DRAFT RED HERRING PROSPECTUS
Dated February 17, 2010
Please read section 60B of the Companies Act, 1956
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Building Issue

Mittal Corp Limited

(Our Company was incorporated on July 5, 1985 as "Jewel Steels Limited", a public limited company under the Companies Act, 1956. The name of our Company was changed to "Jewel Seamless Limited" following a special resolution passed by the members on July 25, 1995 and a fresh certificate of incorporation dated August 28, 1995 was issued by the RoC, Madhya Pradesh at Gwalior. The registered office of our Company was shifted from the state of Madhya Pradesh to Maharashtra and a certificate of registration of the Company Law Board's order in this regard was issued by the RoC, Maharashtra at Mumbai on April 9, 2007. The name of our Company was changed to "Jewels Seamless Limited" following a special resolution passed by the members on September 6, 2008 and a fresh certificate of incorporation dated September 16, 2008 was issued by the RoC, Maharashtra at Mumbai. The name of our Company was changed to "Mittal Corp Limited" following a special resolution passed by the members on November 24, 2008 and a fresh certificate of incorporation dated December 16, 2008 was issued by the RoC, Maharashtra at Mumbai. For changes in our name and our Registered Office, see "Our History and Certain Corporate Matters" on page no. 77 of this Draft Red Herring Prospectus).

Registered Office: 315, Jolly Bhawan No. 1, 10 New Marine Lines, Mumbai 400 020
Tel.: + 91 22 2200 7526, Fax: + 91 22 2207 2752

Company Secretary and Compliance Officer: Ms Pooja Bansal **Email**: investors@mittalcorp.net; **Website**: www.mittalcorp.net

PROMOTERS OF OUR COMPANY: MR. KARAN MITTAL, LABH GANGA MARKETING PRIVATE LIMITED AND PANDIT HOLDINGS PRIVATE LIMITED

PUBLIC ISSUE OF [●] EQUITY SHARES OF RS. 10 EACH OF MITTAL CORP LIMITED ("OUR COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING UPTO RS.100 CRORES (THE "ISSUE"). THE ISSUE WOULD CONSTITUTE [●] % OF THE POST ISSUE PAID-UP CAPITAL OF OUR COMPANY*

Our Company is considering a Pre-IPO Placement of Equity Shares with various investors ("Pre-IPO Placement**"). The Pre-IPO Placement is at the discretion of our Company. We will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to the filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25% of the post Issue paid-up capital.*

PRICE BAND: RS. [●] TO RS. [●] PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH
THE FLOOR PRICE IS [●] TIMES OF THE FACE VALUE AND THE CAP PRICE IS [●] TIMES OF THE FACE VALUE

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND ADVERTISED AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE

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

In terms of Regulation 26 (1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, ("**SEBI Regulations**"), this Issue is being made through a 100 % Book Building Process wherein not more than 50 % of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"). 5% of the QIB Portion (excluding Anchor Investors portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. The Company may consider allocation up to 30% of the QIB Portion to Anchor Investors as per the provisions of the SEBI Regulations. Further not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders subject to valid Bids being received from them at or above the Issue Price.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for our Equity Shares. **The face value of the Equity Shares is Rs. 10 each. The Floor Price is [•] times of the face value.** The Issue Price (has been determined and justified by the BRLM and the Issuer as stated under the section titled "Basis for Issue Price" on page no. 37 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after they are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

IPO GRADING

This Issue has been graded by [●] as [●], indicating [●]. For details see section titled "General Information" on page no. 5 of this Draft Red Herring Prospectus.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page no. xiii of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on NSE and BSE. We have received an 'in-principle' approval from the NSE and the BSE, for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be **[●].**

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
IDBI Capital Market Services Limited 5th Floor, Mafatlal Centre Nariman Point Mumbai 400 021 Tel: +91 22 4322 1212 Fax: +91 22 2285 0785 Email: mittalcorp.ipo@idbicapital.com Investor Grievance Email: redressal@idbicapital.com Website: www.idbicapital.com Contact Person: Mr. Subodh Mallya, Mr. Keyur Desai SEBI Registration No.: INM000010866	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078 Tel: +91 22 2596 0320 Fax: +9122 2596 0329 Email: mcl.ipo@linkintime.co.in Investor Grievance Email: mcl.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Mr. Sachin Achar SEBI Registration No.: INR000004058

BID/ISSUE PROGRAMME*

BID/ISSUE OPENS ON	[●]	BID/ISSUE CLOSES ON	[●]

* Our Company may consider participation by Anchor Investors in terms of the SEBI Regulations. The Anchor Bid/ Issue Period shall be one day prior to the Bid/ Issue Opening Date.

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SECTION I- GENERAL

DEFINITIONS AND ABBREVIATIONS

Term	Description
“We”, “us”, “our”, “Issuer”, “the Company” and “our Company”	Unless the context otherwise indicates, refers to Mittal Corp Limited on a standalone basis

Conventional or General Terms

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956, as amended from time to time
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BSE	Bombay Stock Exchange Limited
BPLR	Benchmark prime lending rate of the relevant bank
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Central Excise and Service Tax Appellate Tribunal
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996 as amended from time to time
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
DP ID	Depository Participant’s Identity
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPS	Unless otherwise specified, Earnings Per Share, i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares during that fiscal year
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder and amendments thereto
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and amendments thereto
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India
Financial Year/ Fiscal/ FY	Period of twelve months ended March 31 of that particular year
FIPB	The Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GoI/Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
IT Act / ITA	The Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
LIBOR	London Interbank Offered Rate
Mn / mn	Million

Term	Description
NA	Not Applicable
NAV	Net Asset Value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of Profit and Loss account, divided by number of issued equity shares
NOC	No Objection Certificate
NEFT	National Electronic Fund Transfer
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Transfer or Issue of Foreign Security by a Person resident outside India) Regulations, 2000
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Persons of Indian Origin
QIBs	Qualified Institutional Buyer(s) as defined in SEBI (ICDR) Regulations
RBI	The Reserve Bank of India
RONW	Return on Net Worth
Re.	One Indian Rupee, the official currency of the Republic of India
RoC	The Registrar of Companies, Maharashtra located at Mumbai
Rs.	Indian Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI (ICDR) Regulations/ SEBI Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Sec.	Section
SIA	Secretariat for Industrial Assistance
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The government of a state of India
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time
UIN	Unique Identification Number
U.S./USA	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US$	United States Dollars
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended from time to time

Issue Related Terms

Term	Description
Allotment / Allot	Unless the context otherwise requires, the issue/allotment of Equity Shares, pursuant to the Issue.
Allottee	A successful Bidder to whom the Equity Shares shall be allotted.
Anchor Investor	A Qualified Institutional Buyer, applying in the Anchor Investor Portion, who has Bid for Equity Shares amounting to at least Rs. 100,000,000.
Anchor Investor Bid/Issue Period	The date one day prior to the Bid/Issue Opening Date on which bidding by Anchor Investors shall open and shall be completed.
Anchor Investor Issue Price	The price at which the Equity Shares shall be allotted to the Anchor Investors under the Anchor Investor Portion
Anchor Investor Margin Amount	An amount representing 25% of the Bid Amount payable by Anchor Investors at the time of submission of their Bid.
Anchor Investor Portion	The portion of the Issue comprising up to [●] Equity Shares, being up to 30% of the QIB Portion, aggregating to Rs. [●].
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by an ASBA Bidder to make a Bid authorising a SCSB to block the Bid Amount in their specified bank account maintained with the SCSB
ASBA Bid cum Application Form or ASBA BCAF	The form, whether physical or electronic, used by an ASBA Bidder to make an offer to subscribe for or purchase our Equity Shares and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus
ASBA Bidder	Any Bidder except a QIB who intends to apply through ASBA in accordance with the terms of the Red Herring Prospectus
ASBA Public Issue Account	A bank account of the Company opened under Section 73 of the Act, where the funds shall be transferred by the SCSBs from the bank accounts of the ASBA Bidders on the Designated Date
ASBA Revision Form	The form used by the ASBA Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their ASBA Bid cum Application Forms or any previous ASBA Revision Form(s) and which contain an authorisation to block the Bid Amount in an ASBA account
Basis of Allotment	The basis on which Equity Shares will be Allotted to Bidders under the Issue and which is described in "Issue Procedure – Basis of Allotment" on page no. 195 of this Draft Red Herring Prospectus
Bid	An indication to make an offer during the Bidding Period by a Bidder including an ASBA Bidder to subscribe to the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form 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 subscribe for or purchase our Equity Shares (including an ASBA BCAF) and which will be considered as the application for the issue of the Equity Shares pursuant to the terms of the Red Herring Prospectus
Bid/Issue Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate Members and SCSBs (in case of ASBA Bidders) will not accept any Bids for the Issue, which shall be notified in a widely circulated English national newspaper, a widely circulated Hindi national newspaper and a widely circulated regional daily
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate Members and SCSBs (in case of ASBA Bidders) shall start accepting Bids for the Issue, which shall be the date notified in a widely circulated English national newspaper, a widely circulated Hindi national newspaper and a widely circulated regional newspaper
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form including an ASBA Bidder and an Anchor Investor

Term	Description
Bidding / Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date (inclusive of both days) and during which Bidders can submit their Bids, including any revisions thereof
Book Building Process	The book building process as provided in Schedule XI of the SEBI (ICDR) Regulations, in terms of which this Issue is being made.
BRLM / Book Running Lead Manager	The book running lead manager to the Issue, in this case being IDBI Capital Market Services Limited.
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. In relation to Anchor Investors, the note or advice or intimation of allocation of the Equity Shares sent to the successful Anchor Investors who have been allocated the Equity Shares after discovery of the Anchor Investor Issue Price, including any revisions thereof
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Controlling Branches	Such branches of the SCSB which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchanges and a list of which is available on http://www.sebi.gov.in
Cut-off Price	Any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at Cut Off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at Cut-off Price.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available on http://www.sebi.gov.in
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the amount blocked by the SCSB is transferred from the bank account of the ASBA Bidder to the ASBA Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful Bidders.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus	This draft red herring prospectus issued in accordance with Section 60B of the Companies Act, which does not contain complete particulars on the price at which the Equity Shares are offered and the size (in terms of value) of the Issue.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe for or purchase the Equity Shares offered thereby.
Escrow Account(s)	The accounts opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Margin Amount when submitting a Bid and the remainder of the Bid Amount, if any, collected thereafter.
Escrow Agreement	An agreement to be entered into by our Company, the Registrar, BRLM, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof.
Escrow Collection Bank(s)	The banks that are clearing members and registered with SEBI as Bankers to the Issue with whom the Escrow Account(s) will be opened and in this case being [●].
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form or the ASBA Bid cum Application Form.
Floor Price	The lower end of the Price Band, above which the Issue Price will be finalized and below which no Bids will be accepted.
Issue	Public issue of [•] Equity Shares of Rs. 10 each of the Company for cash at a price of Rs. [•] per Equity Share aggregating upto Rs. 100 Crore.

Term	Description
	The Company is considering a Pre-IPO Placement of up to [•] Equity Shares with various investors. The Pre-IPO Placement is at the discretion of the Company. The Company will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to the filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue of 25% of the post Issue paid-up capital.
Issue Price	The final price at which Equity Shares will be issued and allotted in terms of the Prospectus. The Issue Price will be decided by the Company in consultation with the BRLM on the Pricing Date.
Issue Proceeds	The proceeds of the Issue that would be available to our Company after receipt of final listing and trading approvals
Margin Amount	The amount paid by the Bidder at the time of submission of his/her Bid, being 10% to 100% of the Bid Amount.
Mutual Fund Portion	5% of the QIB Portion, equal to [●] Equity Shares (to be adjusted for Anchor Investor Portion, if applicable) available for allocation to Mutual Funds only, out of the QIB Portion. aggregating to Rs. [●] lakhs
Mutual Funds	Mutual fund(s) registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Proceeds	The Issue Proceeds less the Issue expenses. For further information on the use of the Issue Proceeds and the Issue expenses, see "Objects of the Issue" on page no. [●] of this Draft Red Herring Prospectus
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 1,00,000 (but not including NRIs o[ther than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue not less than 10% of the Issue and comprising up to [●] Equity Shares, aggregating to Rs. [●] available for allocation to Non Institutional Bidders, subject to valid Bids being received at or above the Issue Price
Non-Resident Indian/NRIs	A person resident outside India, as defined under FEMA and the FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time
Non-Resident/NRs	All eligible Bidders that are persons resident outside India, as defined under FEMA, including Eligible NRIs, FIIs and FVCIs
Pay-in Date	Except with respect to ASBA Bidders, the Bid/Issue Closing Date, or the last date specified in the CAN sent to such Bidders, as applicable and which shall with respect to the Anchor Investors, be a date not later than two working days after the Bid / Issue Closing Date
Pay-in-Period	(i) With respect to Bidders (excluding the ASBA 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 (ii) With respect to Bidders whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date specified in the CAN
Pre-IPO Placement	The private placement of [●] Equity Shares to selected investors to be completed prior to the filing of the Red Herring Prospectus with RoC. The details of such Pre-IPO Placement, if any, will be included in the Red Herring Prospectus
Price Band	Price band of a minimum price (floor of the price band) of Rs. [•] and the maximum price (cap of the price band) of Rs. [•] and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company in consultation with the BRLM and advertised in two national newspapers (one each in English and Hindi) and in one local newspaper with wide circulation at least two working days prior to the Bid/Issue Opening Date
Pricing Date	The date on which our Company in consultation with the BRLM finalises

Term	Description
	the Issue Price
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
Public Issue Account	Account opened with the Escrow Collection Bank(s) to receive monies from the Escrow Account on the Designated Date
QIB Margin Amount	An amount representing 10% of the Bid Amount, QIB Bidders are required to pay at the time of submission of their Bid
QIB Portion	The portion of the Issue being not more than [●] Equity Shares, aggregating to Rs. [●], to be allotted to QIBs on a proportionate basis at the Issue Price
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, FIIs and sub-account (other than a sub-account which is a foreign corporate or foreign individual) 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 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 in accordance with applicable law and National Investment Fund, as defined in SEBI (ICDR) Regulations.
Refund Account	The account opened with Escrow Collection Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding to the ASBA Bidders) shall be made.
Refund Banker	[●]
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit, RTGS or the ASBA process, as applicable.
Registrar / Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited having its registered office at C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078
Retail Individual Bidder(s)	Individual Bidders (including HUFs) who have not Bid for Equity Shares for an amount more than Rs. 1,00,000 in any of the bidding options in the Issue (including HUF applying through their Karta and Eligible NRIs)
Retail Portion	The portion of the Issue being not less than [●] Equity Shares, aggregating to Rs. [●], available for allocation to Retail Individual Bidder(s)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
Red Herring Prospectus	The red herring prospectus to be issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three (3) days before the Bid / Issue Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date
SBICAPS	SBI Capital Markets Limited
Self Certified Syndicate Bank or SCSB	The Banks which are registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in
Stock Exchanges	BSE and NSE
Syndicate	The BRLM and the Syndicate Members
Syndicate Agreement	Agreement to be entered into between the Syndicate and the Company in relation to the collection of Bids in this Issue (excluding Bids from the ASBA Bidders)
Syndicate Members	[●]
TRS/ Transaction Registration Slip	The slip or document issued by the Syndicate or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriters	The BRLM and the Syndicate Members
Underwriting Agreement	The Agreement between the members of the Syndicate and our Company to

Term	Description
	be entered into on or after the Pricing Date

Company Related Terms

Term	Description
Articles /Articles of Association	Articles of Association of our Company, as amended
Auditors	The statutory auditors of our Company being, [●], Chartered Accountants
Board/ Board of Directors	The Board of Directors of our Company or a committee constituted thereof
Directors	The Directors of our Company, unless otherwise specified
Equity Shares	Equity shares of our Company of Rs. 10 each fully paid-up
FAR	Financial Appraisal Report dated 16 December 2009, issued by SBI Capital Markets Limited in relation to the Wire Rod Project
KORUS/ Technical Consultant	Korus Engineering Solutions Pvt. Ltd., a Delhi based project consultant, appointed as the technical consultant of the Company
Labh Ganga	Labh Ganga Marketing Private Limited, a private limited company incorporated under the Companies Act, being one of the promoters of the Company.
Memorandum / Memorandum of Association	Memorandum of Association of our Company, as amended.
Pandit Holdings	Pandit Holdings Private Limited, a private limited company incorporated under the Companies Act, being one of the promoters of the Company.
Promoter Group	The companies and the individuals mentioned in the section titled "Our Promoters and Promoter Group" on page no. 6080 of this Draft Red Herring Prospectus.
Promoters	Mr Karan Mittal, Labh Ganga and Pandit Holdings
Wire Rod Project / Proposed Project	Setting up a 1,50,000 TPA Steel Wire Rod Mill Plant at Unit II
Registered Office	315, Jolly Bhawan No. 1, 10 New Marine Lines, Mumbai 400 020
TEFR	Techno-Economic Feasibility Report dated 14 November 2009, issued by Korus Engineering Solutions Private Limited in relation to the Wire Rod Project
Unit I	90,000 TPA plant at Plot No 159 measuring 72,875 sq.m. issued by M.P. Audyogik Kendra Vikas Nigam (Indore) Ltd. at Industrial Area, Sector III, Tehsil Pithampur, District Dhar, Madhya Pradesh.
Unit II	150,000 TPA Wire Rod Project at Plot No 164-C measuring 60,000 sq.m. issued by M.P. Audyogik Kendra Vikas Nigam (Indore) Ltd. at Industrial Area, Sector III, Tehsil Pithampur, District Dhar, Madhya Pradesh

Abbreviations/Industry related Terms

Term	Description
AISI	American Iron and Steel Institute
AOD	Argon Oxygen Decarburization
CuM/ Cu meter/ M^3	Cubic Metre
DC	Direct Current
E.O.T	Electric Overhead Travelling
Hr	Hour
ISSF	International Stainless Steel Forum
ISSDA	Indian Stainless Steel Development Association
KV	Kilo Volt
KW	Kilo Watt
LC	Letter of Credit
M	Metre
Mm	Millimetre
MS	Mild Steel

Term	Description
MTPA	Million Tonnes per annum
NTM	Non Twist Mill
SAE	SAE International (formerly the Society of Automotive Engineers)
SMS	Steel Melting Shop
Sq. M	Square Metre
SS	Stainless Steel
SS Flats	Stainless Steel
TPA	Tonnes per Annum

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our restated financial statements, prepared in accordance with Indian GAAP and the SEBI Regulations, which are included in this Draft Red Herring Prospectus and set out in the section titled "Financial Statements" beginning on page [●] of this Draft Red Herring Prospectus. Our Fiscal commences on April 1 and ends on March 31 of every year.

