 below) against Promoter or the Prior Shareholder of all the Investor Shares held by the Investor in accordance with the provisions of Articles 253 to 255.
247		The Parties hereby agree and undertake to fully co-operate with the Company in procuring the necessary approvals for this purpose to the extent such co-operation of such Party is necessary for the procurement of the necessary approvals and Consents, and if required, promptly provide all necessary information and assistance required by the Company.

BUY BACK RIGHT OF THE INVESTOR

248		<p>Grant of Buy Back Right. Subject to the provisions of the Act as may be applicable, in pursuance of the provisions of Article a above, at any time after first (1st) anniversary of the Closing Date, the Investor shall have the right (the “Buy Back Right”) to cause the Company to buy back the maximum percentage of the Investor Shares that are permitted to be bought back in a single year by the Company for the Exit Price. The remainder of the Investor Shares, if any, that remain outstanding pursuant to the foregoing shall be bought by Promoter or the Prior Shareholder as provided under Articles 253 to 255 below to procure a payment to the Investor of the Exit Price.</p>
249		<p>Exercise of the Buy Back Right. In order to exercise the Buy Back Right, the Investor may elect, in its sole discretion, to deliver to the Company a written notice (“Buy Back Notice”) of its intention to cause the Company to acquire (“Buy Back”) such number of Investor Shares as set forth in such Buy Back Notice (the “Buy Back Shares”).</p>

		<p>a. Upon receipt of the Buy Back Notice, within a period of 7 days (i) the Company shall convene a Board meeting and the Promoter shall cause a board resolution authorizing (A) the Company to undertake the Buy Back to be passed at such a Board meeting and (B) the issuance of a notice calling for an Extraordinary General Meeting of the shareholders of the Company to consider and pass a resolution to effectuate the Buy Back and (ii) the Company shall convene an Extraordinary General Meeting of the shareholders and the Promoter shall cause a shareholders resolution authorizing the Company to undertake the Buy Back to be passed at such a shareholders meeting.</p> <p>b. The Company shall undertake, and the Promoter shall cause the Company to undertake, all corporate and statutory compliances, filings and other statutory obligations under the Act or any other applicable Laws for the successful completion of the Buy Back.</p>
250		<p>Buy Back Closing Mechanics. Time and Place of the Closing. The closing of the Buy Back (the “Buy Back Closing”) shall occur on the date (the “Buy Back Closing Date”) as may be specified by the Company in writing to the Investor. The Buy Back Closing Date for the purposes of this Article 250 shall be no later than 30 days from the date of delivery of the Buy Back Notice, excluding the time taken by the Company to (i) apply for any regulatory approval which shall be applied for within 7 days of the buy back notice, if applicable, and (ii) to complete the Buy Back upon obtaining such approvals which time period for completion shall be no longer than 14 days from the date of receipt of the last required regulatory approval, provided that the Company shall take all necessary steps and do such further acts or deeds as may be necessary to obtain all the required regulatory approvals as expeditiously as possible, and to promptly facilitate the Buy Back Closing on the Buy Back Closing Date.</p>
251		<p>Transactions to be Effected at the Buy Back Closing. Upon the terms and subject to the conditions of the Shareholders Agreement, at the Buy Back Closing:</p> <p>a. the Investor will deliver to the Company a certificate or certificates representing its Buy Back Shares, or otherwise arrange for delivery of such Buy Back Shares; and</p> <p>b. the Company will deliver to the Investor (x) an amount equal to the Buy Back Price, by wire transfer of immediately available funds in accordance with wire transfer instructions delivered by such Investor to the Company in writing prior to the Buy Back Closing Date and (y) in the event that the Buy Back Right was exercised for less than all of the Equity Shares held by the Investor represented by the certificate or certificates referred to in clause (a) above, a certificate or certificates representing a number of Investor Shares equal to the difference, or otherwise if the Equity Shares are in an electronic form, arrange for delivery of such Investor Shares into the account of the Investors held with a depository participant.</p>
252		<p>Cooperation of Other Shareholders. The Other Shareholders of the Company undertake to vote and cause any of their Board nominees to vote in favour of any resolution necessary to this effect, in a Board meeting as well as general meeting, authorizing the Company to undertake any buy back in accordance with this Clause. The Promoter, and other holders of the Equity Shares of the Company</p>

		<p>who shall execute the Deed of Adherence prior to being allotted Shares in the Company, and all other Persons who are bound to execute the Deed of Adherence, hereby specifically agree not to tender their Shares in any offer to redeem Equity Shares on a pro rata basis, if such offer is made by the Company in response to the receipt of a Buy Back Notice pursuant to these Articles. All the Shareholders shall require any transferee of their Equity Shares to agree not to tender such Shares in any such redemption offer and shall cause such transferees and any of their Board nominees to vote in favour of any resolution necessary to this effect, in a Board meeting as well as general meeting, authorizing the Company to undertake any Buy Back in accordance with these Articles. All the Shareholders shall, and shall require any transferee of their Equity Shares to agree to comply with their respective obligations under Articles 248 to 252 in a timely manner.</p>
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PUT OPTION

253		<p>In pursuance of the provisions of b above, at any time after the first (1st) anniversary of the Closing Date, the Investor shall have the option (but not the obligation) ("Put Option") to cause the Promoter or the Prior Shareholder as the case may be, to purchase any or all the Investor Shares in accordance with Articles 254 and 255 below.</p>
254		<p>Exercise of Put Option. The Investor may exercise the Put Option, by delivering to the Promoter or the Prior Shareholder as the case may be, a written notice of its election to do so ("Put Option Notice") and the Promoter or the Prior Shareholder as the case may be, shall be under an obligation to purchase, within the time period specified in Article 255, all Investor Shares in the Company so put (without representation, warranty or recourse, except for the title of such Shares) for the Exit Price.</p>
255		<p>Put Option Closing Mechanics. The closing of the sale and purchase of the Investor Shares pursuant to such an exercise of the Put Option (the "Put Option Closing") shall occur within thirty (30) days following the delivery of such Put Option Notice. At the Put Option Closing (i) the Investor will deliver to the Promoter or the Prior Shareholder as the case may be, the certificate or certificates representing the Investor Shares to be acquired by Promoter or the Prior Shareholder as the case may be, and will take such action as may be reasonably necessary in order to transfer to the Promoter or the Prior Shareholder as the case may be, good and marketable title to such Investor Shares, free and clear of all claims, liens and encumbrances of any nature, and (ii) the Promoter or the Prior Shareholder as the case may be, shall forthwith make payment of the Exit Price by wire transfer of the amount thereof to the bank account as may be intimated by the Investor.</p>

EXIT DEFAULT

256		<p>All Parties hereby agree that in the event of an Exit Default, the Investor shall, in addition to and without prejudice to its other rights under Law with respect to breach of contract, under equity and under the Shareholders Agreement, forthwith have the right to cause a sale of the Company to any Person in the manner specified under Article 257 below and the Company hereby agrees to engage a mutually acceptable Investment Bank to solicit buyers for the Company.</p>
257		<p>If the Investor wishes to accept an offer made to purchase the Company, the Investor shall be entitled to cause, by delivering to the Other Shareholders a written notice of its election to do so (the "Drag Election Notice"), all of the Other Shareholder's Shares, to be sold or transferred simultaneously with the Investor Shares on such terms and conditions of the sale of the Investor Shares. The Investor shall provide the Other Shareholders with the Drag Election Notice not</p>

		less than three (3) days prior to the date of the sale. Such notice shall set forth (1) the name and address of the proposed transferee or transferees in the proposed sale, and (2) the amount of consideration to be paid for the Other Shareholders' Shares and the conditions of payment.
258		Each of the Other Shareholders agrees to cooperate with and assist the Investor in connection with the exercise of its rights in this Clause. Such cooperation shall include, without limitation, executing and delivering such deeds, bills of sale, instruments of conveyance, assignments and other instruments as may be required, to transfer good and clear title to the relevant Shares held by the Other Shareholders, answering prospective purchaser's questions, compiling and providing customary information in connection with such sale.
259		The Other Shareholders agree that the proceeds realized from the sale of the Company pursuant to the provisions of Articles 256 and 257, shall be distributed between the Investor and the Other Shareholders of the Company such that the Investor is paid the Exit Price.
260		Within 5 Business Days after registering any Transfer of the Shares, the Company shall send a notice to each Shareholder stating that such Transfer has taken place and setting forth the name of the transferor, the name of the transferee and the number of the Shares transferred.

TAG ALONG RIGHTS

261		If the Other Shareholders propose to sell/ transfer any or all of their shareholding in the Company to any Person which is likely to result in a Change in Control of the Company, the Investor shall have the right to transfer its entire shareholding in the Company to such Person (" Tag Along Right ") on the terms and conditions as set out in this Clause.
262		Notwithstanding anything contained in Article 261 such Tag Along Right shall not be available in favour of the Investor, where such sale or transfer is amongst the Other Shareholders inter-se and/or where such sale or transfer is to an Affiliate.
263		Within five (5) Business Days of agreeing to sell all or any of the Other Shareholders' Shares or at least thirty (30) days before the date of the proposed sale (whichever is earlier), the Other Shareholder(s) shall send a written notice (" Offer Notice ") to the Investor, setting forth in detail the terms of the proposed sale, including the name of the Person(s) to whom the sale is proposed to be made (" Buyer "), the proposed sale price (for the purposes of Articles 261 to 268, " Sale Price "), the date of the proposed sale (which shall not be less than 30 days from the date of receipt of the Offer Notice by the Investor) and the number of Other Shareholder's Shares proposed to be sold by the Other Shareholders (" Sale Shares ").
264		Upon receipt of the Offer Notice, the Investor shall have the option, to exercise its Tag Along Right at its sole discretion and sell any or all of the Investor Shares , to the Buyer, at the Sale Price by serving upon the Other Shareholders a written notice (" Acceptance Notice ") in that regard within 30 days of receipt of the Offer Notice by the Investor on the terms and conditions mentioned in the Offer Notice.
265		If the Investor exercises its Tag Along Right as mentioned above, then the Other Shareholders shall ensure that the Buyer purchases the number of Investor Shares mentioned in the Acceptance Notice along with the Sale Shares mentioned in the Offer Notice at the Sale Price and on the terms mentioned in the Offer Notice. The Other Shareholders shall ensure that the Buyer completes the purchase of the Investor Shares at the same time as completion of purchase of the Sale Shares held by the Other Shareholders.

266		The Parties agree that Investor may, at its sole discretion, choose not to exercise the Tag Along Right contemplated herein. If the Investor does not exercise its Tag Along Right and does not serve the Acceptance Notice upon the Other Shareholders within the time period specified in Article 264 above, then the Other Shareholders may sell the Sale Shares (not exceeding the number mentioned in the Offer Notice) to the Buyer at the Sale Price and on the terms mentioned in the Offer Notice (and not at any other price or on any other terms).
267		The purchase / sale under Articles 261 to 268 shall be subject to the necessary Consents being obtained and the Company and each of the Other Shareholders shall each use its best endeavors to obtain such Consents. In the event the necessary Consents cannot be obtained within a reasonable period, the Parties shall make best efforts and endeavors as may be reasonably necessary to find an alternative solution to give full effect to the intent of this Clause
268		Provided that, upon the completion of an IPO by the Company, the term “control” used in these Articles 261 to 268 shall have the meaning ascribed to such term in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended (“ Takeover Regulations ”) and the term “change in control” used in this Articles 261 to 268 shall be construed in the same manner as is construed under the Takeover Regulations.