There are significant differences between Indian GAAP, US GAAP and IFRS. Our Company has 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. Accordingly, the degree to which the Indian Accounting Policies, financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

In this Draft Red Herring Prospectus, any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding-off. Any percentage amounts, as set forth in "Risk Factors", "Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP.

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

Currency and units of Presentation

All references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "$", "US$", "U.S.$", "USD", "U.S. Dollar(s)" or "US Dollar(s)", if any, are to United States Dollars, the official currency of the United States of America.

Industry and Market Data

Unless stated otherwise, market and industry data used in this Draft Red Herring Prospectus has generally been obtained or derived from industry publications and sources. These publications typically state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the steel manufacturing industry in India and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant statement.

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

1. Amount that the Company is able to realize from the clients;

2. Changes in laws and regulations relating to the industries in which we operate;

3. 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;

4. Timely and cost-effective availability of iron ore, chrome ore and other raw materials;

5. Our ability to meet our capital expenditure requirements;

6. Fluctuations in operating costs;

7. Our ability to attract and retain qualified personnel;

8. Changes in technology in future;

9. Prolonged price competition, increased licensing costs or reduced operating margins;

10. The monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates;

11. Foreign exchange rates, equity prices or other rates or prices;

12. The performance of the financial markets in India;

13. General economic and business conditions in India; and

14. Changes in political conditions in India.

For further discussion of factors that could cause our actual results to differ, see the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page nos. xiii and [●] of this Draft Red Herring Prospectus.

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

SECTION II- RISK FACTORS

An investment in equity shares involves a degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain, a complete understanding of our Company, you should read this section in conjunction with the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page nos. [•] of this Draft Red Herring Prospectus as well as the other financial and statistical information contained in the Draft Red Herring Prospectus. If the following risks occur, our business, results of operations and financial condition could suffer, and the price of the Equity Shares and the value of your investment in the Equity Shares could decline.

Risk factors relating to the Business and Operations

1. Fluctuations in the market prices of our principal raw materials and other resources could adversely affect our results of operations

The principal raw materials for making stainless steel billets are metallic iron in the form of steel scrap, sponge iron and Ferro alloys of chromium, manganese silicon etc. Our Company has not entered into any long term contracts with the suppliers of these raw materials. These raw materials are procured indigenously and their prices have been volatile in the past. Such fluctuations in prices of raw material and the Company's inability to negotiate at optimum market rates may affect its profitability.

In the year ended March 31, 2009, the material cost constituted around 75.86% of the total sales as compared to around 70.94% in the previous year. This was mainly due to increase in the cost of raw materials. Our profitability will depend upon the extent up to which the Company is able to pass on the burden of rise in the price of raw material to the consumers.

The production of wire rods will use steel billets (which we intend to source captively to the extent available), mild steel billets and alloy steel billets as raw materials. For the raw materials that will be procured from the market, the vagaries of the movement in prices could adversely affect our financial results.

2. Our existing and proposed manufacturing facilities are geographically concentrated.

Our existing and proposed manufacturing facilities are located in Pithampur, Dhar District, Madhya Pradesh. Any significant social, political or geological disruption in the state, or changes in the state or local governments, even on a short term basis, could impair our operational ability which could have an adverse effect on our business and results of operations.

3. The loss of or shutdown of operations at our manufacturing facilities may have a material adverse effect on our business, financial condition and results of operations.

The breakdown or failure of our manufacturing equipment, civil structure or other equipment can disrupt our production schedules, resulting in performance being below expected levels. In addition, the development or operation of our facilities may be disrupted for reasons that are beyond our control, including explosions, fires, earthquakes and other natural disasters, breakdown, failure or sub-standard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transportation interruptions, other environmental risks, and labour disputes.

Our stainless steel manufacturing facilities are also subject to mechanical failure and equipment shutdowns. In such situations, undamaged units that are dependent on or required to interact with damaged sections or units and, accordingly, will also be shut down. We rely on machinery built by third parties that may be susceptible to malfunction. If such events occur, the ability of our facilities to produce stainless steel billets in Unit I may be adversely affected, this could have a spiralling effect on the output of Unit II which will use the output of Unit I as its principal source of raw material. Consequently, if the production in Unit II is adversely impacted, or forced to shut down for a significant period of time, this would have an adverse effect on our business, financial condition and results of operation.

4. ***The stainless steel industry is highly competitive***

The Company believes that the key competitive factors affecting its business include access to low cost raw materials, product quality, changes in manufacturing technology, skilled workforce and productivity, cash operating costs, pricing power with large buyers, access to outside funds and degree of regulation.

In particular, the Company faces competition from other stainless steel manufacturers, some of which have greater resources and larger production capacities. In addition, a variety of known and unknown events could have a material adverse impact on the Company's ability to compete. For example, changes in the level of marketing undertaken by competitors, governmental subsidies provided to foreign competitors, dramatic reductions in pricing policies, irrational market behavior by competitors, increases in tariffs or the imposition of trade barriers, could all affect the ability of the Company to compete effectively. Any such event could have a material adverse impact on the Company's results of operations and financial condition.

5. ***The prices of stainless steel are highly volatile which could adversely affect our business and results of operations.***

Since the manufacturing of stainless steel entails a high proportion of fixed costs, the producers generally seek to maintain high capacity utilization. If capacity exceeds demand, there is a tendency for prices to fall sharply. Conversely, if demand grows strongly, the prices increase rapidly since the expansion of capacity requires long lead times. Thus, the prices of stainless steel remain volatile.

6. ***The capacity of the current plant is not fully utilized and this could impair the ability of the company to fully absorb fixed costs.***

The capacity utilization of our Plant has been low, details of which are given in the following table:

<table>
<tr><th rowspan="2">Class of Goods</th><th rowspan="2">Unit</th><th colspan="3">Licensed Capacity</th><th colspan="3">Installed capacity</th><th colspan="3">Actual Production</th><th colspan="3">Capacity utilisation</th></tr>
<tr><th>2009-2010</th><th>2008-2009</th><th>2007-2008</th><th>2009-2010</th><th>2008-2009</th><th>2007-2008</th><th>2009-2010 (9m)</th><th>2008-2009</th><th>2007-2008</th><th>2009-2010 (9m)</th><th>2008-2009++</th><th>2007-2008++</th></tr>
<tr><td>MS/SS Billets</td><td>MT</td><td rowspan="2">1,00,000</td><td rowspan="2">1,00,000</td><td rowspan="2">1,00,000</td><td rowspan="2">90,000</td><td rowspan="2">90,000*</td><td rowspan="2">60,000</td><td>43,947</td><td>46,532</td><td>24,192</td><td>65.11%</td><td>58.16%</td><td>40.32%</td></tr>
<tr><td>SS Flats</td><td>MT</td><td>41,202</td><td>39,242</td><td>2123**</td><td>61.04%</td><td>49.05%</td><td>21.23%</td></tr>
</table>

*the installed capacity increased from 60,000 MT per annum to 90,000 MT per annum in August 2008 (weighted average capacity is 80,000 MT per annum)

**the production of SS Flats commenced in February 2008

++the weighted average capacity utilization is calculated on the weighted average installed capacity

Our Company has been continuously enhancing its licensed capacity every year but the consequent increase in installed capacity took effect towards the end of each financial year. Due to this, our capacity utilization during that particular year is lower and our company achieved higher capacity utilization in the subsequent year only.

7. ***Our expansion project at Unit I may not be completed in the timeframe or at cost levels originally anticipated, and may not achieve the intended economic results.***

To achieve optimum utilization of plant and machineries, our Company has decided to install balancing equipments (which include, inter-alia, a 35 Ton AOD Converter, Oxygen gas plant and 4 cranes) at a capital cost of Rs. 15 crores during the year 2009-2010. With the commissioning of balancing equipments the production capacity of the plant will be raised to 120,000 TPA. The funding requirements and project costs for our Unit 1 project have been appraised by the bankers. The implementation of the expansion plan is subject to a number of variables. Any time and cost overruns on this will affect our Company's results of operations and financial condition.

8. ***Our Company is subject to high working capital requirements and our inability to fund these requirements in a timely manner may adversely impact our financial performance***

Our Company's working capital requirement, like most companies in the industry, is high due to higher level of inventory and debtors. Inability of our Company to raise corresponding working capital in line with the growth of the Company's operations may result in adversely affecting our operations and financial performance.

9. ***The seasonal nature of some of our customers' industries could have an adverse effect on our financial results.***

Our revenues and results may be affected due to the seasonal nature of some of our customers' industries. The end users of the products manufactured by us include utensil manufactures, producers of building materials, welding rods, fasteners, steel wires, furniture and other similar products used in the construction industry. Some of the end users of the products that use stainless steel as raw material are subject to vagaries of the industry that they operate in, for instance demand for stainless steel in the construction industry reduces depending on the weather conditions, and this could impact the demand for our products. This could translate into fluctuations of our financial results.

10. ***Changes in technology may affect our business by making our equipment or plants less competitive or obsolete and we may face difficulty to keep up with the technological advances taking place in the stainless steel industry***

Our future success will depend in part on our ability to respond to technological advances and emerging stainless steel industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails technical and business risks. There can be no assurance that we will be able to successfully implement new technologies or adapt our processing systems to customer requirements or emerging industry standards. If we are unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and financial performance could be adversely affected.

Changes in technology may make newer manufacturing plants or equipments more competitive than ours or may require us to make additional capital expenditures to upgrade our facilities. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business operations and profitability may be adversely affected.

11. ***Our inability to manage growth could disrupt our business and reduce our profitability.***

A principal component of our strategy is to continue to grow by expanding the size and scope of our existing business, as well as the development of the Wire Rod Project. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. An inability to manage such growth could disrupt our business prospects and adversely affect our results of operations.

12. ***We may not be able to repeat the growth in sales we have had in the last 3 years***

Our Company's sales have grown at CAGR of 90.83% in the last three years. Our net sales have increased from Rs. 7,644.41 lacs in FY 2006-2007 to Rs. 27,837.23 lacs in FY 2008-2009. Our

Company expanded its capacity in the existing product line from 18,000 TPA to 60,000 TPA in September 2006 and further augmented to 90,000 TPA from August 2008 onwards which resulted in increase in the turnover. In particular, once our Company achieves optimum utilisation of the existing plant, further capacity expansion at the existing facilities will not be possible.

13. ***We have substantial borrowings that may adversely affect our cash flow and we may not be able to meet our obligations under the debt financing arrangements.***

As of September 30, 2009, we had an outstanding debt of Rs. 67.61 crores. Our substantial indebtedness has important consequences to us such as:

- increasing our vulnerability to general adverse economic and industry conditions and adverse competitive and industry conditions and placing us at a competitive disadvantage to competitors that have less debt;
- requiring us to dedicate a substantial portion of our cash flow from operations and proceeds from any capital raising to payments on indebtedness, thereby reducing our cash flows for working capital expenditures, research and product development efforts, strategic acquisitions, investments and other general corporate requirements;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry and could limit our ability to pursue other business opportunities, borrow more money for operations or capital expenditures in the future and implement our business strategies; and
- Exposing us to significant interest rate risk, since a substantial portion of our debt bears interest at floating rates.

Our Proposed Project has a total estimated project cost of Rs. 121.51 crores. We intend to finance Rs. 28.01 crores of this cost through debt. With respect to the Wire Rod Project, we have received a sanction letter from the Oriental Bank of Commerce for term loan aggregating to Rs. 30 crores to partly finance such projects which has subsequently been reduced to Rs. 28.01 crores. Our ability to meet our debt service obligations and to repay our outstanding borrowings will depend primarily upon the cash flows generated by our business. There can be no assurance that we will generate sufficient cash to enable us to service our existing or proposed borrowings, comply with covenants or fund other liquidity needs.

Furthermore, adverse developments in the Indian credit markets or a reduced perception of our creditworthiness in the credit markets could increase our debt service costs and the overall cost of our funds. If we fail to meet our debt service obligations or financial covenants required under the financing documents, our lenders could declare us in default under the terms of our borrowings, accelerate the maturity of our obligations or enforce the security interest. There can be no assurance that, in the event of any such acceleration, we will have sufficient resources to repay these borrowings. Failure to meet our obligations under the debt financing arrangements could have an adverse effect on our cash flows, business and results of operations.

14. ***Increases in interest rates may adversely affect our results of operations.***

As we have incurred substantial floating interest rate debt, we are exposed to interest rate risk. As of September 30, 2009 our Company had floating interest rate indebtedness of Rs. 67.61 crore. Our current debt facilities carry interest at floating rates with the provision for periodic reset of interest rates. We do not currently enter into any swap or interest rate hedging transactions in connection with such loan agreements to mitigate our interest rate exposure. Although, we may enter into interest rate hedging contracts or other financial arrangements in the future to mitigate our exposure to interest rate fluctuations, we cannot assure you, however, that we will be able to do so on commercially reasonable terms or any of such agreements we enter into will protect us fully against our interest rate risk. Any increase in interest rates may have an adverse effect on our business prospects, financial condition and results of operations.

15. ***Certain Equity Shares of our Company held by our Promoter Group are pledged in favour of our lenders, who may exercise their rights under the respective pledge agreements in events of default.***

As on the date of this Draft Red Herring Prospectus, 2,571,900 Equity Shares comprising 7.88% of our pre-Issue equity share capital, held by our Promoter Group companies, i.e., Sphinx Investments Private Limited and Mahalaxmi Exim Private Limited are subject to pledge as primary security towards term loan facilities secured by our Company from our lenders. Further, as per the documentation executed between our Company and our Promoter Group Companies with such lenders, these entities have the right to obtain a pledge on further Equity Shares in the case of certain events, including *inter alia* if the value of the pledged Equity Shares is insufficient. In the event of non-compliance with certain terms of the lending agreements entered into by us with such lenders, such lenders may invoke their respective pledges, which may result in dilution of our Promoters' stake in our Company. For further details please refer to "Notes to Capital Structure" on page [•] of this Draft Red Herring Prospectus.

16. ***.Activities in the stainless steel manufacturing business can be dangerous and can cause injury to people or property in certain circumstances.***

The stainless steel manufacturing business requires individuals to work under potentially dangerous circumstances, with volatile and often highly flammable materials, in inhospitable conditions. Improper or negligent handling can hurt or kill employees or other persons and cause damage to our properties and the properties of others. This could subject us to disruptions in our business, legal and regulatory difficulties and costs and liabilities which could adversely affect our results of operations and our reputation.