SALE TO THIRD PARTY & INVESTOR’S RIGHT OF FIRST OFFER

269		At any time prior to the IPO of the Company, if any of the Other Shareholders propose to sell or transfer any Shares ("Selling Shareholder") of the Company, the Selling Shareholder shall offer such Shares ("Offer Shares") in the first instance to the Investor ("Offeree Party"). The Selling Shareholder shall give notice ("Offer Notice") to the Offeree Party, stating (i) its bona fide intention to offer the Offer Shares, (ii) the number of such Offer Shares, and (iii) the price ("Offer Price") and terms, if any, upon which it proposes to offer such Offer Shares
270		By notification to the Selling Shareholder within thirty (30) days on receipt of the Offer Notice, the Offeree Party may elect to purchase or otherwise acquire the Offer Shares at the Offer Price and on the terms specified in the Offer Notice. The Offeree Party shall be deemed to have elected not to purchase the Offer Shares if it does not deliver such notice within the stipulated time period.
271		If all the Offer Shares referred to in the Offer Notice are not elected to be purchased or acquired, the Selling Shareholder may, during the period following the expiration of the period provided in Article 270 above, offer and sell the remaining unsubscribed portion of such Offer Shares to any other Person, but at a price higher than the Offer Price and upon terms no more favorable to such Person than those offered to the Offeree Party and as specified in the Offer Notice. If the Selling Shareholder does not enter into an agreement for the sale of the Offer Shares within such period, the right provided hereunder shall be deemed to be revived and such Offer Shares shall not be sold to third parties unless first reoffered to the Offeree Party in accordance with Articles 269 to 271. Any transfer shall be subject to the rights of the Investor under Articles 261 to 268..

RIGHT OF FIRST REFUSAL

272		At any time prior to the expiry of the Exit Period, in the event the Investor proposes to sell or transfer any of the Investor Shares, the Investor shall, at least thirty (30) days before the date of the proposed sale, send a written notice (" Sale Notice ") to each of the Promoter and the Prior Shareholder (" Right Holders "),
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		setting forth in detail the terms of the proposed sale, including the name of the Person/s to whom the sale is proposed to be made (" Purchaser "), the proposed sale price per Share (" Third Party Price "), the date of the proposed sale (which shall not be less than thirty (30) days from the date of receipt of the Sale Notice) and the number of Investor Shares proposed to be sold (" Sale Shares ").
273		Upon receipt of the Sale Notice, the Right Holder shall have the right, exercisable at its sole discretion to purchase the Sale Shares at the Third Party Price by serving upon the Investor a written notice in that regard within 15 Business Days of receipt of the Sale Notice by the Right Holders on the terms and conditions mentioned in the Sale Notice (" Right of First Refusal "). In the event both the Right Holders exercise their Right of First Refusal by serving upon the Investor a written notice as contemplated in this Article 273, the first of the two notices that the Investor is in receipt of shall be given effect to by the Investor and the notice of the other Right Holder shall be deemed to have been withdrawn by such other Right Holder.
274		The Parties agree that a Right Holder may, at its sole discretion, choose not to exercise the Right of First Refusal. In the event that the Right Holders does not wish to exercise the Right of First Refusal, then they shall inform the Investor of the same within 15 Business Days of receipt of the Sale Notice.
275		If a Right Holder exercises its Right of First Refusal as mentioned above, within 60 Business Days, subject to the necessary regulatory consents, the Investor shall tender the Sale Shares to such Right Holder upon receipt by the Investor of the consideration for the Sale Shares at the Third Party Price.
276		If the Right Holder does not exercise the Right of First Refusal and does not serve a written notice upon the Selling Shareholder within 15 Business Days of receipt of the Sale Notice as above, then the Investor may sell the Sale Shares to the Purchaser at the Third Party Price as mentioned in the Sale Notice.
277		Notwithstanding anything contained in these Articles, the provisions of Articles 272 to 277 shall not apply to any sale of Investor Shares by the Investor in any IPO of the Company.

PRE-EMPTIVE RIGHTS

278		The Company shall give to the Investor (" Pre-emptive Right Holder ") a pre-emptive right of subscription (" Pre-emptive Right ") in the event that it proposes to undertake any future equity financing during the pendency of the Shareholders Agreement by an offer for sale of existing Equity Shares or by making a preferential allotment of equity or instruments convertible into Equity Shares to third parties (a " Preferential Allotment "), subject to the Affirmative Consent of the Investor.
279		The Pre-emptive Right shall be offered by the Company by issuing a written notice to the Pre-emptive Right Holder (" Issuance Notice ") setting forth in detail the terms of the proposed issuance, including the proposed issuance price (" Issuance Price "), the date of closing of the proposed issuance (which shall not be less than thirty (30) days from the date of receipt of the Issuance Notice) and the number of Equity Shares or instruments or securities convertible into Equity Shares proposed to be issued (" Issuance Shares ").
280		If the Pre-emptive Right Holder wishes to exercise its Pre-emptive Right, within thirty (30) days from the date of receipt of the Issuance Notice, it shall pay for and subscribe to such number of the Issuance Shares as it wishes to subscribe to so as to maintain its pro rata holding in the Company as at the time immediately following Closing at the Issuance Price and on the terms and conditions set out in the Issuance Notice. Subject to the receipt of the payment against exercise of the

		Pre-emptive Right by each Pre-emptive Right Holder, the Company shall issue and allot the Issuance Shares to each Pre-emptive Right Holder on the date of closing of the issuance as stated in the Issuance Notice.
281		If a Pre-emptive Right Holder does not exercise the Pre-emptive Right and make payment to the Company against such exercise within the time period specified in Article 280 above, then the Company may issue and allot the Issuance Shares to a third party subscriber (" Third Party Subscriber ") at the Issuance Price as mentioned in the Issuance Notice.
282		The Parties hereby agree that there exists no commitment by the Investor to further capitalise the Company or provide finance to the Company in the form, <i>inter alia</i> , of guarantees or loans.