17. ***We require certain insurances during the construction period and the operating phase, and the failure to obtain them in a timely manner or at all, may adversely affect our operations***

We are required to maintain insurance coverage, covering insurable risk like fire, burglary, damages, earthquake, for our businesses and third party liability, which we believe is in accordance with the market practice in India. Our insurance, however, may not provide any or adequate coverage and is subject to certain deductibles, exclusions and limits on coverage. Moreover, certain eventualities are not insurable on commercially reasonable terms or at all. There can be no assurance that the operation or the construction of the Wire Rod Project will not be affected by any of the incidents and hazards listed above, or that the terms of our insurance policies will cover or be adequate to cover any damage caused by any such incidents and hazards.

18. ***We may not be successful in implementing our growth strategy.***

The success of our business will depend greatly on our ability to effectively implement our business and strategies. See "Business – Our Strategy" beginning on page [●] of this Draft Red Herring Prospectus. Even if we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within the estimated budget, or that we will meet the expectations of targeted customers. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and strategies could have an adverse effect on our business, financial condition and profitability.

19. ***We are dependent on our management team and key personnel and loss of any key team member may adversely affect our business performance***

Our success depends on the continued services and performance of the members of our management team and other key employees. If one or more members of our senior management team were unable or unwilling to continue in their present positions, those persons could be difficult to replace with competent employees and our business could be adversely affected. Moreover, we do not own any key person insurance. Competition for senior management in our industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. As such, any loss of our senior management personnel or key employees could adversely affect our business, results of operations and financial condition.

20. ***Our operations involve hiring of contract labour, which involves compliance with various applicable regulations the non-compliance of which may have adverse financial implications.***

In order to retain flexibility and keep our fixed overhead to the minimum, in line with industry practice, we appoint contractors who in turn engage on-site contract labour for performance of our low skill operations. From a regulatory perspective, we face the risk that on an application made by the contract labourers, the appropriate court / tribunal may direct us that the contract labourers are required to be regularized or absorbed, and / or that we pay certain contributions in this regard that can adversely impact our financial performance.

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

We currently employ many employees at our manufacturing facility. There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations. Furthermore, efforts by labour unions may divert management's attention and result in increased costs. We may be unable to negotiate acceptable collective bargaining agreements with those who have chosen to be represented by unions, which could lead to union-initiated work stoppages, including strikes, which could adversely affect our business and results of operations.

Risk factors relating to the Objects of the Issue

22. ***The threats and weakness as outlined in the appraisal report prepared by SBI Capital Markets Limited for the Wire Rod Project is as follows.***

Weaknesses

The company's billet manufacturing capacity is lower than the capacity of the proposed wire rod mill. Therefore, the company will have to purchase billets in order to run the wire rod mill at full utilization thereby reducing the potential of value addition.

Threats

The stainless steel production in India for the year 2008-09 was 2 million tonnes, the majority of which was flat products, mainly used in the utensil industry. The company faces competition from players like JSL Ltd., Shah Alloys Ltd., Rimjhim ISPAT Ltd., etc. in this regard, to cater to the required demand.

23. ***We and our Promoters have limited experience in developing and implementing a wire rod project and as a result may not be able to achieve the level of growth that we seek.***

Our Company currently manufactures stainless steel billets and flats in the grades of SAE/AISI 200 series and has the capacity to manufacture stainless steel billets and flats in the grades of SAE/AISI 300 – 400 series, especially 304 grades which are used in huge quantities for manufacturing of rounds, wire rods, wire plates, sheets, utensils, medical equipments etc. To forward integrate our manufacturing facilities, we are setting up a wire rod mill with a capacity of 1,50,000 TPA ("**Proposed Project**"). We and our Promoters do not have sufficient experience that demonstrates our ability to develop and manage the Wire Rod Project. Any inability to effectively manage and operate the Wire Rod Project could adversely affect our business, prospects, financial condition and results of operations.

24. ***The scheduled commissioning date of the Wire Rod Project may be delayed and as a result thereof, we may face operational delays. This may have an adverse affect on our business operations and our returns on investments.***

The scheduled commissioning for the Wire Rod Project is estimated as April 2011 and is subject to delays and other risks, including, among other things, contractor performance shortfalls, unforeseen engineering or technical problems, delays in procuring machinery and equipments, disputes with workers, force majeure events, unanticipated cost increases or changes in scope and delays in obtaining certain property rights and government approvals and consents, any of which could give rise to delays, cost overruns or the termination of the Wire Rod Project and/or a breach of the financial covenants imposed by our lenders. While we may seek to minimize the risks from any unanticipated events, we cannot ensure that all potential delays can be mitigated and that we will be able to prevent any cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions.

There can be no assurance that the Wire Rod Project will be completed in the time expected, or at all, or that its gestation period will not be affected by any or all of these factor.

25. We have not entered into any definitive agreements or placed orders for machinery and equipments required to set up the Wire Rod Project. Any variation between the estimation and actual expenditure on the Wire Rod Project could result in execution delays or influence our profits adversely.

As per the FAR, the estimated expenditure on machinery and equipments for the Wire Rod Project is Rs. 46.82 crores. In respect thereof, we have received quotation from Armech Engineers Limited, but have not yet entered into any definitive agreements or placed orders for machinery and equipments for the entire Rs. 46.82 crores comprising 100% of the estimated requirements. There can be no assurance that we will be able to conclude definitive agreements on terms anticipated by us or at all.

We are subject to risks on account of inflation in the price of machinery and other equipments that we require for the Wire Rod Project. Further, in respect of the machinery/equipment/other Project related services that we propose to import/procure from overseas, we may be subject to the risks arising out of currency rate fluctuations. These factors may increase the overall cost of our Project, and we may have to raise additional funds by way of additional debt or equity placement to complete our Project, which may have an adverse effect on our business and results of operations.

Further we also face the following risks in relation to the Wire Rod Project:

- The budgeted resources for implementation of the Wire Rod Project may be inadequate because of cost overruns, which in turn will require additional fund requirement and will impact the overall profitability of the Wire Rod Project.
- Delays in the scheduled implementation of the Wire Rod Project for any reason, including construction delays, delays in receipt of government approvals or delays in delivery of equipment by suppliers, could result in cost overrun which in turn will require additional funds and will impact the overall profitability of the Wire Rod Project.

26. Our management will have significant flexibility in applying the proceeds of the Issue.

The deployment of funds as stated in the "Objects of the Issue" beginning on page no. [•] of this Draft Red Herring Prospectus is entirely at the discretion of our management and is not subject to monitoring by any independent agency.

Further, pending utilization of the Net Proceeds of the Issue and other financings, we intend to invest such Net Proceeds in interest-bearing liquid instruments, including money market mutual funds and bank deposits, as approved by our Board. Although the utilization of the Net Proceeds from the Issue and other financings will be monitored by our Board, there are no limitations on interim investments that we can make using such Net Proceeds.

27. A portion of the Wire Rod Project cost will be financed through debt and therefore we would have debt servicing obligations that could affect our ability to declare dividends.

We intend to finance approximately 21.88 % of the cost of the Wire Rod Project through debt amounting to Rs. 28.01 to be obtained from the Oriental Bank of Commerce. This debt imposes a debt servicing obligation on our Company, which we would have to meet from our revenues and/or reserves. Our revenues and/or reserves may not be sufficient to fully meet the debt servicing obligations, and our distributable profit, if any, for declaration of dividends may be consequentially affected. We are required to obtain approval from the Oriental Bank of Commerce before declaring any dividends.

28. Certain properties, including the land on which our Unit 1 is located and the land on which we are constructing the Wire Rod Project are not owned by us and we enjoy only a leasehold right over these properties. Further, the allotment of land for the Wire Rod Project is subject to certain restrictive covenants.

Our existing facility, i.e., Unit 1 and the land on which we are constructing the Wire Rod Project are now owned by us and we enjoy only a leasehold right over these properties.. Upon the termination of the lease, we are required to return the land to the owners. For our Proposed Project, we have entered into a lease deed dated January 18, 2010 with the Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited ("MPAKVN"). As per the terms of the said lease deed, land admeasuring 60,000 square meters at the site of the Wire Rod Project has been leased to us for a period of 30 years, commencing on January 18, 2010. As per the terms of the lease deed, we are required to implement the Wire Rod Project within a stipulated period and to invest a minimum amount of Rs. 100 crores within three years from the date of allotment, failing which MPAKVN shall have the right of re-entry without payment of any sort of compensation to us. Upon the termination of the lease, we are required to return the land to MPAKVN. In the event of termination of lease by MPAKVN, we would be forced to shut down and relocate our plant, which will have an adverse impact on our business and financials.

In addition, the premises on which our registered office and our corporate office are situated has been leased to us by third parties and in case, the respective lessors, do not renew the leases or decide to terminate the lease, we may suffer a disruption in our operations.

29. Our Company has not tied up the working capital requirements the Wire Rod Project

The bank borrowing for meeting the working capital requirement for the Wire Rod Project is estimated at Rs. 45.01 crores. Our Company has yet to tie-up its entire requirement of Rs. 45.01 crores fund based limits from various banks as on the date of this Draft Red Herring Prospectus.

Risks in relation to our Company

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

There are restrictive covenants in the agreements we have entered into with our lenders. These restrictive covenants require us to seek prior permission of these banks/financial institutions for various activities, including, amongst others, selling, leasing, transferring or otherwise disposing of any part of our business or revenues, affecting any scheme of amalgamation or reconstitution or implementing a new scheme of expansion. Such restrictive covenants in our loan documents may restrict our operations or ability to expand and may adversely affect our business. Though we have received necessary approvals from our lenders for this Issue, these restrictive covenants may also affect some of the rights of our shareholders. For details of these restrictive covenants, see the section titled "Financial Statements" beginning on page no. [•] of this Red Herring Prospectus.

31. We have not obtained the lender's consent for the Issue from the State Bank of India, one of our existing lenders.

We had obtained a term and working capital facilities for our Unit I from the State Bank of India. In respect of the said facility, as on December 31, 2009 our outstanding indebtedness is Rs. 56.68 crores. In terms of the loan covenants, the State Bank of India has a *pari-passu* charge on our movable and immovable properties. Further, in terms of the loan covenants, we are required to obtain the consent of our lenders for the purposes of the Issue. As on the date of this Draft Red Herring Prospectus, we have not obtained such consent from the State Bank of India. As we propose to replace SBI from the consortium due to commercial considerations that include inter-alia savings on interest and bank charges, we are required to repay in full the entire outstanding indebtedness availed along with accrued interest to the State Bank of India. We have obtained sanction letters from Bank of India and IDBI bank and have repaid / comfort letter for payment has been provided aggregating to Rs. 49.38 crores as on date of filing of this DRHP. For further details please refer to the chapter titled "Our Indebtedness", beginning on page no [●] of this DRHP. However we cannot assure you that the proposed modification of our existing lenders' consortium can be successfully implemented or that we will be able to repay the entire outstanding indebtedness to the State Bank of India. In case of our inability to repay the entire outstanding indebtedness to the State Bank of India, we cannot assure you that we will be able to obtain their consent for this Issue.

32. ***We have unsecured loans that are payable on demand and if we are not able to replace these facilities on terms feasible to us, it may adversely impact our operations and financial performance.***

As on September 30, 2009, our Company had unsecured loans amounting to Rs. 13.58 crores of the total indebtedness of Rs. 81.19 crores. This amount is payable on demand and we cannot assure you that we would be able to replace these facilities on similar terms, or terms favorable to us, which may adversely impact our operations and financial performance.

33. ***We have made an application for registration of the trademark including the logo and name appearing on the cover page of this Draft Red Herring Prospectus, and our use of the trademark, along with the value of such intellectual property, may be impaired by the actions of others.***

As of the date of this Draft Red Herring Prospectus, we have not registered trademarks (including logos and words) relating to our "Mittal Corp" logo. We have applied for trademark registration of our "Mittal Corp" logo which is pending before the trademark registry.

We propose to incur marketing and advertising expenses to develop our trademarks and these are important to our business and strategy. In the event any of our trademarks are subject to any challenge or not registered for any reason, or there is a delay in registration, our business and results of operations may be affected adversely.

34. ***We are involved in certain litigation proceedings and we cannot assure you that we will be successful in all of these actions.***

There are certain proceedings pending in various courts at different levels of adjudication against us, our Directors and our Promoters. The amounts claimed in these proceedings have been disclosed to the extent ascertainable, excluding contingent liabilities but including amounts claimed from us. Should any new developments arise, such as a change in Indian law or rulings against us by appellate courts, we may need to make provisions in our financial statements that could increase expenses and current liabilities.

Our Company

There are three civil suits filed against us for recovery of money. The total amount involved is approximately Rs. 90 lacs.

Our Directors and our Promoters

The Income Tax Department had served a notice of demand of Rs 31,25,730 on Mr. Karan Mittal, our individual promoter. The said notice of demand was in relation to assessment order for the assessment year 2007-08 wherein unsecured loans that Mr Mittal received from certain companies, were added to his taxable income.

Save and except as cases mentioned above, wherein Mr. Karan Mittal, our Managing Director and Promoter, is a party, there is no other litigation pending against our Directors and our Promoters.

We have from time to time initiated legal proceedings relating to our business and operations.

For further details of outstanding litigation against us, our Directors and our Promoters, please see "Outstanding Litigation and Material Developments" on page [●] of this Draft Red Herring Prospectus.

35. ***Investors run the risk of being allotted shares pursuant to the Issue at a price which may be higher than the price at which we have allotted shares to other shareholders in the last one year.***

We have issued Equity Shares to the persons as described below in the year preceding the date on which this Draft Red Herring Prospectus is filed with SEBI, which may be at a price lower than the Issue Price.

Name of the Shareholder	Date of Issue	Whether Belongs to Promoter Group	Number of Equity Shares of Rs. 10 each	Issue price per Equity Share (Rs.)	Reasons for Issue
Labh Ganga	20-Aug-09	Yes	308,300	60	Preferential allotment
Pandit Holdings	20-Aug-09	Yes	23,300	60	Preferential allotment
KN Metals Private Limited	20-Aug-09	Yes	220,000	60	Preferential allotment
Mittal Enterprises Private Limited	20-Aug-09	Yes	76,600	60	Preferential allotment
Parks Infoway Private Limited	20-Aug-09	Yes	98,300	60	Preferential allotment
Parks Webtech Limited	20-Aug-09	Yes	198,300	60	Preferential allotment
Tacit Agencies P Limited	20-Aug-09	No	250,000	60	Preferential allotment
Atishay Sales P Limited	20-Aug-09	No	958,300	60	Preferential allotment
Rollick Agency P Limited	20-Aug-09	No	666,600	60	Preferential allotment
Karan Mittal	26-Sep-09	Yes	399,400	-	Bonus Issue
Labh Ganga	26-Sep-09	Yes	3,905,660	-	Bonus Issue
Pandit Holdings	26-Sep-09	Yes	4,577,800	-	Bonus Issue
KN Metals Private Limited	26-Sep-09	Yes	946,000	-	Bonus Issue
Future Stainless Steels Private Limited	26-Sep-09	Yes	580,000	-	Bonus Issue
Mittal Enterprises Private Limited	26-Sep-09	Yes	1,553,200	-	Bonus Issue
Mahalaxmi Exim Private Limited	26-Sep-09	Yes	2,868,000	-	Bonus Issue
Parks Holdings Private Limited	26-Sep-09	Yes	904,200	-	Bonus Issue
Parks Infoway Private Limited	26-Sep-09	Yes	680,400	-	Bonus Issue
Parks Sales Private Limited	26-Sep-09	Yes	957,400	-	Bonus Issue
Parks Webtech Limited	26-Sep-09	Yes	676,600	-	Bonus Issue
Sphinx Investments Private Limited	26-Sep-09	Yes	2,308,060	-	Bonus Issue
Mahesh G. Jarani	26-Sep-09	No	730,480	-	Bonus Issue
Gee Tee Farms Private Limited	26-Sep-09	No	482,000	-	Bonus Issue
Kamla Jarani	26-Sep-09	No	160,000	-	Bonus Issue
Dinesh Agrawal	26-Sep-09	No	15,000	-	Bonus Issue
Om Prakash Purey	26-Sep-09	No	22,600	-	Bonus Issue

36. ***Our business is subject to government regulations and requires periodic approvals and renewals and changes in these regulations or in their implementation, or our failure to obtain or renew***

certain approvals or licenses in the ordinary course of business in a timely manner or at all, may adversely affect our operations

Our business is subject to government regulations that include regulations and policies issued by the Ministry of Environment and Forests and the State Pollution Control Board. We require certain approvals, licences, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. Furthermore, our government approvals and licenses are subject to numerous conditions, some of which may be onerous and require us to make substantial expenditure. For more information, please see the section entitled "Government Approvals" on page no. [●] of this Draft Red Herring Prospectus. If we fail to obtain any of these approvals or licences, or renewals thereof, in a timely manner, or at all, our business could be materially and adversely affected

37. We have entered into certain related party transactions and we continue to rely on such parties for certain transactions. While there have not been any direct sales to these related parties, certain transactions involving purchase of raw materials is done with the said related parties. There can be no assurance that such transactions will be in the interest of the Company or its shareholders

We have entered into transactions with related parties, including our Promoters and Directors. While there have not been any direct sales to these related parties, certain transactions involving purchase of raw materials is done with the said related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties.

For more information regarding our related party transactions, please refer to the section titled "Related Party Transactions" on page [●] of this Draft Red Herring Prospectus.

38. Our company has been loss making in the past.

Prior to the acquisition of our Company by the present Promoters in FY 2002, our Company had made losses. In the period between financial years ending 1985 and 2002, the Company did not have any commercial operations.

39. Contingent liabilities if materialized, could adversely affect our financial condition

As of September 30, 2009 we had contingent liabilities of the following amounts, as disclosed in our restated unconsolidated financial statements:

(in Rs. lacs)

Particulars	**Half Year Ended As at Sept. 30, 2009**	**As at 31st March**				
		2009	**2008**	**2007**	**2006**	**2005**
Inland Letters of Credit Outstanding	5509.93	5247.78	1922.73	851.76	194.55	-
Bank Guarantees Outstanding	-	40.37	-	-	-	-
Income Tax matters (excluding interest, if any)	14.51	14.51	-	-	-	-

*Income tax appeal pending before CIT (appeal) where an amount of Rs. 14.51 lacs is due out of which advance payment made of Rs. 7.50 lacs

40. Some of our Promoter Group Companies have incurred losses or have had negative net worth during the last three years as per their audited financial statements, as set forth in the table below:

Certain of our Promoter Group companies have incurred losses (as per their audited financial statements) in the last three fiscal years, as set forth in the tables below:

Loss-making Promoter Group Companies

Profit (Loss) after Tax in Rs. Lacs.

S. No.	Name	March 31, 2009	March 31, 2008	March 31, 2007
1.	Pandit Holdings Private Limited	Negligible	0.04	(0.06)
2.	Parks Sales Private Limited	(0.03)	0.20	(0.03)
3.	Parks Holdings Private Limited	Negligible	0.19	(0.03)
4.	Parks Webtech Limited	(0.24)	0.99	0.52
5.	Sphinx Investments Private Limited	(0.01)	0.20	(0.03)
6.	Mahalaxmi Exim Private Limited	(0.02)	0.25	(0.03)

Promoter Group Companies with negative net worth

Net worth in Rs. Lacs

S. No.	Name	March 31, 2009	March 31, 2008	March 31, 2007
1.	Parks Webtech Limited	(7.88)	(8.12)	(9.11)
2.	Mahalaxmi Exim Private Limited	(2.62)	(2.60)	(2.85)

Risks in relation to our Equity Shares

41. The Promoters will hold a majority of our Equity Shares after the Issue and can therefore determine the outcome of shareholder voting and influence our operations.

After the completion of this Issue, the Issuer's principal shareholders, being the Promoters, will hold approximately [●] % of the Equity Shares. Consequently, they will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be passed with a majority shareholder vote.

In addition, the Promoters have the ability to block any resolution by our shareholders, including the alterations of the Articles of Association, issuance of additional shares of capital stock, commencement of any new line of business and similar significant matters. The Promoters will be able to control most matters affecting us, including the appointment and removal of officers, our business strategies and policies, dividend payouts and capital structure and financing.

The Promoters will also continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests and or the interests of our minority shareholders, and there can be no assurance that such actions will not have an adverse effect on our future financial performance and the price of our Equity Shares.

42. The interests of our Promoters and our Promoter Group companies may cause conflicts of interest in the operation of our business.

There may be conflicts of interest between us and our Promoter Group companies in which our Promoters hold an equity interest or those which are controlled by our Promoters. Conflicts may arise in the ordinary course of our decision-making process. This could result in a conflict of interest between us and our Promoter Group companies and our business strategy, positioning and operations could be adversely affected.

43. There is no existing market for our Equity Shares, and there can be no assurance that one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.

Prior to this Issue, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship with the market price of the Equity Shares after the

Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in our operating results, competitive conditions, general economic, social and political factors, volatility in Indian and global securities market or significant developments in India's fiscal regime. There has been significant volatility in the Indian stock markets in the recent past, and our share price could fluctuate significantly as a result of market volatility. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

44. Any future issuance of Equity Shares by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.

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

45. There can be no assurance that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all, and any trading closures at the BSE and the NSE may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final listing and trading approval of our Equity Shares will not be applied for, or granted until after those Equity Shares have been issued and allotted. There could be a failure or delay in listing our Equity Shares on the BSE and the NSE.

46. You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares that you purchase in the Issue

Under the SEBI (ICDR) Regulations, we are permitted to allot Equity Shares within 15 days of the Bid/Issue Closing Date. Consequently, the Equity Shares you purchase in the Issue may not be credited to your demat account with Depository Participants until approximately 15 days after the Bid/Issue Closing Date. You can start trading in our Equity Shares only after they have been credited to your demat account and final listing and trading approvals are received from the Stock Exchanges. Further, there can be no assurance that our Equity Shares allocated to you will be credited to your demat account, or that trading in our Equity Shares will commence within the specified time periods.

47. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements

Our revenues are dependent on various factors such as future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.

Our business is capital intensive and we may plan to make additional capital expenditures for the Wire Rod Project or to undertake new projects. Our ability to pay dividends is also restricted under certain financing arrangements that we have entered into and expect to enter into.

The combination of these factors may result in significant variations in our revenues and profits and thereby may impact our ability to pay dividends. Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indicative of our future performance. If in the future our results of operations are below market expectations, the price of our Equity Shares could decline.

48. ***We may require further equity issuances to satisfy our capital needs, which we may not be able to procure. Further such issuances may lead to a dilution of equity and may affect the market price of our Equity Shares***

We may need to raise additional capital from time to time, dependent on business requirements. Some of the factors that may require us to raise additional capital include (i) business growth beyond what the current balance sheet can sustain, (ii) additional capital requirements imposed due to changes in regulatory regime or new guidelines, and (iii) significant depletion in our existing capital base due to unusual operating losses. We may not be able to raise such additional capital at the time it is needed or on terms and conditions favorable to us or to the existing shareholders. Further, fresh issue of shares or convertible securities would dilute existing shareholders.

External risk factors

49. ***The steel industry is highly cyclical***

The demand for steel and stainless steel products generally correlates with macroeconomic fluctuations in the economies in which steel producers sell products, which are in turn affected by global economic conditions. The prices of steel and stainless steel products are influenced by many factors, including the balance between global steel production and demand, capacity-utilization rates, raw material costs, exchange rates and trade barriers. However, no assurance can be given that trends of movements in prices will continue in the future. The volatility and the length and nature of business cycles affecting the steel industry at large and the stainless steel industry in particular have become increasingly unpredictable.

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

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our shares, may be affected by changes in the Government's policies, including taxation. Social, political, economic or other developments in or affecting India, acts of war and acts of terrorism could also adversely affect our business.

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

51. ***A slowdown in economic growth in India or financial instability in Indian financial markets could materially and adversely affect our results of operations and financial condition.***

Our performance and the growth of our business is dependent on the performance of the Indian economy. India's economy could be adversely affected by a general rise in interest rates, currency exchange rates. A slowdown in the Indian economy could adversely affect our business, including our ability to implement our strategy and expand our operations. The Indian economy is currently in a state of transition and it is difficult to predict the impact of certain fundamental economic changes upon our business. Conditions outside India, such as slowdowns in the economic growth of other countries or increases in the price of oil, have an impact on the growth of the Indian economy, and government policy may change in response to such conditions.

52. ***Terrorist attack, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attack, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business. These acts may also result in a loss of business confidence and ultimately adversely affect our business.

Diplomatic relations between India and some of its neighboring countries have been strained in the past. Any deterioration in relations between India and its neighboring countries might result in investor concern about stability in the region, which could adversely affect the market price of the Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have an adverse impact on us. Regional or international hostilities, terrorist attacks or other acts of violence of war could have a significant adverse impact on international or Indian financial markets or economic conditions or in government policy. Such incidents could also create a perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

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

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of funds will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows. Although we may in the future enter into hedging arrangements against interest rate risks, there can be no assurance that these arrangements will successfully protect us from losses due to fluctuations in interest rates.

54. The Indian economy has had sustained periods of high inflation.

India has experienced high level of inflation in the past with inflation peaking at 12.44% in 2008. An increase in inflation in India could cause a rise in the price of transportation, wages, raw materials or any other expenses. If this trend continues, we may be unable to reduce our costs or pass our increased costs on to our consumers and our results of operations and financial condition may be adversely affected.

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

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their effect on the Indian economy. Prolonged spells of below normal rainfall or other natural calamities could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.

Pandemic disease, caused by a virus such as H5N1 the ("avian flu" virus) or H1N1 (the "swine flu" virus), could have a severe adverse effect on our business. The potential impact of such a pandemic on our results of operations and financial position is highly speculative, and would depend on numerous factors, including: the probability of the virus mutating to a form that can be passed from human to human; the rate of contagion if and when that occurs; the regions of the world most affected; the effectiveness of treatment of the infected population; the rates of mortality and morbidity among various segments of the insured versus the uninsured population; our insurance coverage and related exclusions; the possible macroeconomic effects of a pandemic on our asset portfolio; the effect on lapses and surrenders of existing policies, as well as sales of new policies; and many other variables.

Prominent Notes

1. This is a public Issue of [●] Equity Shares, for cash at a price of Rs. [●] per Equity Share, aggregating up to Rs. 10,000 lakhs. The Issue will constitute [●] % of the post-Issue paid-up capital of our Company. Our Company is considering a Pre-IPO Placement of Equity Shares with various investors ("**Pre-IPO Placement**"). The Pre-IPO Placement is at the discretion of our Company. We will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to the filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25% of the post Issue paid-up capital.
2. The net worth of the Company was Rs. 5,446.01 lakhs as of September 30, 2009 and the book value of each Equity Share was Rs. 16.68 as of September 30, 2009 as per the restated financial statements of the Company. For more information, see the section "Financial Statements" beginning on page no. 106 of this Draft Red Herring Prospectus.
3. The average cost of acquisition of the Equity Shares by our Corporate Promoters, Labh Ganga, is Rs. 17.34 per Equity Share; and for Pandit Holdings is Rs. 10.82 per Equity Share. Mr. Karan Mittal, our individual Promoter holds 19,97,000 Equity Shares. The average cost of acquisition of the Equity Shares by Karan Mittal is Rs. 3.33 per Equity Share. The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking the average of the amount paid by them to acquire the Equity Shares. For further details, see the section "Capital Structure" beginning on page no. 18 of this Draft Red Herring Prospectus.
4. For related party transactions, see the section and "Financial Statements - Related Party Transactions" beginning on page no. [●] of this Draft Red Herring Prospectus.
5. For details of transactions in the securities of the Company by the Promoters, the Promoter Group and the Directors in the last six months, see the notes to the section "Capital Structure" on page no. [●] of this Draft Red Herring Prospectus.
6. Except as disclosed in the chapters "Capital Structure", "Our Promoters and Promoter Group" and "Our Management" beginning on pages 18,80 and 80, respectively, of this Draft Red Herring Prospectus, none of the Promoters, Directors or key managerial personnel has any interest in the Company.
7. Except as stated in the chapter "Capital Structure" on page no. [●]18 of this Draft Red Herring Prospectus, we have not issued any shares for consideration other than cash.
8. The Issue is being made under Regulation 26(1) of the SEBI Regulations through a 100% Book Building Process wherein not more than 50% of the Issue to the Public shall be available for allocation on a proportionate basis to QIBs, out of which 5% (excluding the Anchor Investor 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 QIBs, including Mutual Funds, subject to valid Bids being received at or above Issue Price. Under-subscription, if any, in the Mutual Funds portion will be met by a spill over from the QIB portion and be allotted proportionately to the QIB Bidders. Further not less than 15% of the Issue to the Public shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue to the Public 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.
9. ASBA Bidders, bidding at Cut-Off, may apply through the ASBA Process. For details of the ASBA Process, please refer to the section titled "Issue Procedure" beginning on page [●] of this Draft Red Herring Prospectus.
10. Investors may note that in case of over-subscription in the Issue, allotment to Qualified Institutional Investors, Non-Institutional Bidders and Retail Bidders shall be on a proportionate

basis. For more information, please refer to the section titled “Terms of the Issue” beginning on page [●] of this Draft Red Herring Prospectus

11. Under-subscription in the Issue, if any, in any category will be met by spill over from other categories at the discretion of our Company in consultation with the BRLM. However, if the aggregate demand by Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund portion will first be added to the QIB Portion and be allotted proportionately to the QIB Bidders.

12. Investors may contact the BRLM or the Company for any clarification or information relating to the Issue, which shall be made available by the BRLM and the Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever.

13. Investors may contact the BRLM and the Syndicate Members for any complaints pertaining to the Issue.

14. Investors are advised to also refer to the section “Basis for the Issue Price” beginning on page no. [●]37 of this Draft Red Herring Prospectus.

15. Trading in Equity Shares for all investors shall be in dematerialized form only.

16. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

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 entire Draft Red Herring Prospectus, including the information contained in the chapters titled "Risk Factors" and "Financial Statements" and related notes beginning on pages [●] and [●] of this Draft Red Herring Prospectus before deciding to invest in our Equity Shares.

Steel is a uniquely versatile material. It is involved in virtually every phase of life, right from housing, food supply and transport to energy delivery, machinery and healthcare. Steel has facilitated quality of life, underpinned humankind's development and has even helped in the understanding of Earth and the eco-systems it supports.

The attraction to steel is because of its properties like being hot and cold formable, weldable, hard, recyclable and resistant to heat. The industries in which steel is used include construction, railways and engineering. Steel is also used in the production of power transmission lines, pipelines, electrical and electronic appliances, containers, etc.

Based on its composition, steel is classified as plain carbon steel and alloy steel and stainless steel is a type of alloy steel. Though metals like iron, brass, copper, gold and silver are familiar to human beings from the beginning of civilizations, stainless steel is too young a discovery, which has just completed its maiden century. Stainless steel is the generic name for a number of different steels used primarily for their resistance to corrosion. The one key element they all share is a certain minimum percentage (by mass) of chromium: 10.5%. Although other elements, particularly nickel and molybdenum, are added to improve corrosion resistance, chromium is always the deciding factor.

GLOBAL STAINLESS STEEL INDUSTRY

Asia is the leader in the production of stainless steel globally, followed by Western Europe combined with Africa and then Americas and lastly Central & Easter Europe. Till 2004, Western Europe and Africa used to lead the production of stainless steel followed by Asia and then Americas and the rest of the world, but since 2003, the production has skewed in favour of Asia and it has become the leading producer of stainless steel since 2004.

The world produced 7.064 million metric tons (MMT) of stainless steel during the quarter ended September 2009. The production has increased by 17.19% when compared to the figures for quarter ended June 2009 with it increasing across the globe. The Central and Eastern European region showed stagnant production figures for the quarter ended June 09 whereas the production increased by 50% in September 09. Asia's production grew by 14.52%, Western Europe with Africa by 11.45%, and The Americas by 48.53% Asia is still the largest stainless steel producing region with production of 4.544 MMT (September 2009).

INDIAN STAINLESS STEEL INDUSTRY

Indians, who have migrated the world over, had a big role in popularizing stainless steel utensils. India started exporting stainless steel utensils sometime from 1984-85 onwards to the tune of Rs.8 crores. It's quality and competent rates were accepted throughout the globe. By the end of 2007 it has reached the magnificent figure of Rs. 2000 crores. Currently, India mainly exports to the US, Latin America, U.K. Euro zone, and middle east. (Source: Minerals and Metals Review – June 2009)

According to the Indian Stainless Steel Development Association (ISSDA), the per capita consumption of stainless steel in India is 1.2 kg which is far below the global average of around 4.5kg. However, spurred by the recent revival in demand, especially from the automotive and railways sectors, the country's per capita stainless steel consumption is likely to rise to over 2 kg in two to three years. Innovative uses in existing areas and exploration of new application areas, especially in kitchen, railways, buses, malls and multiplexes, automotive sector, furniture etc., will significantly drive the demand of stainless steel in India in the coming years. Overall the future market for Stainless Steel will greatly depend on the economic growth of the country and the expected investment in end use industry sectors. On the supply side, the demand would also be affected by prices, future expected capacities, infrastructure creation for down stream activities like fabrication and testing and the marketing efforts of the industry players.