COMPANY COVENANTS

283		The Company hereby covenants that if at any time after the Effective Date, (i) the Investor or its Affiliates wish to invest in any Indian company; and (ii) the applicable Law and/or the Government requires them to obtain a no objection consent from the Company prior to investment in such Indian company, then the Investor shall send a letter to the Company seeking the no objection consent from the Company for such investment by the Investor, stating that to the best of the knowledge of the Investor, such investment would be in compliance with the Investor's obligations under the Transaction Documents. Within 5 Business Days of receipt of such a request from an Investor or any of its Affiliates, the Company shall issue its no objection consent to such Investor (and/or its Affiliate, as the case may be), in such form as the applicable Law or the Government may require.
284		The Company shall ensure that all transactions between the Company and its Affiliates, and the Company and the Other Shareholders or their Affiliates shall be on terms that are at least as favorable to the Company as an arms' length arrangement.
285		The Company will retain an accounting firm that is satisfactory to the Investor as the Company's statutory auditor.
286		The Company shall obtain, within ninety (90) days of the date hereof, from financially sound and reputable insurers, Directors and Officers Errors and Omissions insurance in an amount satisfactory to the Board, including the Investor Nominee Director, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board determines that such insurance should be discontinued.
287		The Company covenants that in the event of any dividends declared, the Investor shall, subject to applicable Law, be entitled to receive such dividends on the Investor Shares pro rata to their holding (on a Fully Diluted Basis) in the Company, <i>pari passu</i> with the Other Shareholders.
288		During the term of the Transaction Documents, the Company shall at all times do all such acts, deeds and things as may be necessary to ensure that these Articles reflect in substantive terms, the provisions of the Transaction Documents.

REGISTRATION RIGHTS

289		The Company agrees that in the event that the Company issues American depository receipts, global depository receipts or such other similar instruments (the " Further Securities ") that are listed or are to be listed on any Stock Exchange, then subject to applicable Laws, upon written request by the Investor, the Company shall re-classify, as may be required, and list the Investor Shares (or other securities arising from such reclassification) held by the Investor on the same date (or at a future date, if requested in writing by the Investor) and on the same Stock Exchange(s) on which listing of the Further Securities occurs. The
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		Company's obligations to list the Investor Shares held by the Investor shall exist irrespective of whether the Investor sells its Shares pursuant to such listing or not.
290		The Company agrees that it shall not offer the Further Securities, whether against existing Shares or otherwise, to any other Person, including the Other Shareholders, on any terms and conditions without offering to issue such Further Securities on such terms and conditions to the Investor as well, which offer the Investor may accept in their sole discretion.
291		Within a period of six months of the effective date of the Company's initial registration statement (or equivalent document, by whatever name called) in respect of the Company's securities in any jurisdiction, the Investor shall have the right (" Registration Right ") to require the Company to use its best efforts to cause registration of the Investor Shares or securities in any jurisdiction with any competent authority, as may be required under applicable Law in such jurisdiction, including filing of a suitable registration statement (or equivalent document, by whatever name called) in respect of the Investor Shares and covering Transfers of the Investor Shares and other securities (including any Further Securities) held by the Investor, in order to ensure Transferability of the Investor Shares or securities, including any Further Securities, within such jurisdiction.
292		This Registration Right shall be available to the Investor in connection with any registration of the Company's Shares or securities in any jurisdiction with any competent authority, for the purposes of Transferability of such Shares or securities, and the Registration Right may be adapted or revised, in such manner as the Investor may require in their sole discretion, solely to meet the requirements of applicable Law in such jurisdiction, such that the Registration Right of the Investor as contemplated under Article 291 is not diminished in any manner.
293		By way of example only and without limiting the generality of the foregoing, if the Investor choose to exercise their Registration Right in respect of the United States of America, the Company shall file with the United States Securities and Exchange Commission (" Commission ") a registration statement for the Company's securities and covering Transfers of all Shares and other securities (including any Further Securities) on behalf of the Investor and any permitted Transferees.
294		The expenses of preparation and filing of all registration statements, S-3 registrations and all piggyback registrations, shall be borne by the Company and the fees/commission payable to the underwriters appointed for the purposes of Article 289 shall be borne by the Investor in the same proportion that the securities transferred by the Investor under Article 289 bears to the total securities that the Company may register with the Commission (or equivalent authority) as part of the offering. Upon filing the registration statement, the Company will use its best efforts to cause the registration statement to be declared effective by the Commission (or equivalent authority) and to keep the registration statement effective with the Commission (or equivalent authority) so long as necessary under applicable law to permit the Transfer of securities by the Investor. At the request of the Investor, the Company will procure, at the Company's sole expense, the listing of such securities on NASDAQ, or such other acceptable exchange within the jurisdiction as may be mutually agreed to between the Company and the Investor