Consumption Pattern

India's total stainless steel consumption is estimated at 1.3 mn tonnes against a production of 1.7 mn tonnes. The industry production last year was close to 1.6 mn tones while the consumption was recorded at 1.15 mn tonnes. The country also imports flats and longs stainless steel products to the tune of about 2-3 lakh tonnes and exports about 4 lakhs tonnes every year. Kitchen and related products use about 70% of the total corrosion free metal available in India while architecture malls and multiplexes, airports etc. consume about two per cent. Automotive sector and railways still consist of about two per cent while the remaining is shared by miscellaneous sectors including furniture etc.

The following are the major drivers of consumption growth of stainless steel in the country:

1) GDP
2) Per Capita Income
3) Prices of stainless steel
4) Infrastructure
5) End use industry growth
6) Substitution trends
7) Capacity, marketing and support infrastructure

BUSINESS OVERVIEW

Mittal Corp Limited ("**MCL**") is a manufacturer of stainless steel billets, blooms, rolled flats of various thickness, width and lengths.

Our Company was promoted as Jewel Steels Limited by Mr. Kuldeep Bishnoi and was subsequently acquired by the current promoters in the year 2002. In the year 2004, we decided to capitalize on the growing demand for stainless steel within the country and set up a manufacturing facility for various grades of stainless steel to be used for a wide range of products.

We currently have an installed capacity of 90,000 TPA to manufacture stainless steel billets and rolling the same into flats / rounds in our Steel Melting Shop and Rolling Mill, spread over 17 acres at Unit I. Further to the existing installed capacity for production of billets, i.e. 90,000 TPA, we are in the process of executing our expansion plan to increase the melting capacity of the Steel Melting Shop to the extent of 120,000 TPA. This exercise that started in September 2009 is expected to be completed by March 2010.

The expansion was undertaken to cater to the increasing demand for SS Flats at a capital cost of Rs. 15 crores that has been financed partly by term loans to the extent of Rs. 10 crores and the rest through internal accruals.

We further propose to set up a wire rod producing facility in close proximity to our existing plant, with a production capacity of 150,000 TPA ("**Proposed Project**"). Setting up of the Proposed Project is one of the objects of this proposed Issue. For further details of the implementation schedule of the Proposed Project, please refer to the "Objects of the Issue' on page no. [●] of this Draft Red Herring Prospectus.

Our Company changed its name from Jewels Seamless Limited to Mittal Corp Limited on December 16, 2008 upon issuance of a fresh certificate of incorporation by the Registrar of Companies, Mumbai. The registered office of our Company is located at Mumbai; we have our corporate office at Indore and have branch offices at New Delhi, Ahmedabad and Jodhpur.

Our Competitive Strengths

i. ***Easy access to resources at competitive prices***

We currently have manufacturing facilities at Pithampur, Madhya Pradesh which is located in close proximity to various markets that stock the raw materials used by our plant. Our principal raw material, iron scrap and Ferro alloys, is procured from neighbouring state i.e. Chhattisgarh, Gujarat and Orissa at competitive prices. Our location also gives us access to a large pool of semi-skilled and unskilled workforce that is imperative to our operations. Our location is one of the primary reasons for the low cost of production vis-à-vis comparable peers in the industry.

ii. ***Efficient usage of resources***

Our facilities have been upgraded, from time to time incorporating the latest advancements in Stainless Steel making technology. To elucidate, we are in the process of installing Automatic Mould Level Controller ("AMLC"), which helps improvement of the internal structure of the billets, by reducing the impurities and slag levels in the cast billet.
Our inventory policy is designed to lower the working capital cycle and provide the highest return on capital invested. Our current operations run on three shifts per day to maximize the capacity utilization rate which stood at 65.11% in 9 months ended Dec 09, 58.16 % in FY09 and 40.32% in FY08.

iii. ***Emphasis on product quality***

We have always focused on maintaining the highest quality of products. Our products go through rigorous quality checks, which happen at our laboratory on site, which is equipped with a 24-channel spectrometer, which ensures consistency in composition of the output, macro analysis is carried out for ensuring sound internal structure of cast billets. This is supplemented by random manual chemical composition analysis of the output.
Our consistent quality of output, and its acceptance thereof could be seen as one of the attributes that has caused our net revenues to expand from Rs. 76.44 Cr. in FY07 to Rs. 278.37 Cr. in FY09, at a CAGR of 90.83%.

iv. Large available customer base in close proximity to our production facilities

Our production facilities are located in the Central region of India, which makes it easy to deliver the finished product to all three demand centres viz. Jodhpur, Ahmedabad and New Delhi at almost similar freight costs. The locational advantage extends to the logistical aspect as well, with delivery times to these demand centres being between 24-72 hours.

v. Skilled management and workforce

The top management of the company, including the Managing Director and the executive directors, has vast experience in the Stainless Steel Industry. All senior management, including key personnel in charge of production, operations, and finance are well qualified and have rich experience in the Stainless Steel Industry. The management believes in keeping the manufacturing technology updated with the latest advancements in technology, and several of these learnings have manifested as improvements to our existing facilities.
For more details on key personnel, please refer to [•]

Our Strategy

i. Maintain and improve the quality of our output

We believe that our growth over the last five years has been achieved due to the high emphasis we put on the quality of our output. We plan to continue investing in high quality manufacturing equipments to ensure that our products maintain the quality specifications promised to our customers. Investment in latest technology would also enable us to standardize product quality, even for bulk-production, and would enable us to differentiate ourselves from competition.

ii. Make optimal utilization of resources

Our Company constantly endeavours to improve its productivity levels by optimum resource utilization, improvement in manufacturing process, skill up-gradation of our workers, modernization of machineries to achieve better asset turnover. We will continue to further improve our existing raw material procurement policy and manufacturing processes to identify the areas of bottlenecks and correct them. This would help us in improving efficiency and putting resources to optimal use.

iii. Enhance our existing capacities

The existing capacities are being ramped up with the installation of new equipment of larger capacity which will enhance our ability to handle larger volumes in our manufacturing process, and ultimately lead to higher production.

iv. Increase our product range

We currently produce stainless steel billets, blooms and flat intermediary products which find use in diversified sectors like railways, public utilities. We propose to move up the value chain by setting up the Wire Rod Project which will be capable of producing Wire Rods of Stainless Steel, Alloy Steel and Mild Steel. These products would be used for making fasteners welding electrodes, SS wire, SS gratings, furniture and in building construction material. This integrated production of wire rods is likely to improve our profitability margins going forward.

v. Supplement our capacities with trained manpower

Our company has believed in continuous addition of manpower that is equipped with the latest advances in technology and bring to the table, vast experience in the Stainless Steel Industry. This will help the company, as it has in the past, to keep pace with the advancements in technology, as also implement the same in improving our processes and production.

vi. Expand our operations organically

We intend to expand our operations within India and internationally. In pursuing our strategy, we seek to identify markets, in states in India where we do not currently operate, and internationally, where we believe we can provide cost and operational advantages to our clients and distinguish ourselves from competitors.

vii. Diversify our customer base

We today have a strong customer base in the cities of Indore, Ahmedabad, New Delhi and Jodhpur. We propose to expand our client base by setting up additional branch offices or appoint selling agents in other demand centres within the country and also abroad in the country, like Europe and the U.S.A. so as to lower our dependence on a particular client or a region. This will also assist us in stabilizing our cash flows.

viii. Grow inorganically for forward and backward vertical integration

In order to expand our operations, we may also seek to identify acquisition targets and joint venture partners both, from India and as well as globally. We may consider opportunities for inorganic growth through mergers, acquisitions and may enter into joint ventures, if, among other things, they enable us to improve us to improve in various areas like (i) strengthen our pre-qualification criteria in specific areas, (ii) enhance our execution capabilities in niche areas like Railway applications, urban renewal, power generation and transmission, storage of petroleum products and (iii) increase our pool of qualified engineers and other technically qualified staff etc.

SUMMARY FINANCIAL INFORMATION

ANNEXURE A : SUMMARY STATEMENT OF UNCONSOLIDATED ASSETS AND LIABILITIES AS RESTATED

(Rs. In Lacs.)

	Particulars	Half Year Ended As at Sept. 30, 2009	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005
A	**Fixed Assets**						
	Gross Block	5,689.64	5,646.17	4,326.31	2,556.13	981.71	1,029.13
	Less : Depreciation	944.43	696.05	273.05	120.64	45.10	27.34
	Net Block	4,745.21	4,950.12	4,053.26	2,435.49	936.61	1,001.79
	Capital Work in Progress	746.42	221.16	15.13	37.60	432.29	4.67
	Total	**5,491.63**	**5,171.28**	**4,068.39**	**2,473.09**	**1,368.90**	**1,006.46**
B	**Investments**	**1.60**	**1.60**	**1.60**	**1.60**	-	-
C	**Current Assets, Loans & Advances**						
	Inventories	6,363.17	5,861.15	3,099.88	2,075.12	369.86	60.51
	Sundry Debtors	5,265.83	4,785.98	2,634.12	1,108.89	1,718.54	67.67
	Other Current Assets	0.35	0.27	0.13	-	-	-
	Cash and Bank Balances	392.69	871.69	306.77	176.22	109.86	26.02
	Loans & Advances	1,063.51	732.57	387.15	505.92	276.01	70.34
	Total	**13,085.55**	**12,251.66**	**6,428.05**	**3,866.15**	**2,474.27**	**224.54**
	TOTAL ASSETS	**18,578.78**	**17,424.54**	**10,498.04**	**6,340.84**	**3,843.17**	**1,231.00**
D	**Liabilities and Provisions**						
	Secured Loans	6,761.13	6,118.15	3,741.60	2,427.56	713.94	153.94
	Unsecured Loans	1,358.29	981.02	835.94	488.47	163.59	283.20
	Deferred Tax Liability & (assets)	187.68	187.70	131.33	60.88	42.34	(0.21)
	Current Liabilities	4,522.02	5,257.27	2,869.70	1,482.89	2,038.51	190.04
	Provisions	303.65	62.88	79.39	41.44	9.10	1.39
	TOTAL LIABILITIES	**13,132.77**	**12,607.02**	**7,657.96**	**4,501.24**	**2,967.48**	**628.36**
E	Share Application Money	-	1,679.02	450.00	830.97	154.72	10.72
F	**Net Worth (A+B+C-D-E)**	**5,446.01**	**3,138.50**	**2,390.08**	**1,008.63**	**720.97**	**591.92**
	Represented by						
	Equity Share Capital	3,265.02	808.37	807.24	722.24	675.24	565.24
	Reserves & Surplus	2,180.99	2,330.25	1,583.02	286.63	46.03	28.37
	Less : Miscellaneous Expenditure	-	(0.12)	(0.18)	(0.24)	(0.30)	(1.69)
	Net Worth	**5,446.01**	**3,138.50**	**2,390.08**	**1,008.63**	**720.97**	**591.92**

The above statement should be read with the Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows, appearing in Annexure E

ANNEXURE B : RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	YEAR ENDED				
		March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
Income						
Sales						
Of product manufactured by the issuer	15,942.97	24,154.69	10,067.90	5,565.61	1,248.47	623.70
Of product traded in by the issuer	2,764.34	6,315.71	3,413.65	2,899.57	1,657.74	-
Gross Sales	18,707.31	30,470.40	13,481.55	8,465.18	2,906.21	623.70
Less: Excise duty on sales	1,085.31	2,633.17	1,406.57	820.77	190.27	73.54
Net Sales	**17,622.00**	**27,837.23**	**12,074.98**	**7,644.41**	**2,715.94**	**550.16**
Other Income	15.07	336.83	202.80	47.69	73.84	68.87
Increase / (Decrease) in Inventories	44.41	1,399.05	30.75	964.48	175.95	10.08
Total Income	**17,681.48**	**29,573.11**	**12,308.53**	**8,656.58**	**2,965.73**	**629.11**
Expenditure						
Material Cost	13,762.34	24,513.22	9,594.80	7,299.48	2,426.26	375.79
Manufacturing Expenses	1,826.81	2,240.03	1,102.30	602.49	358.07	150.57
Employees Remuneration & Benefits	156.11	242.11	75.19	42.82	17.65	18.27
Administration and General Expenses	147.49	225.00	132.55	98.99	32.17	24.03
Selling & Distribution Expenses	219.20	332.71	224.11	137.85	11.98	11.29
Interest Expenses	376.86	682.68	329.01	133.37	39.16	3.83
Depreciation	248.38	423.00	152.41	75.54	19.17	6.55
Total Expenditure	**16,737.19**	**28,658.75**	**11,610.37**	**8,390.54**	**2,904.46**	**590.33**
Profits / (Losses) before tax and extraordinary item	**944.29**	**914.36**	**698.16**	**266.04**	**61.27**	**38.78**
Income Tax	(290.76)	(107.83)	(91.61)	(34.39)	(5.20)	(3.19)
Mat Credit entitlement	(25.86)	(8.40)	(1.08)	30.06	5.28	-
Fringe Benefit Tax	-	(5.10)	(3.42)	(2.57)	(1.05)	-
Tax effect on Adjustments	(0.09)	0.40	(0.22)	-	(0.09)	-
Deferred Tax (Liability) & Assets	0.01	(56.37)	(70.44)	(18.54)	(42.55)	0.21
Net Profits /(Losses) as restated before extraordinary items	**627.59**	**737.06**	**531.39**	**240.60**	**17.66**	**35.80**
Extraordinary Items	-	-	-	-	-	-
Net Profits /(Losses) as restated after extraordinary items	**627.59**	**737.06**	**531.39**	**240.60**	**17.66**	**35.80**
Profits/ (Losses) at the beginning of the year	1,555.08	818.02	286.63	46.03	28.37	(7.43)
	2,182.66	1,555.08	818.02	286.63	46.03	28.37
Less: Profit used for Bonus Share Issue	1.66	-	-	-	-	-
Balance Carried Forward as restated	**2,180.99**	**1,555.08**	**818.02**	**286.63**	**46.03**	**28.37**

1) There are no extraordinary items in the profits and losses for the above periods

2)The above statement should be read with the Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows, appearing in Annexure E

ANNEXURE C : RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS

(Rs. In Lacs.)

	Particulars	Half Year Ended As at Sept. 30, 2009	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
A	**Cash Flows from Operating Activities**				
	Net profits/(losses) before tax, as restated	**944.29**	**914.36**	**698.16**	**266.04**
	Adjustment for :				
	Depreciation	248.38	423.00	152.41	75.54
	Preliminary Expenditure W/off	0.12	0.06	0.06	0.06
	Interest expense	376.86	682.68	329.01	133.37
	Operating Profits /(Losses) before Working capital changes	**1,569.65**	**2,020.10**	**1,179.64**	**475.01**
	Movement in working capital:				
	(Increase)/Decrease in Inventories	(502.02)	(2,761.27)	(1,024.75)	(1,705.26)
	(Increase)/Decrease in Sundry Debtors	(479.85)	(2,151.86)	(1,525.23)	609.65
	(Increase)/Decrease in Fixed Deposit With Bank	500.06	(542.25)	(146.19)	(50.34)
	(Increase)/Decrease in Loans and advances	(330.94)	(345.42)	118.77	(229.91)
	(Increase)/Decrease in Other Current Assets	(0.08)	(0.14)	(0.13)	-
	Increase/(Decrease) in Current Liabilities & Provisions	(731.62)	2,392.05	1,389.85	(553.76)
	Cash generated from /(used in) operations	**25.20**	**(1,388.79)**	**(8.04)**	**(1,454.61)**
	Tax (paid) / refund	(79.46)	(141.92)	(61.42)	23.58
	Net Cash generated from /(used in) Operations (A)	**(54.26)**	**(1,530.71)**	**(69.46)**	**(1,431.03)**
B	**Cash Flows from Investing Activities**				
	Purchase of fixed assets including capital work-in-progress	(568.88)	(1,525.89)	(1,747.71)	(1,179.73)
	(Purchase) / sale of investments , net	-	-	-	(1.60)
	Net cash generated from /(used in) Investing activities (B)	**(568.88)**	**(1,525.89)**	**(1,747.71)**	**(1,181.33)**
C	**Cash Flows from Financing Activities**				
	Proceeds from Equity share capital	279.97	1.13	85.00	47.00
	(Repayment) / Proceeds from long-term borrowings, net	1,020.26	2,521.63	1,661.51	2,038.50
	Interest paid	(376.86)	(682.68)	(329.01)	(133.37)
	Receipts against Share Application	(1,679.02)	1,229.02	(380.97)	676.25
	Receipts of Share Premium	1,399.85	10.17	765.00	-
	Net cash generated from /(used in) Financing activities (C)	**644.20**	**3,079.27**	**1,801.53**	**2,628.38**
	Net changes in cash & cash equivalents (A+B+C)	**21.06**	**22.67**	**(15.64)**	**16.02**
	Cash & Cash equivalents at the beginning of the year	40.63	17.96	33.60	17.58
	Cash & Cash equivalents at the end of the year	**61.69**	**40.63**	**17.96**	**33.60**
	Components of cash and cash equivalents :				
	Cash on hand	29.11	37.38	10.53	30.90
	Balance with Banks	32.58	3.25	7.43	2.70
	Total	**61.69**	**40.63**	**17.96**	**33.60**

1) The above statement should be read with the Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows, appearing in Annexure E.
2) Cash flow statement for the year ended 31st March 05 & 31st March 06 have not been provided as requirement of reporting as per AS-3 - Cash Flow Statement was not applicable in those financials years.