ITEMS OF BUSINESS REQUIRING THE AFFIRMATIVE CONSENT OF THE INVESTOR

295		Notwithstanding anything to the contrary anything contained in the Articles, so long as the Investor holds Investor Shares, the Company shall not approve or take
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		<p>any of the following actions or matters without having first received the written consent of the Investor, which consent shall be received in the form a favourable vote by such Investor on a resolution passed at a meeting of the Shareholders of the Company. (“Affirmative Consent”):</p> <ol style="list-style-type: none"> a. any alteration of the rights of Investor Shares; b. any change in the capitalization table in Schedule 2 of the Shareholders Agreement, except for secondary sales by the Promoter to any of its Affiliates, such that the secondary sale does not result in a Change in Control; c. any transaction involving the acquisition of substantially all the assets, Shares, voting power or Controlling interest in any other company, business, partnership firm, or body corporate by the Company; d. any transaction involving the acquisition of substantially all the Shares of the Company by a Person who is not a party to the Shareholders Agreement; e. any transaction involving the sale of substantially all the assets of the Company; f. any transaction involving the merger of the Company with another company; g. any issuance of Shares of the Company or securities convertible or exercisable for share capital of the Company ranking senior to or pari passu with the Investor Shares or the redemption of any share capital or securities convertible or exercisable for share capital of the Company; h. any issuance, incurrence or guarantee by the Company or any of its subsidiaries of any indebtedness outside the ordinary course of its business; i. any transaction between the Company or any of its subsidiaries on the one hand and any officer, director or Shareholder (or Affiliate) or any of their Affiliates of the Company or any of its subsidiaries on the other hand; j. any amendment, modification, or waiver of any provisions of the Articles or Memorandum of the Company; k. the creation of any subsidiary, whether by formation, acquisition or otherwise; l. any remittance made to any subsidiary or Affiliate of the Company at any time where the aggregate amount of all such remittances made during the term of the Shareholders Agreement exceeds USD 100,000 m. any change in the scope of the Company’s Business or entry into any new business, suspension or cessation of the Company’s Business or transfer of all or a material portion of the Company’s Business, in each case, by the Company; n. the appointment or dismissal of any officers or members of the Key Promoter Team; o. the appointment of the Auditors of the Company , the replacement of such Auditor; p. any change in the size or composition of the Board or any committee of the Board other than in the manner as set out in the Shareholders Agreement or pursuant to any subsequent round of financing; q. any binding agreement to take any of the foregoing actions; r. any cancellation and/or reduction of the Shares of the Company except for the Buy Back as contemplated under Articles 248 to 252; s. any commencement of a voluntary winding up by the Company; t. any declaration, distribution or payment of dividend; u. the commencement of any litigation by the Company involving an amount
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		<p>in excess of US\$ 250,000 (US\$ Two Hundred Fifty Thousand). Provided however no such consent shall be required in the event the litigation has been commenced (i) in the ordinary course of business; or (ii) against any customer, vendor, employees or competitors of the Company; or (iii) in relation to matters in which either of the Investors may be interested; or (iv) in connection with an investment or (v) as a result of any compelling events or circumstances (including matters involving any criminal charge or prosecution), where prompt notice is given to each Investor immediately thereafter; or</p> <p>v. any IPO or public sale of Shares.</p>
296		<p>When the Company proposes to undertake any of the actions set out under Article 295 to the extent such actions statutorily require the approval of the Shareholders, the Company shall call for a general meeting of the Shareholders by serving at least 21 days written notice in this regard to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the general meeting; provided always that a meeting may be convened by a shorter notice than 21 days with consent of all the Shareholders. The written notice shall specify and provide all the details of the action proposed to be undertaken as would reasonably enable the Investor to arrive at a decision with respect to such matter.</p>
297		<p>On the date of the general meeting, there shall be a minimum of 3 (three) Shareholders of the Company present and voting. So long as the Investor holds Investor Shares, then the quorum for approving any action as listed above at a meeting of the Shareholders or the Board as the case may be shall include the Investor Nominee Director or a duly authorized representative thereof, in order to constitute a valid quorum for the meeting. If on the date of the general meeting, a valid quorum is not present, the meeting shall automatically stand adjourned to the same day and time and at the same venue in the following week.</p>

ARBITRATION

298		<p>In the event of a dispute relating to the management of the Company or relating to any of the matters set out in the Transaction Documents, Parties to the dispute shall each appoint one nominee/representative who shall discuss in good faith to resolve the difference. In case the difference is not settled within 30 days, it shall be referred to arbitration in accordance with Article 299 below.</p>
299		<p>All such disputes that have not been satisfactorily resolved under Article 298 above shall be referred to arbitration before a sole arbitrator to be jointly appointed by the Parties. In the event the Parties are unable to agree on a sole arbitrator within 15 calendar days of the reference to arbitration, one of the arbitrators shall be appointed by the Promoter and /or the Company and/or the Prior Shareholders and/or Atherstone and/or Apollo as the case may be, and the second arbitrator will be appointed by the Investor and the third arbitrator will be appointed by the other two arbitrators. The Parties agree that all disputes related to and under the Transaction Documents shall be resolved by final and binding arbitration, and no Party shall, to the extent permissible under applicable Law, refer any dispute to a court for resolution. The arbitration proceedings shall be carried out in accordance with the rules laid down by the International Chambers of Commerce and the place of arbitration shall be Singapore. The arbitration proceedings shall be conducted in the English language. The Parties shall equally share the costs of the arbitrator's fees, but shall bear the costs of their own legal counsel engaged for the purposes of the arbitration.</p>
300		<p>The award of the arbitral tribunal shall be final and conclusive and binding upon the Parties, and the Parties shall be entitled (but not obliged) to enter judgement</p>

		thereon in any one or more of the highest courts having jurisdiction. The Parties agree that such enforcement shall be subject to the provisions of the Indian Arbitration and Conciliation Act, 1996 and neither Party shall seek to resist the enforcement of any award in India or elsewhere on the basis that award is not subject to such provisions. The award rendered shall apportion the costs of the arbitration.
301		The Parties agree that the relevant courts of competent jurisdiction shall have the jurisdiction to entertain any proceedings for interim relief related to the Transaction Documents whether during pendency, or after expiry or termination of the Transaction Documents.
302		The Parties further agree that the arbitrators shall also have the power to decide on the costs and reasonable expenses (including reasonable fees of its counsel) incurred in the arbitration and award interest upto the date of the payment of the award.
303		When any dispute is referred to arbitration, except for the matters under dispute, the Parties shall continue to exercise their remaining respective rights and fulfill their remaining respective obligations under the Transaction Documents.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of this Red Herring Prospectus), which are or may be deemed material have been entered or are to be entered into by the Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company situated from 10.00 a.m. to 02.00 p.m. on working days from the date of the filing of this Red Herring Prospectus until the Bid / Issue Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated December 19, 2007 among our company, the Selling shareholder and the BRLMs.
2. Memorandum of Understanding dated December 28, 2007 among our company, the Selling shareholder and the Registrar to the Issue,
3. Syndicate Agreement dated [•] between the Company, the Selling Shareholder, BRLMs and Syndicate members,
4. Escrow Agreement dated [•] between the Company, the Selling Shareholder, BRLMs, Syndicate members, Escrow collection Banks and Registrar to the Issue
5. Underwriting Agreement dated [•] between the Company, the Selling Shareholder and Underwriters.
6. Agreement dated 29th April 2008 for appointment of CRISIL Limited as the IPO Grading Agency.