THE ISSUE

Equity Shares offered:	
Issue by the Company*	[●] Equity Shares, aggregating upto Rs. 100 crores
Of which	
A) Qualified Institutional Buyers (QIB) portion**	At least [●] Equity Shares
Of which	
Available for allocation to Mutual Funds only	At least [●] Equity Shares
Balance for all QIBs including Mutual Fund	Upto [●] Equity Shares
B) Non-Institutional Portion	Up to [●] Equity Shares(1)
C) Retail Portion	Up to [●] Equity Shares(1)
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	32,650,200Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Issue Proceeds	See the section titled "Objects of the Issue" on page no. [●] of this Draft Red Herring Prospectus for information about the use of the Issue Proceeds.

* The Company is considering a Pre-IPO Placement of Equity Shares with various investors ("Pre-IPO Placement"). The Pre-IPO Placement is at the discretion of the Company. The Company will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to the filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue of 25% of the post Issue paid-up capital.

** The Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors. For further details, please see the section entitled "Issue Procedure" on page no. 176 of this Draft Red Herring Prospectus

(1) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

Note: *Allocation shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price.*

GENERAL INFORMATION

Our Company was incorporated on July 5, 1985 as "Jewels Steels Limited", a public limited company under the Companies Act, 1956. The name of our Company was changed to "Jewel Seamless Limited" following a special resolution passed by the members on July 25, 1995 and a fresh certificate of incorporation dated August 28, 1995 was issued by the RoC, Madhya Pradesh at Gwalior. The registered office of our Company was shifted from the state of Madhya Pradesh to Maharashtra and a certificate of registration of the Company Law Board's order in this regard was issued by the RoC, Maharashtra at Mumbai on April 9, 2007. The name of our Company was changed to "Jewels Seamless Limited" following a special resolution passed by the members on September 6, 2008 and a fresh certificate of incorporation dated September 16, 2008 was issued by the RoC, Maharashtra at Mumbai. The name of our Company was changed to "Mittal Corp Limited" following a special resolution passed by the members on November 24, 2008 and a fresh certificate of incorporation dated December 16, 2008 was issued by the RoC, Maharashtra at Mumbai.

Registered Office

315, Jolly Bhawan No. 1,
10 New Marine Lines,
Mumbai 400 020
Tel: +91 22 2200 7526 ,
Fax: +91 22 2207 2752
Email: investors@mittalcorp.net
Website: http://www.mittalcorp.net

Registration Number: 169768
Corporate Identity Number: U27106MH1985PLC169768

Address of Registrar of Companies

Office of the Registrar of Companies, Maharashtra at Mumbai
100, Everest,
Marine Drive,
Mumbai 400 002
Maharashtra, India

Board of Directors

As per the applicable provisions of the Companies Act and our Articles, our Company cannot have less than 3 and more than 12 Directors. We currently have 6 Directors.

Name, Designation, Occupation	Age	Designation
Mr. Karan Mittal DIN: 00328725	31	Managing Director Non-Independent Director
Mr. Dinesh Kumar Agrawal DIN: 00328874	42	Whole Time Director, Non-Independent Director
Mr. Vinod Kumar DIN: 02728746	57	Whole Time Director, Non-Independent Director
Mr. Atul Kumar Shukla DIN: 00121601	63	Non-Executive Director Independent Director
Mr. C.P. Swarnkar DIN: 00262730	62	Non-Executive Director, Independent Director

Name, Designation, Occupation	Age	Designation
Dr. N.S. Datar DIN: 00080801	84	Non-Executive Director, Independent Director

For further details of our directors, see the section titled "Our Management" on page no. 80 of this Draft Red Herring Prospectus.

Company Secretary and Compliance Officer

Ms Pooja Bansal
Abhay Prashal, (West Wing)
Race Course Road,
Indore 452 003Tel: + 91 731 2436351
Fax: + 91 731 2538115
Email: pooja@mittalcorp.net
Website: www.mittalcorp.net

Investors can contact the Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and refund orders.

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

Issue Management Team

Book Running Lead Manager
IDBI Capital Market Services Limited
5th Floor, Mafatlal Centre
Nariman Point
Mumbai 400 021
Tel: +91 22 4322 1212
Fax: +91 22 2285 0785
Email: mittalcorp.ipo@idbicapital.com
Investor Grievance Email: redressal@idbicapital.com
Website: www.idbicapital.com
Contact Person: Mr. Subodh Mallya, Mr. Keyur Desai
SEBI Registration No.: INM000010866

Syndicate Members

Name: [●]
Address: [●]
Tel: [●]
Fax: [●]
Email: [●]
Investor Grievance Email: [●]
Website: [●]
Contact Person: [●]
SEBI Registration No.: [●]

Name: [●]
Address: [●]
Tel: [●]
Fax: [●]
Email: [●]
Investor Grievance Email: [●]
Website: [●]
Contact Person: [●]
SEBI Registration No.: [●]

Self Certified Syndicate Banks

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

Legal advisor to the Issue

Khaitan & Co.
One India Bulls Centre, 13th Floor
841, Senapati Bapat Marg
Mumbai 400 013
Tel.: +91 22 6636 5000
Fax: +91 22 6636 5050
Email: mittalcorp.ipo@khaitanco.com

Registrar to the Issue

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078
Tel: +91 22 2596 0320
Fax: +9122 2596 0329
Email: mcl.ipo@linkintime.co.in
Investor Grievance Email: mcl.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Sachin Achar
SEBI Registration No.: INR000004058

Appraising Agency

SBI Capital Market Services Limited
202, Maker Tower, 'E',
Cuffe Parade,
Mumbai – 400 005.
Tel: +91- 22-22178300
Fax: +91- 22-2218 8332
Website: www.sbicaps.com

For all issue related queries and for redressal of complaints, investors may also write to the Registrar to the Issue or the Book Running Lead Manager.

Bankers to the Issue and Escrow Collection Banks

[●]	[●]
[●]	[●]
[●]	[●]

Bankers to the Company

State Bank of India
Commercial Branch
Near G.P.O.,
Indore 452 001
Tel: +91 731 4273209
Fax: +91 731 2707309
Email: murtyesn@gmail.com

Oriental Bank of Commerce
Chetak Center
R.N.T. Marg,
Indore 451 001
Tel: +91 731 2527698
Fax: +91 731 2514714
Email: bn0183@obc.co.in

Bank of Maharashtra
Fort Branch, 1st Floor, Janamangal,
45/47 Mumbai Samachar Marg,
Fort, Mumbai – 400 023
Tel: +91 22 2264 4105
Fax: +91 22 2265 2912
Email: bom2@mahabank.co.in

Bank of India
New Delhi Overseas Branch,
Vijay Building, 17, Barakhamba Road,
New Delhi – 110 001
Tel: +91 11 2332 5877
Fax: +91 11 2371 0377
Email: overseas.newdelhi@bankofindia.co.in

Bankers to the Company

IDBI Bank Limited
90, Nandlalpura Square
Jawahar Marg, Indore – 452 001
Tel: +91 731 4246536
Fax:+91 731 2544813
Email: vm.bhole@idbi.co.in

Refund Bank to the Issue
[●]

Joint Statutory Auditors

Haribhakhti & Co.
Chartered Accountants
42, Free Press House,
215, Nariman Point,
Mumbai 400 021
India
Tel: +91 22 6639 1101
Fax: +91 22 2285 6237

Mahendra Badjatya & Co.
Chartered Accountants
208, Mourya Center
16, Race Course Road,
Indore – 452 003
India
Tel: +91 731 2535934
Fax: +91 731 2532783

IPO Grading Agency

[●]
Telephone: [●]
Facsimile: [●]
Email: [●]
Contact Person: [●]
SEBI registration number: [●]

IPO Grading

The Company will appoint and will obtain a grading of this Issue from [●], a credit rating agency registered with SEBI, pursuant to SEI (ICDR) Regulations. The rationale furnished by the grading agency for its grading will be available for inspection and will be provided to the Designated Stock Exchange and updated at the time of filing of the Red Herring Prospectus with the RoC.

Credit Rating

As this is an Issue of Equity Shares there is no credit rating for this Issue.

Trustees

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

Experts

Except the report of [●] in respect of the IPO grading of this Issue annexed herewith, the Company has not obtained any expert opinions.

Monitoring Agency

There is no requirement for a Monitoring Agency in terms of the SEBI (ICDR) Regulations since the Issue size is less than Rs. 500 crore. The Audit Committee appointed by our Board of Directors will monitor the utilization of the Issue proceeds.

Inter Se Allocation of Responsibilities between the BRLM

The responsibilities and co-ordination for various activities in this Issue are as follows:

S. No	Activities	Responsibility	Coordinator
1.	Capital structuring with relative components and formalities etc.	BRLM	BRLM
2.	Due diligence of Company's operations/ management/ business plans/ legal etc. Drafting and design of Red Herring Prospectus and of statutory advertisement including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing	BRLM	BRLM
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure etc.	BRLM	BRLM
4	Appointment of intermediaries viz., Printers and Advertising Agency	BRLM	BRLM
5.	Appointment of other intermediaries viz., Registrar and Bankers to the Issue	BRLM	BRLM
6	International Institutional marketing strategy: finalize the list and division of investors for one to one meetings; preparation of road show presentation and FAQs	BRLM	BRLM
7.	Domestic Institutional marketing strategy: finalize the list and division of investors for one to one meetings	BRLM	BRLM
8.	Retail / HNI marketing strategy – Finalize centers for holding conference for brokers etc. – Finalize media, marketing & PR Strategy – Follow up on distribution of publicity and issue materials including form, prospectus and deciding on the quantum of the Issue material – Finalize bidding centers – Managing the book and co ordination with Stock Exchanges	BRLM	BRLM
9.	Pricing, in consultation with the Company	BRLM	BRLM
10.	The post bidding activities including management of escrow accounts, co-ordinate non-institutional and institutional allocation, intimation of allocation and dispatch of refunds to bidders etc The Post Issue activities for the Issue will involve essential follow up steps, which include the finalization of basis of allotment, dispatch of refunds, demat of delivery of shares, finalization of listing and trading of instruments with the various agencies connected with the work such as the Registrar(s) to the Issue and Bankers to the Issue. (The merchant banker shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with the Company)	BRLM	BRLM

Book Building Process

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

1. The Company;

2. The BRLM;

3. Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters. The Syndicate Members appointed by the BRLM;

4. Registrar to the Issue;

5. Escrow Collection Banks; and

6. SCSBs.

In terms of the SEBI Regulations, the Issue is being made through the 100% Book Building Process, wherein not more than 50% of the Issue shall be allotted on a proportionate basis to QIBs, of which 5% (excluding Anchor Investor Portion) shall be reserved for Mutual Funds only. The balance Equity Shares of the QIB portion shall be allocated in a proportionate basis to all QIBs including Mutual Funds receiving allocation in the portion reserved for Mutual Funds, as aforesaid. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Our Company will comply with the SEBI Regulations for this Issue. In this regard, our Company has appointed the Book Running Lead Manager to procure subscriptions to the Issue.

In accordance with the SEBI (ICDR) Regulations, QIBs bidding in the QIB Portion are not allowed to withdraw their Bids after the Bid/Issue Closing Date. QIBs Bidders are required to pay not less than 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 (except allocation to Anchor Investors). Please refer to the section titled "Issue Procedure" on page no. [●] for more details.

The Company will comply with the SEBI (ICDR) Regulations and any other directions issued by SEBI from time to time for this Issue. In this regard, we have appointed the BRLM to manage the Issue and procure subscriptions to the Issue.

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

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

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book as shown below shows the demand for the shares of the issuer company at various prices and is collated from bids received from various investors.

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

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

Steps to be taken by the Bidders for bidding:

- Check eligibility for making a Bid (see section titled "Issue Procedure - Who Can Bid" on page no. 177 of this Draft Red Herring Prospectus);

- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- In accordance with the SEBI (ICDR) Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction;

- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form; and

- Bids by QIBs will have to be submitted to the BRLM only.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue any time after the Bid/Issue Opening Date but before the Allotment of Equity Shares, and if so, the reason thereof shall be given as a public notice, within two days of the closure of the issue, in two national newspapers (one each in English and Hindi) and in one local newspaper.

Bid/Issue Programme

Bidding Period/Issue Period*

BID/ISSUE OPENS ON	**[●]**
BID/ISSUE CLOSES ON	**[●]**

*The Company may consider participation by Anchor Investors in terms of the SEBI (ICDR) Regulations. The Anchor Investor Bid/ Issue Period shall be one day prior to the Bid/ Issue Opening Date.

Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 3.00 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid/Issue Closing Date, Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders (ii) until 5.00 p.m. or such extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders where the Bid Amount is up to Rs. 100,000. It is clarified that Bids not uploaded in the book, would be rejected. Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than the times mentioned above on the Bid/Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Time. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in pubic offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. If such Bids are not uploaded, the Issuer, BRLM, Syndicate Members and the SCSB will not be responsible. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holidays).

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

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

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

Underwriting Agreement

After the determination of the Issue Price and allocation of our Equity Shares but prior to the filing of the Prospectus with RoC, we will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event that the Syndicate Members does not fulfil its underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through its Syndicate/Sub Syndicate. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

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

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in crore)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

The above mentioned is indicative underwriting and this would be finalized after the pricing and actual allocation of the Equity Shares. The Underwriting Agreement is dated [●] and has been approved by the Board of Directors.

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

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

CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this Draft Red Herring Prospectus with SEBI, is set forth below:

(in Rupees lakhs, except share data)

		Aggregate Value at Face Value	Aggregate Value at Issue Price
A.	**Authorized Capital**		
	60,000,000 Equity Shares of face value of Rs. 10 each	6,000.00	
B.	**Issued, Subscribed and Paid-Up Equity Capital before the Issue**		
	32,650,200 Equity Shares before the Issue	3,265.02	
C.	**Present Issue in terms of this Draft Red Herring Prospectus***		
	[•] Equity Shares*	10,000.00	[●]
E.	**Issued, Subscribed and Paid-Up Capital after the Issue**		
	[•] Equity Shares	[●]	**[●]**
F.	**Securities Premium Account**		
	Before the Issue	**Nil**	
	After the Issue	[●]	

* The present Issue in terms of this Draft Red Herring Prospectus has been authorized by the Board of Directors in their meeting on December 04, 2009 and by the shareholders of our Company at the EGM held on December 28, 2009.

** The Company is considering a Pre-IPO Placement of Equity Shares with various investors ("**Pre-IPO Placement**"). The Pre-IPO placement is at the discretion of the Company. The Company will complete the issuance and allotment of such Equity Shares prior to filing the Red Herring Prospectus with the RoC pursuant to this Issue. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25% of the post Issue paid-up capital being offered to the public.