B. Documents for Inspection

1. Fresh Certificate of Incorporation of the Company dated 24th March, 2006.
2. Memorandum and Articles of the Company.
3. Tripartite agreements dated May 28, 2008 and April 01, 2008 with NSDL and CDSL respectively.
4. Copy of the Board Resolution dated 14th April, 2007 approving this Issue.
5. Copy of resolution passed in the extra-ordinary general meeting of the Company held on 14th May, 2007 approving the Initial Public Offering.
6. Copy of resolution passed in the extra-ordinary general meeting of the Company held on 12th December, 2007 approving the Offer for Sale.
7. Consents of the Promoters, Directors, Auditors, Bankers to the Company, Book Running Lead Manager, Legal Counsel, IPO Grading Agency, Registrar, Syndicate Members, Bankers to the Issue, Company Secretary and Compliance Officer, Balyasny SI Limited and Selling Shareholder in their respective capacities.
8. Shareholders Resolution for appointment of Statutory Auditors.
9. Shareholders resolution for appointment and remuneration of Managing Director and Whole Time Director
10. Certificate dated June 27, 2008 from Auditors regarding the statement of tax benefits.
11. Report of the Auditors dated June 27, 2008 on restated financial statements for the last five financial years.
12. Certificate dated July 07, 2008 regarding non consolidation of financial statements of Subsidiary Company.
13. Shareholders agreement entered into with Balyasny SI Limited.
14. Agreement with o3 Capital LLC, an investment bank.
15. Annual Reports of the Company for the last five Financial Years.
16. Initial listing application made with BSE and NSE for listing of equity shares.
17. In-principle listing approval for this Issue dated February 13, 2008 and April 29, 2008 from BSE and NSE respectively.
18. Due Diligence Certificate dated January 08, 2008
19. IPO Grading Report dated June 10, 2008
20. SEBI Observation Letter No. CFD/DIL/ISSUES/NB/SC/124990/2008 dated 8th May 2008

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of the 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 certify that all the relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the guidelines issued by Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made there under or guidelines issued, as the case may be. And that all approvals and permissions required to carry on the business of our Company have been obtained, are currently valid and have been complied with. We further certify that all the statements in this Red Herring Prospectus are true and correct.

Signed by the Directors of our Company

Mr. Inder Sharma, Chairman & Managing Director

Mrs. Sumati Sharma, Director

Mr. Vineet Sirpaul, Executive Director

* Mr. Sandeep Bedi, Director

Mr. Vishal Jain, Director

* Mr. Ameet Nitin Rane, Director

Signed by the Financial Controller

Mr. Tushar Kumar Varshney

Signed by the Company Secretary

Mr. Sanjay Kumar Singh

* through their constituted Power of Attorney

Signed by the Selling Shareholder

For Yamini Suppliers Private Limited

through their constituted Power of Attorney

Date: July 17, 2008

Place: New Delhi

Annexure: Grading Rationale for CRISIL IPO Grading

Nu Tek India Limited

CRISIL IPO Grade 3.0/5.0

Details of the IPO	
CRISIL IPO Grading	IPO Grade '3/5'. This grade indicates that the fundamentals of the issue are average relative to other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals. (refer Page 2 for further details)
Shares Offered to Public	4,500,000
As % of post issue Equity	26.07 %; Shares Outstanding 17,259,300
Proposed IPO Amount (estimated)	NTIL aims to raise around Rs 1,125 million to Rs.1,350 million.
Lead Managers	SPA Merchant Bankers Limited
Company Background	
Formed in 1993, Nu Tek India Ltd. (NTIL) is a telecom infrastructure service provider, offering services related to the infrastructure rollout primarily for the wireless telecom network. The company's range of services includes conceptualization, design, construction, installation, commissioning, integration, testing, operation and maintenance of wireless telecom infrastructure (both active as well as passive infrastructure). In addition, it also provides services related to laying of optic fibre network. The Delhi based company derives major portion of its revenues from the Northern India region.	
Grading Highlights	
Business Prospects	
<ul style="list-style-type: none"> ➤ NTIL with its end-to-end services is well positioned to take advantage of the expected strong growth in rollout of wireless telecom infrastructure ➤ The company has a proven execution capability in deployment of wireless telecom infrastructure in difficult terrains such as Jammu & Kashmir (J&K). ➤ NTIL also has the advantage of having worked on projects in relatively new technologies such WiMax and successful implementation of underground network for Delhi Metro Rail ➤ The company has a strong order book visibility 	
Financial Performance	
<ul style="list-style-type: none"> ➤ NTIL revenues grew 36 per cent to Rs 637 million in 2006-07 ➤ However, the working capital position has deteriorated over the past two years due to high outstanding debtors balances ➤ Return on Capital Employed (RoCE) and Return on Equity (RoE) were 48.7 per cent and 41.1 per cent, respectively, in 2006-07 ➤ On the back of healthy order book and strong network roll out plans of the telecom operators, we expect NTIL top-line to witness healthy growth over the next four years. Margins may contract slightly due to change in the revenue mix in favor of full turnkey projects. 	
Management Capabilities	
<ul style="list-style-type: none"> ➤ Management has relevant experience and domain expertise ➤ Reasonably strong second line management but the company's management bandwidth seems to be constrained considering the expected strong growth 	
Corporate Governance	
<ul style="list-style-type: none"> ➤ The Board has six directors, of which three are classified as independent ➤ One independent director, Mr. Ameet Rane, is a nominee director for the financial investor in the company – Balyasny Asset Management ➤ The company's corporate office is leased from one of the promoter's group companies, which may be potential area for conflict 	

Additional Information

- The proposed IPO is in the form of a fresh issue of 3.5 million equity shares and an offer for sale of 1.0 million equity shares, constituting 26.1 per cent of the post-IPO fully diluted paid-up capital
- The combined stake of the two promoters would be 42.4% per cent subsequent to the proposed IPO

Detailed Grading Rationale

Overall Grading Summary (IPO Grade 3/5)

To arrive at the overall grade, CRISIL has considered the following broad parameters: ·

- *Business prospects and financial performance ·*
- *Management capability ·*
- *Corporate governance*

CRISIL has assigned a CRISIL IPO Grade '3/5' (pronounced 'three on five') to the proposed Initial Public Offer of Nu Tek India Ltd. (NTIL). This grade indicates that the fundamentals of the issue are average relative to other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals. The offer price for the issue may be higher or lower than the level justified by its fundamentals. The grade is not a recommendation to buy / sell or hold the graded instrument, the graded instrument's future market price or its suitability for a particular investor.

The grading reflects NTIL's strength in offering a complete range of services related to the rollout of wireless telecom infrastructure. We believe that the company with its end-to-end services is well positioned to take advantage of the expected strong growth in rollout of wireless telecom infrastructure. NTIL has a proven execution capability in deployment of wireless telecom infrastructure in difficult terrains such as Jammu & Kashmir (J&K). The company also has the advantage of having worked on projects in relatively new technologies such WiMax and successful implementation of underground network for Delhi Metro Rail. NTIL client base include all major telecom operators, telecom equipment vendors and telecom infrastructure leasing companies. Further, revenue growth momentum witnessed in the past couple of years is likely to continue on back of strong order book for the next two years

Our grading is tempered by the company's unfavorable working capital position that has deteriorated over the past two years. Around 25 per cent of the company's debtors are due for over 365 days and around 15 per cent are due for over 540 days. The grading also factors in the limited management bandwidth available to company considering the expected strong growth in the existing business. The grading also reflects the inadequate corporate governance architecture that could lead to a potential area of conflict.

The aggressive network rollout plans by the telecom operators over the next few years represents a strong business opportunity for NTIL. However, successful execution of the projects within specified time will be a key to company's growth.

➤ *Strength in providing end-to-end services*

NTIL provides services related to the rollout of wireless telecom infrastructure right from the conceptualization stage to the operation and maintenance stage. The company offers services related to the construction and installation of passive telecom infrastructure such as telecom towers, shelters, diesel generator (DG) sets and power regulation equipment. In addition, the company offers services related to the installation, commissioning and integration of active telecom infrastructure such as radio antenna, BTS (base transceiver station), cables, and other transmission equipment. NTIL also offers services related to the maintenance of telecom networks. We believe that the company with its end-to-end services is well positioned to take advantage of the expected strong growth in rollout of wireless telecom infrastructure.

➤ *Proven execution capabilities*

NTIL has proven execution capabilities with projects executed for most of the leading telecom operators, telecom equipment vendors and telecom infrastructure leasing companies. The company has also worked on GSM network rollout projects in difficult terrain such as Jammu & Kashmir (J&K). In addition, NTIL has worked on projects

related in new technologies such as WiMax and has also successfully implemented underground network for Delhi Metro Rail. We believe that with its experience in these relatively new technologies, the company will be able to capitalize on the growth opportunities in these segments.

➤ ***Strong order book visibility***

NTIL has strong order book visibility for the next two years. The company has signed contracts and received payment orders for the construction of around 600 telecom towers. It has also received a letter of intent (LOI) from Quipo Telecom Infrastructure Limited for services related to rollout of their passive telecom infrastructure for an estimated 1250 tower sites for a contract value of approximately Rs 2,875 million.

➤ ***Working capital position has deteriorated***

NTIL's working capital position has deteriorated over the past two years. The company's average debtor days increased from around 75 days in 2005-06 to 101 days in 2006-07 and 203 days for the six month period ended September 2007. Around 25 per cent of the company's debtors are due for over 365 days and around 15 per cent are due for over 540 days. Increased working capital requirements would continue to impact the key returns ratio going forward.

➤ ***Corporate Governance and related party transactions***

NTIL has three directors who are classified as independent directors. One of them is however a nominee director for the financial investor in the company, Balyasny Asset Management. The company's corporate office is leased from one of the group companies, Oriental Stitch Private Limited (promoter has a 100 per cent stake), which might lead to a potential area of conflict.

➤ ***Successful scalability of the business model will be a key challenge***

The growth in NTIL has been constrained by the financial resources available to the company to fund its working capital requirement. With the IPO money being used to fund the working capital requirement, the challenge for the company will be to scale up its resources to be able to take advantage of the growth opportunities available due to the strong growth in wireless telecom network rollout. The company will need to successfully adopt more robust HR practices related to the recruitment and training of employees (both junior as well as senior level) to successfully execute the order book.

Business Profile

NTIL is a telecom infrastructure service provider, offering services related to the infrastructure rollout primarily for the wireless telecom network and to a small extent for the fixed telecom network. The company's bouquet of services includes conceptualization, design, construction, installation, commissioning, integration, testing, operation and maintenance of wireless telecom infrastructure (both active as well as passive infrastructure). In addition, it also provides services related to laying of optic fibre network. The Delhi based company derives major portion of its revenues from the Northern India region. NTIL's total employee strength was 987 as on November 30, 2007.

NTIL was started by Mr. Inder Sharma and his wife Mrs. Sumati Sharma in 1993, as a company providing maintenance services for Alcatel's E-10B switches to ITI Ltd. In 1996, the company started offering technical manpower outsourcing services for telecom projects and in 1999 the company expanded its operations by offering services related to installation and integration of active telecom infrastructure. In 2002, the company ventured into telecom turnkey projects for the construction and installation of passive telecom infrastructure. Finally, NTIL started offering services related to the operation and maintenance of telecom infrastructure in 2005.

NTIL has recently set up a subsidiary in Turkey, Nutek Telecommunication Consultancy Engineering and Foreign Trade Limited Liability Company, to carry on the existing business of telecom infrastructure services in Turkey.

Financial Profile

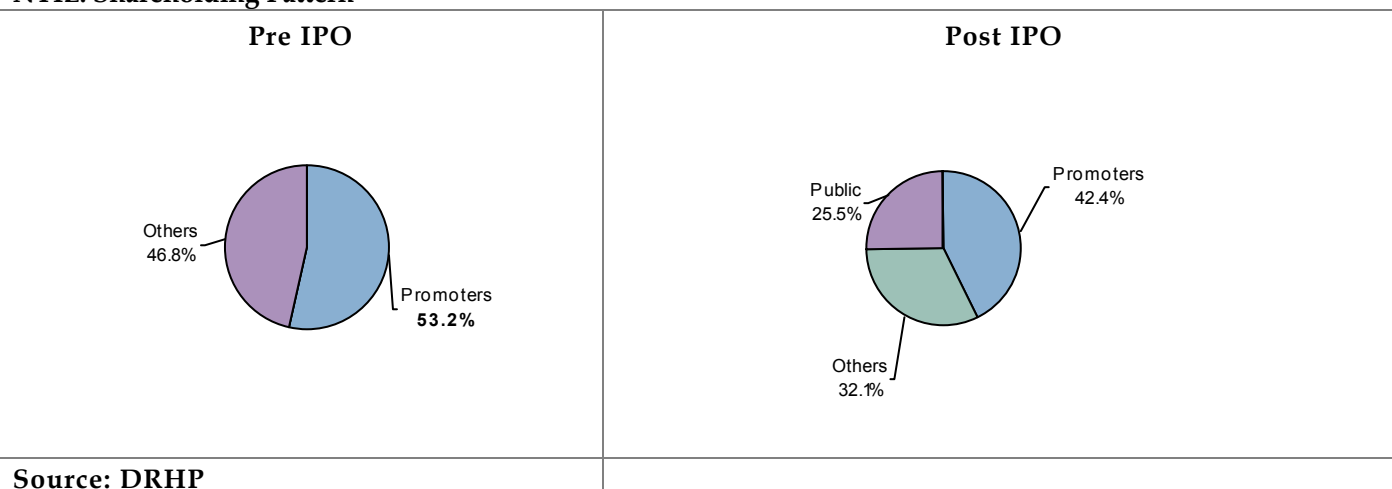
NTIL's business growth has been propelled by the stupendous growth in rollout of wireless telecom infrastructure over the past three to four years. In 2006-07, the company reported a net profit of Rs 127 million on a turnover of Rs 637 million. NTIL's revenues and profits witnessed y-o-y growth of 36 per cent and 135 per cent respectively in 2006-

07. In 2006-07, the company's return on capital employed (RoCE) and return on equity (RoE) was 48.7 per cent and 41.1 per cent, respectively. For the six month period ended September 2007, NTIL reported a net profit of 74 million on a turnover of 386 million.

Financial Performance Snapshot			
Particulars	Unit	2005-06	2006-07
Operating income	Rs Million	469.1	637.1
Operating margins	Per cent	22.3	33.0
Net profits	Rs Million	54.1	127.4
Net margins	Per cent	11.5	20.0
ROCE	Per cent	43.5	48.7
Return on Equity	Per cent	27.1	41.1
No. of equity shares	Million	11.7	11.7
Net worth	Rs Million	246.6	374.0
Basic Earnings per share	Rs	4.6	10.9
Diluted Earnings per share	Rs	3.9	9.3
Book value	Rs per share	17.9	27.2
Gearing	Times	0.22	0.37

Note: The above figures have been reclassified as per CRISIL standards; DRHP

NTIL: Shareholding Pattern



Source: DRHP

Profile of Management and Board

NTIL's business direction and vision is governed by its founder promoter – Mr. Inder Sharma. The second line management of the company is relatively strong and headed by people with vast domain expertise.

NTIL's board comprises six directors, which include two promoters, one executive director and three independent directors. All independent directors have been fairly involved in the company's decision making process since they have joined the Board.

Annexure: Profile of the Directors

Name of Directors	Designation	Age	Date of joining	Qualification	Other Directorships	Professional background
Inder Sharma	Chairman and Managing Director	40	June, 1993	B.E , Electronics and Communication(North Carolina State Univ.)	Nu Tek Structures Private Limited Nu Tek Cellulare Private Limited Oriental Stitch Private Limited Nutek Infrastructure	Worked as a member of technical staff with AT&T, U.S.
Sumati Sharma	Non-Executive Director	40	June, 1993	Post graduate	Nu Tek Structures Private Limited Oriental Stitch Private Limited	n.a.
Vineet Sirpaul	Executive Director	34	July, 1996	B.E (Bombay University), PGDBM (Institute for Integrated Learning in Management, Delhi)	None	first employment
Sandeep Bedi	Independent Director	34	May, 2007	B.E, Computer Sciences (Pune University)	None	previously worked with TCS, EDS, IBM, Keane India Ltd., Genpact Software and Agilent Technologies. Currently working as an associate director with COLT Telecom.
Vishal Jain	Independent Director	34	June, 2007	B.E. (Electronics & Communication), PGDBM (Finance) from ICFAI, MBA from National University of Singapore and Columbia Business School.	Cinesprite (I) Limited	previously worked as an investment advisor with DSP Merrill Lynch in the U.S. has recently started his own investment advisory firm in Bangalore.
Ameet Nitin Rane	Independent Director	25	November, 2007	Graduate in Economics, University of Texas	Prabhudas Liladher Advisory Services Private Limited	working with Balyasny Asset Management as an Analyst. represents Balyasny SI Limited – the private equity investor in Nu Tek

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