Changes in the Authorised Capital

a) The authorised share capital of Rs. 30,000,000 divided into 3,000,000 Equity Shares was increased to Rs. 40,000,000 divided into 4,000,000 Equity Shares of Rs. 10 each pursuant to a resolution of the shareholders dated August 29, 1996.

b) The authorised share capital of Rs. 40,000,000 divided into 4,000,000 Equity Shares was increased to Rs. 70,000,000 divided into 7,000,000 Equity Shares of Rs. 10 each pursuant to a resolution of the shareholders dated March 16, 2005.

c) The authorised share capital of Rs. 70,000,000 divided into 7,000,000 Equity Shares was increased to Rs. 110,000,000 divided into 11,000,000 Equity Shares of Rs. 10 each pursuant to a resolution of the shareholders dated March 25, 2006.

d) The authorised share capital of Rs 110,000,000 comprising 11,000,000 Equity Shares was increased to Rs. 510,000,000 divided into 51,000,000 Equity Shares pursuant to a resolution of the shareholders dated September 15, 2009.

e) The authorised share capital of Rs 510,000,000 comprising 51,000,000 Equity Shares was increased to Rs. 600,000,000 divided into 60,000,000 Equity Shares pursuant to a resolution of the shareholders dated October 21, 2009.

Notes to Capital Structure

1. **Share Capital History of our Company**

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Name of Allottee	Cumulative No. of Equity Shares	Cumulative Paid-up Equity Share capital (Rs.)	Cumulative Share Premium (Rs.)
25-Jul-85	10	100	10	Cash	Subscription to Memorandum	10	1,000	-
2-Sep-85	Split of Equity Shares of Face Value of Rs. 100 each into 10 Equity Shares of Rs. 10 each					100	1,000	-
6-Sep-86	82,500	10	10	Cash	Further allotment to shareholders	82,600	826,000	-
31-Aug-87	43,500	10	10	Cash	Further allotment to shareholders	126,100	1,261,000	-
20-Jan-88	9,100	10	10	Cash	Further allotment to shareholders	135,200	1,352,000	-
6-Jun-88	1,000	10	10	Cash	Further allotment to shareholders	136,200	1,362,000	-
6-Mar-89	40,000	10	10	Cash	Further allotment to shareholders	176,200	1,762,000	-
1990-91[*]*	267,500	10	10	Cash	Further allotment to shareholders	443,700	4,437,000	
1-Jul-94	866,820	10	10	Cash	Further allotment to shareholders	1,310,520	13,105,200	-
25-Feb-95	1,021,260	10	10	Cash	Further allotment to shareholders	2,331,780	23,317,800	-
1995-96*	61,690	10	10	Cash	Further allotment to shareholders	2,393,470	23,934,700	-
27-Dec-95	456,530	10	10	Cash	Further allotment to shareholders	2,850,000	28,500,000	
22-Sep-02	1,073,300	10	10	Cash	Further allotment to shareholders	3,923,300	39,233,000	-
31-Mar-05	1,729,100	10	10	Cash	Mahesh G. Jarani Mahalaxmi Exim Private Limited Sphinx Investments Private Limited Parks Webtech Limited R.R Mittal	5,652,400	56,524,000	-
25-Mar-06	1,100,000	10	10	Cash	Balaji Resources and Trading Limited Sagittarius Security and Finance Limited Bhoomi Agro Overseas Limited Karan Mittal Dinesh Agarwal Adhir Agarwal Om Prakash Pure	6,752,400	67,524,000	-
31-Mar-07	470,000	10	10	Cash	Balaji Resources and Trading Limited Labh Ganga Marketing Private Limited	7,222,400	72,224,000	-

[*]* ROC records not available. Data taken from the audited report of the Financial Year 1990-91 and Financial Year 1995-95 respectively

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Name of Allottee	Cumulative No. of Equity Shares	Cumulative Paid-up Equity Share capital (Rs.)	Cumulative Share Premium (Rs.)
31-Mar-08	850,000	10	100	Cash	Pandit Holdings Private Limited K.N. Metal Private Limited Labh Ganga Marketing Private Limited Parks Webtech Limited Future Stainless Steels Private Limited	8,072,400	80,724,000	76,500,000
11-Dec-08	11,300	10	100	Cash	Hindustan Continental Limited	8,083,700	80,837,000	77,517,000
20-Aug-09	2,799,700	10	60	Cash	Atishay Sales Private Limited K.N. Metals Private Limited Labh Ganga Marketing Private Limited Mittal Enterprises Private Limited Pandit Holdings Private Limited Parks Infoway Private Limited Parks Webtech Limited Tacit Agencies Private Limited Rollick Agency Private Limited	10,883,400	108,834,000	217,502,000
26-Sep-09	21,766,800	10	-	Bonus Issue# (in 2:1 ratio)	Existing shareholders	32,650,200	326,502,000	Nil

Issue of Bonus Shares in the ratio of 2:1 pursuant to a special resolution passed at the EGM dated September 21, 2009 out of capitalisation of the share premium account upto Rs. 217,502,000 and capitalisation of the profit and loss account upto Rs. 166,000.

2. Built-up of Promoters Shareholding

Date of Allotment/ Transfer	Nature of consideration	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price (Rs.)	Nature of Transaction	Cumulative no. of Equity Shares
Karan Mittal						
25-Mar-06	Cash	80,000	10	10	Allotment	80,000
31-Mar-08	Cash	5,000	10	10	Transfer from Omprakash Pure	85,000
31-Mar-08	Cash	107,200	10	10	Transfer from R.R. Mittal	192,200
02-Sep-09	Cash	7,500	10	10	Transfer from Adhir Agrawal	199,700
26-Sep-09	Bonus Issue	399,400	10	Nil	Bonus	599,100
Labh Ganga Marketing Private Limited						
28-Apr-95	Cash	111,880	10	10	Transfer from Seema Bishnoi	111,880
27-Dec-95	Cash	117,700	10	10	Allotment	229,580
30-Mar-96	Cash	91,300	10	10	Transfer from Seema Bishnoi	320,880
30-Mar-96	Cash	158,150	10	10	Transfer from Haryana Industries	479,030
30-Mar-96	Cash	285,200	10	10	Transfer from Kuldeep Bishnoi	764,230
16-Mar-97	Cash	(285,200)	10	10	Transfer to Parks Sales	479,030
16-Mar-98	Cash	(150000)	10	10	Transfer to Parks Holding	329,030

Date of Allotment/ Transfer	Nature of consideration	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price (Rs.)	Nature of Transaction	Cumulative no. of Equity Shares
					Limited	
16-Mar-98	Cash	(50000)	10	10	Transfer to Parks Sales Limited	279,030
22-Sep-02	Cash	29,200	10	10	Allotment	308,230
31-Mar-07	Cash	170,000	10	10	Allotment	478,230
31-Mar-08	Cash	208,000	10	100	Allotment	686,230
20-Aug-09	Cash	308,300	10	60	Allotment	994,530
02-Sep-09	Cash	958,300	10	60	Transfer from Atishay Sales	1,952,830
26-Sep-09	Bonus	3,905,660	10	Nil	Bonus	5,858,490
Pandit Holdings Private Limited						
31-Mar-08	Cash	49,000	10	100	Allotment	49,000
31-Mar-08	Cash	700,000	10	10	Transfer from Balaji Resources & Trading Limited	749,000
31-Mar-08	Cash	200,000	10	10	Transfer from Sagittarius Security & Finance Limited	949,000
31-Mar-08	Cash	400,000	10	10	Transfer from Bhoomi Agro Overseas Limited	1,349,000
20-Aug-09	Cash	23,300	10	60	Allotment	1,372,300
02-Sep-09	Cash	250,000	10	60	Transfer from Tacit Agencies	1,622,300
02-Sep-09	Cash	666,600	10	60	Transfer from Rollick Agency	2,288,900
26-Sep-09	Bonus	4,577,800	10	Nil	Bonus	6,866,700

3. **Promoters' Contribution and Lock-in**

The Equity Shares that are being locked-in are eligible for computation of Promoter's contribution under Regulation 33 of the SEBI (ICDR) Regulations. In this connection, as per Regulation 33 of the SEBI (ICDR) Regulations, the Company confirms the following:

(i) The Equity Shares offered for minimum 20% Promoters' contribution, during the preceding three years, are not acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or against shares which are otherwise ineligible for computation of Promoters' contribution;

(ii) The minimum Promoters' contribution does not consist of Equity Shares acquired during the preceding one year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;

(iii) The Company has not been formed by the conversion of a partnership firm into a company;

(iv) The Equity Shares held by the Promoters and offered for minimum 20% Promoters' contribution are not subject to any pledge;

(v) The minimum Promoters' contribution does not consist of any private placement made by solicitation of subscriptions from unrelated persons either directly or through any intermediary; and

(vi) The minimum Promoters' contribution does not consist of Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the minimum Promoters' contribution subject to lock-in.

(a) **Details of the Equity Shares forming part of Promoters' contribution, which shall be locked-in for three years**:

Pursuant to the SEBI (ICDR) Regulations, an aggregate of 20% of the post-Issue shareholding of the Promoters shall be locked-in for a period of three years from the date of Allotment in the Issue. The details of such lock-in are given below:

Name of the Promoter	Date on which the Equity Shares were Allotted/ Acquired	Date when made fully paid-up	Nature of Allotment/ Acquisition	Nature of payment of consideration	Number of Equity Shares locked-in	Face value (Rs.)	Issue/ Acquisition Price (Rs.)	Percentage of pre-Issue share capital (%)	Percentage of post-Issue share capital (%)
Karan Mittal				[●]					
Labh Ganga Marketing Private Limited				[●]					
Pandit Holdings Private Limited				[●]					
Total									**20.00%**

The Company has obtained specific written consent from the Promoters for inclusion of the above Equity Shares held by it for the lock-in. All Equity Shares to be locked-in for three years held by the Promoters are free from pledge.

(b) **Details of pre-Issue Equity Share capital locked in for one year**

In addition to the Equity Shares proposed to be locked-in as part of the Promoters' contribution as stated above, the entire pre-Issue equity share capital of the Company, including the Equity Shares issued in the Pre-IPO Placing, together constituting [•] Equity Shares will be locked-in for a period of one year from the date of Allotment in the Issue.

Pursuant to Regulation 39 of the SEBI (ICDR) Regulations, locked-in Equity Shares held by the Promoters can be pledged with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, provided that (i) the pledge of Equity Shares is one of the terms of sanction of the loan; and (ii) if the shares are locked in as Promoters' contribution for three years under Regulation 39(b) of the SEBI (ICDR) Regulations, such Equity Shares may be pledged, only if, in addition to fulfilling the requirements of paragraph (i), the loan has been granted by the banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, subject to the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 - (i) the Equity Shares held by the Promoters and locked-in as per Regulation 36 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer; and (ii) the Equity Shares held by persons other than promoters and locked-in as per Regulation 37 may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred; provided that, lock-in on such Equity Shares shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated in the SEBI (ICDR) Regulations has expired.

4. **Transactions in the Equity Shares by the Promoters/Promoter Group and the directors of the Company or directors of the Promoters during a period of six months preceding the date of filing of this Draft Red Herring Prospectus with SEBI**

Save and except as stated below, there have been no transactions in the Company's Equity Shares by the Promoters/Promoter Group and the Directors of the Company or directors of the Promoters during a period of six months preceding the date of filing of this Draft Red Herring Prospectus with SEBI.

Name of Subscriber	Date of Transaction	Nature of Transaction	No. of Equity Shares	Price per Equity Share (in Rs.)
Pandit Holdings Private Limited	August 20, 2009	Allotment	23,300	60.00
Parks Webtech Limited	August 20, 2009	Allotment	198,300	60.00
Labh Ganga Marketing Private Limited	August 20, 2009	Allotment	308,300	60.00
Parks Infoway Private Limited	August 20, 2009	Allotment	98,300	60.00
Mittal Enterprises Private Limited	August 20, 2009	Allotment	76,600	60.00
KN Metals Private Limited	August 20, 2009	Allotment	220,000	60.00
Labh Ganga Marketing Private Limited	September 2, 2009	Purchase	958,300	60.00
Pandit Holdings Private Limited	September 2, 2009	Purchase	916,600	60.00
Mr. Karan Mittal	September 2, 2009	Purchase	7,500	10.00
Mr. Karan Mittal	September 26, 2009	Bonus Issue	399,400	-
Pandit Holdings Private Limited	September 26, 2009	Bonus Issue	4,577,800	-
Labh Ganga Marketing Private Limited	September 26, 2009	Bonus Issue	3,905,660	-
Parks Sales Private Limited	September 26, 2009	Bonus Issue	957,400	-
KN Metals Private Limited	September 26, 2009	Bonus Issue	946,000	-
Parks Holding Private Limited	September 26, 2009	Bonus Issue	904,200	-
Parks Infoway Private Limited	September 26, 2009	Bonus Issue	680,400	-
Parks Webtech Limited	September 26, 2009	Bonus Issue	676,600	-
Sphinx Investments Private Limited	September 26, 2009	Bonus Issue	2,308,060	-
Mittal Enterprises Private Limited	September 26, 2009	Bonus Issue	1,553,200	-
Mahalaxmi Exim Private Limited	September 26, 2009	Bonus Issue	2,868,000	-
Future Stainless Steels Private Limited	September 26, 2009	Bonus Issue	580,000	-

5. **Shareholding pattern of our Company**

The table below presents our shareholding pattern before the proposed Issue and as adjusted for the Issue.

Name	Pre-Issue		Post-Issue	
	No. of Equity Shares	Percentage of Equity Share capital	No. of Equity Shares	Percentage of Equity Share capital
Promoters				
Karan Mittal	599,100	1.83%	599,100	[●]
Labh Ganga Marketing Private Limited	5,858,490	17.94%	5,858,490	[●]
Pandit Holdings Private Limited	6,866,700	21.03%	6,866,700	[●]
Total Holding of Promoters (A)	**13,324,290**	**40.81%**	**13,324,290**	**[●]**
Promoter Group (other than Promoters**)**				
Parks Sales Private Limited	1,436,100	4.40%	1,436,100	[●]
KN Metals Private Limited	1,419,000	4.35%	1,419,000	[●]
Parks Holding Private Limited	1,356,300	4.15%	1,356,300	[●]
Parks Infoway Private Limited	1,020,600	3.13%	1,020,600	[●]
Parks Webtech Limited	1,014,900	3.11%	1,014,900	[●]
Sphinx Investments Private Limited	3,462,090	10.60%	3,462,090	[●]
Mittal Enterprises Private Limited	2,329,800	7.14%	2,329,800	[●]
Mahalaxmi Exim Private Limited	4,302,000	13.18%	4,302,000	[●]
Future Stainless Steels Private Limited	870,000	2.66%	870,000	[●]
Total Holding of Promoter Group (B)	**17,210,790**	**52.71%**	**17,210,790**	**[●]**
Total (A + B)	**30,535,080**	**93.52%**	**30,535,080**	
Total Holding of Directors (other than Promoters)	22,500	0.07%	22,500	[●]
Others	2,092,620	6.41%	2,092,620	[●]
Public (pursuant to the Issue)*	**NIL**	**NIL**	**[●]**	**[●]**
Total	**32,650,200**	**100.00%**	**[●]**	**100.00%**

* The Company is considering a Pre-IPO Placement of Equity Shares with various investors. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue size of 25% of the post Issue paid-up capital being offered to the public.

6. The list of top ten shareholders of the Company and the number of Equity Shares held by them is as under:

(a). As of the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage
1.	Pandit Holdings Private Limited	6,866,700	21.03%
2.	Labh Ganga Marketing Private Limited	5,858,490	17.94%

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage
3.	Mahalaxmi Exim Private Limited	4,302,000	13.18%
4.	Sphinx Investments Private Limited	3,462,090	10.60%
5.	Mittal Enterprises Private Limited	2,329,800	7.14%
6.	Parks Sales Private Limited	1,436,100	4.40%
7.	KN Metals Private Limited	1,419,000	4.35%
8.	Parks Holding Private Limited	1,356,300	4.15%
9.	Mahesh G. Jarani	1,095,720	3.36%
10.	Parks Infoway Private Limited	1,020,600	3.13%
Total		**29,146,800**	**89.27%**

(b). Top ten shareholders as of ten days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage
1.	Pandit Holdings Private Limited	6,866,700	21.03%
2.	Labh Ganga Marketing Private Limited	5,858,490	17.94%
3.	Mahalaxmi Exim Private Limited	4,302,000	13.18%
4.	Sphinx Investments Private Limited	3,462,090	10.60%
5.	Mittal Enterprises Private Limited	2,329,800	7.14%
6.	Parks Sales Private Limited	1,436,100	4.40%
7.	KN Metals Private Limited	1,419,000	4.35%
8.	Parks Holding Private Limited	1,356,300	4.15%
9.	Mahesh G. Jarani	1,095,720	3.36%
10.	Parks Infoway Private Limited	1,020,600	3.13%
Total		**29,146,800**	**89.27%**

(c). Two years prior to date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage
1.	Mahalaxmi Exim Private Limited	1,434,000	19.85%
2.	Sphinx Investments Private Limited	1,154,030	15.98%
3.	Esha Agriculture and Investment Private Limited	700,000	9.69%
4.	Balaji Resources and Trading Limited	700,000	9.69%
5.	Parks Sales Private Limited	478,700	6.63%
6.	Labh Ganga Marketing Private Limited	478,230	6.62%
7.	Parks Holding Private Limited	452,100	6.26%
8.	Bhoomi Agro Overseas Limited	400,000	5.54%
9.	Mahesh G. Jarani	365,240	5.06%
10.	Parks Infoway Private Limited	241,900	3.35%
Total		**6,404,200**	**88.67%**

7. Our Company, our Promoters, our Directors and the BRLM have not entered into any buy-back and/or safety net arrangements for the purchase of Equity Shares of our Company from any person.

8. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the section titled "Our Management" beginning on page no. [•] of this Draft Red Herring Prospectus.

9. Our Company, our Directors, our Promoters or the Promoter Group shall not make any, direct or indirect, payments, discounts, commissions or allowances under this Issue, except as disclosed in this Draft Red Herring Prospectus.

10. Save and except as disclosed in this Draft Red Herring Prospectus, there have been no transfers of Equity Shares by the Directors, Promoters and the Promoters Group within the last six months from the date of this Draft Red Herring Prospectus.

11. Subject to the Pre-IPO Placement, if any, there will be no further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner

during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed or refund of the application money, as the case may be.

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

13. Subject to the Pre-IPO Placement, the Company presently does not intend or propose to alter the 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 on a preferential basis or issue of bonus or rights or further public issue or qualified institutional placement or otherwise, except that if we enter into acquisitions, joint ventures or other arrangements, we may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

14. Under-subscription, if any, in any category would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. For further details, see "Issue Structure" beginning on page no. [●] of this Draft Red Herring Prospectus.

15. Any oversubscription to the extent of 10% of this Issue can be retained for the purpose of rounding off while finalizing the "Basis of Allocation". Consequently, the Allotment may increase by a maximum of 10% of this Issue, as a result of which the post-Issue paid-up capital would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares to be locked-in towards the Promoter's contribution shall be suitably increased, so as to ensure that 20% of the post-Issue paid-up capital is locked in.

16. In the case of over-subscription in all categories, not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, of which 5% (excluding Anchor Investor Portion) shall be reserved for Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion in the QIB Portion will also be eligible for allocation in the remaining QIB portion. Under-subscription, if any, in the Mutual Funds portion will be met by a spill-over from the QIB portion and allocated proportionately to the remaining QIB Bidders. Further, not less than 15% of Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

17. As on the date of this Draft Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into our Equity Shares.

18. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of Bidder.

19. The Company does not have any employee stock option plan as on the date of this Draft Red Herring Prospectus.

20. There are restrictive covenants in the agreements entered into by the Company with certain lenders for short-term and long-term borrowing. For further details, see the section "Financial Indebtedness" on page no. [●] of this Draft Red Herring Prospectus.

21. 11,37,900 Equity Shares held by Sphinx Investments Private Limited and 14,34,000 Equity Shares held by Mahalaxmi Exim Private Limited, our Promoter Group Companies are subject to pledge as primary security towards term loan facilities secured by our Company from our lenders. For further details, please refer to the chapter titled "Indebtedness" on page no. [●] of this Draft Red Herring Prospectus.

22. Our Promoters and members of our Promoter Group will not participate in this Issue.

23. Except as disclosed in this Draft Red Herring Prospectus, we have not issued any Equity Shares out of revaluation reserves or for consideration other than cash.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

25. As of date of this Draft Red Herring Prospectus, the total number of holders of Equity Shares is 17.

26. The Company has not made any public issue since its incorporation.

27. The Company has not raised any bridge loan against the proceeds of this Issue.

28. As per the RBI regulations, OCBs are not allowed to participate in the Issue.

29. The Equity Shares issued through this Issue will be fully paid up.

30. We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated above.

OBJECTS OF THE ISSUE

We intend to utilize the Issue Proceeds, after deducting the underwriting and issue management fees, selling commissions and other expenses associated with the Issue (the "**Net Proceeds**") for the following objects:

I. Funding the Wire Rod Project;

II. General corporate purposes; and

III. To achieve the benefits of listing our Equity Shares.

Proceeds of the Issue

The details of the Proceeds of the Issue are summarized in the table below:

(In Rs. crores)

Particulars	Estimated Amount
Gross Proceeds of the Issue*	[●]
Issue related expenses*	[●]
Net Proceeds of the Issue*	[●]

* *To be finalised upon determination of the Issue Price*

The main objects clause and objects incidental or ancillary to the main objects clause of the Memorandum of Association of our Company enable our Company to undertake its existing activities and the activities for which the funds are being raised through this Issue.

Means of Finance

The means of financing and use of Proceeds of the Issue for each of the objects of the Issue is set out in the following table:

(In Rs. crores)

S. No.	Particulars	Estimated requirement of Funds	Amount to be financed from Debt	Internal Accruals of the Company	Amount to be financed from Net Proceeds
1	Investment in Proposed Project (Includes Issue expenses)	121.51	28.01	4.00	89.50

The Company proposes to utilize Rs. [●] crores from Net Proceeds of the Issue towards general corporate purposes.

Our assessment of the fund requirement for general corporate purpose and deployment thereof are based on management estimates. The actual costs may vary from the above estimates. Our business, by its nature, is dynamic and competitive, which may necessitate changes in our business plan to avail of new opportunities or to meet competitive threats, including those that we may not have currently envisaged. The changes, if any, in our business plan, shall be made keeping in mind the interests of investors. In case of shortfall in the Net Proceeds to meet the aforesaid objects of the Issue, we propose to meet the same through internal accruals, in addition to the amount already earmarked, borrowings and/or further issue of capital.

In case of any variation in the actual utilization of funds earmarked for the above activities, including on account of cost overruns in the project for which the investment is being made, increased fund deployment for a particular activity may be met with surplus funds, if any, available in the other activities, or from internal accruals, debt or equity.

Details of Use of Issue Proceeds:

I) To part finance the capital expenditure for setting up the Wire Rod Project

A Financial Appraisal Report has been prepared by SBICAPS to assess the funds requirement and funding plans for setting up the Proposed Project. The said assessment was based on the information provided by the Company, the TEFR provided by KORUS and other market information. The financial viability of the Proposed Project was assessed through a sensitivity analysis under various scenarios, which could be at variance with the base case scenario that is assumed. The FAR was issued to the Company on December 16, 2009.

SBICAP has given their consent vide their letter no. PA&SF dated January 11, 2010 for their name being included as appraising agency and for their appraisal report being used in this document.

The cost of the project, as appraised by SBICAPS, is estimated at Rs. 121.51 crores. The breakup of the cost is given in the table below:

(In Rs. crores)

Particulars	Project Cost
Land & Site Development	2.00
Buildings & Civil Works	17.79
Plant & Machinery	46.82
Miscellaneous Fixed Assets	13.86
Contingency	6.28
Total Hard Costs	**86.75**
Preliminary & Preoperative Expenses	7.40
IDC & Upfront Fee	1.38
WC Margin	25.98
Total Soft Costs	**41.26**
Total Project Cost	**121.51**

The detailed working of the cost, based on the heads in the table above, is as follows:

1. LAND AND SITE DEVELOPMENT

MCL has already been allotted land adjoining their existing setup by MPAKVN measuring 60,000 sq.m. (15 acres) in the Industrial Area, Pithampur Sector-3, District Dhar for the proposed project. The cost of the land and development of the land is set forth in the table below:

S.No.	Item	Area/Quantity (sq.m.)	Unit Rate (Rs. /sq.m.)	Cost(Rs. Crores)	Remarks/ Basis of Estimation
1	Land	60,000	115.00	0.69	MPAKVN letter no-13/AKVN/IND/INFRA/2008 /7550-dt.11.06.08
2	Site Development	60,000	25.00	0.15	Based on technical consultant's estimate
3	Internal Roads	6,500	700.00	0.46	
4	Others			0.70	
	Total			**2.00**	

2. BUILDINGS AND CIVIL WORKS

The estimated expenditure towards Building and Civil Works is Rs. 17.79 Crores and includes civil works for billet storage bay, roll & guide shop, mill bay, storage bay, main electrical building, transformer rooms, lubrication cellar, main water complex, pump room, electrical panel room, compressor room, flooring, compressor room, central store, electrical substation, canteen, toilet and administration building.

S.No.	Description of Building & Work	Floor Area (Sq.m.)	Rate (Rs.)	Estimated Cost (Rs. Crores)
1	Billet Storage Bay with EOT Magnet Crane	1,680	11,710	1.97
2	Roll & Guide shop with EOT Crane	1,200	11,710	1.41
3	Mill Bay with EOT Cranes	6,336	11,710	7.42
4	Finished Material Storage Bay with EOT Magnetic Crane	3,168	11,710	3.71
				14.50
5.1	Main Electrical Building	1,500	2,500	0.38
5.2	Building - 1	1,500	2,500	0.38
5.3	Building – 2	450	2,200	0.10
6.1	Transformer Rooms at (ECR#2) - 1	360	2,500	0.09
6.2	Transformer Rooms at (ECR#2) - 2	360	2,200	0.08
7	Main Pulpit (Pulpit - 1)	48	10,000	0.05
8	Finishing Area Pulpit (Pulpit-2)	48	9,000	0.04
9	Lubrication Cellar # 1	90	7,000	0.06
10	Lubrication Cellar # 2	90	7,000	0.06
11	**Main water Complex**			
11.1	Scale Pit	140	7,000	0.10
11.2	Cold well for direct Cooling water	84	4,000	0.03
11.3	Cold Well for Indirect Cooling water	56	4,000	0.02
11.4	Pump Room for Direct & Indirect Cooling Water System.	100	3,000	0.03
11.5	Electrical Panel Room	120	3,000	0.04
11.6	Transformer Room	30	3,000	0.01
11.7	Make-up Water Reservoir with two Compartments	300	2,000	0.06
11.8	Pump Room on Covered Drinking Water Compartment	30	4,000	0.01
12	Compressor Room	72	3,000	0.02
13	**Flooring**			
13.1	RCC Flooring	6,048	500	0.30
13.2	W.B.M. Flooring	2,419	150	0.04
14	Fuel Oil Complex	720m2	LS	0.24
15	Central Store	600	1,500	0.09
16	Electrical Sub Station	750m2	LS	0.40
17	Canteen	300	5,000	0.15
18	Toilet	150	6,000	0.09
19	Admin Building	700	6,000	0.42
	TOTAL			**17.79**

3. PLANT AND MACHINERY

The estimated plant and machinery cost is Rs. 46.82 Crores and includes reheating furnace area, roughing mill area, continuous mill area, wire rod line, control & automation and rolls & guides. The company intends to import plant and machinery pertaining to continuous mill area from Armech Engineers Limited. The table set forth below gives the breakup of the cost of the plant and machinery and the basis of the estimates specified therein:

PLANT & MACHINERY					
S.No.	**Item**	**Unit**	**Quantity**	**Estimated Cost (Rs. Crores)**	**Basis of**
				Indigenous	**Estimation**
1.	**Reheating Furnace Area**				
1.1	Pusher Type Furnace	set	1	2.08	Offer from Armech Engineers Ltd.
1.2	Billet Charging	set	1	0.45	
1.3	Additional Equipment Required for Furnace	set	1	0.31	

PLANT & MACHINERY					
S.No.	**Item**	**Unit**	**Quantity**	**Estimated Cost (Rs. Crores)**	**Basis of**
				Indigenous	**Estimation**
1.4	Hydraulic Power Pack	set	1	0.05	
	Sub Total 1.0			**2.88**	
2.	**Roughing Mill Area**				
2.1	Roughing Mill	set	1	1.15	Offer from Armech Engineers Ltd.
2.2	Mechanisation Equipment For Roughing Mill	set	1	0.76	
	Sub Total 2.0			**1.91**	
3.	**Continuous Mill Area**				
3.1	Intermediate Mill	Set	1	4.01	Offer from Armech Engineers Ltd.
3.2	Pre Finishing Mill	Set	1	2.65	
3.3	Common Equipment For Intermediate and Finishing Mills	Set	1	0.20	
	Sub Total 3.0			**6.85**	
4.	**Wire Rod Line**				
4.1	Pre -finishing - 4 stand wire rod block with auxiliary equipment	Set	1	1.83	Offer from Armech Engineers Ltd.
	Sub Total 4.0			**1.83**	
5.	**Flushing Block Line**				
5.1	6 stand wire rod block with auxiliary equipment	Set	1	3.45	Offer from Armech Engineers Ltd.
5.2	Wire rod laying and conveying system and supervisor changes	Set	1	2.63	
	Sub Total 5.0			**6.08**	
6.	Electrical Control & Automation	Set	1	12.00	Offer from Armech Engineers Ltd.
7.	Spares and Consumables	Set	2	3.00	
8.	Cranes			1.00	
	Hence Estimated Cost-Plant & Equipment			**35.15**	
	Add Excise duty/VAT/others @	16%		5.62	
	Erection & Installation			6.05	
	TOTAL COST OF PLANT & MACHINERY			**46.82**	

4. MISCELLANEOUS FIXED ASSET

The estimated miscellaneous fixed assets cost is Rs. 13.86 Crores which includes water system, compressed air system, fuel oil system, electricals, ventilation & air conditioning systems, roll shop equipment and quality control laboratory equipment. The table set forth below gives the detailed breakup of the estimates.

MISCELLANEOUS FIXED ASSETS			
Indigenous			
S.No.	**Item**	**Qty.**	**Estimated Cost (Rs. Crores)**
1.	**Water System**		
1.1	**Direct Cooling Water System # 1**		
	a) Supply Pumps	2	0.09
	b) Scale Pit Pumps	2	0.07
	c) Scale Flushing Pump	1	0.04
	d) Cooling Tower	1	0.11
	e) Pressure Filter	3	0.44
	f) Back Wash Pump 330 m^3/h @ 12 m head	1	0.03
1.2	**Direct Cooling Water System # 2**		
	a) Supply Pumps head	3	0.23
	b) Hot Well Pumps	3	0.09
	c) Self Cleaning Filter	1	0.08

MISCELLANEOUS FIXED ASSETS			
Indigenous			
S.No.	**Item**	**Qty.**	**Estimated Cost (Rs. Crores)**
	d) Cooling Tower	1	0.06
1.3	**Indirect Cooling Water System**		
	a) Supply Pumps	3	0.12
	d) Cooling Tower	1	0.05
1.4	**Make-up Water System**		
	a) Industrial Water Pumps	2	0.03
	b) Drinking Water Pumps	2	0.03
1.5	Dewatering Pumps in Cellar for Reheating Furnace, Lubrication System & Electrical Control Room	6	0.08
1.6	Piping & Valves for Industrial and drinking water system	1	1.00
	Total of Item 1.0		**2.56**
2.	**Compressed Air System**		
2.1	Screw Compressor with accessories	2	0.15
2.2	3 Cum capacity Air Receivers at Compressor	2	0.05
2.3	Refrigerant Type Air Driers	2	0.08
2.4	Piping and Valves	1	0.20
	Total of Item 2.0		**0.48**
3.	**Fuel Oil System**		
3.1	100KL Storage Tank	2	0.20
3.2	Pumps, Valves, piping, fittings & Instrumentation		0.15
	Total of Item 3.0		**0.35**
4.	**Electricals**		
4.1	**H.T. Switchgear**		
4.1.1	Gapless Lightning Arrestors with Counter	3	0.04
4.1.2	33 KV, 800 A, Gang operated 3 pole isolator with manually operated earth switch.	1	0.03
4.1.2	Single Breaker Panel 33 KV indoor type switch board with 630 A VCB/SF6. Complete with all metering and protection relays.	1	0.13
4.1.3	11 KV indoor type switchboard with 1250 A VCB/SF6 breaker as incomer and. 630 A VCB / SF6 breaker panels as outgoing feeders.	1	0.60
4.2	**Transformers**		0.70
4.3	**LT Power Distribution Board**		
4.3.1	Main Power Distribution Boards and Motor Control Centres for A.C. Motors	1	0.70
	Total of Item 4.0		**2.20**
5.	**Ventilation & Air Conditioning Systems**		
5.1	Centralized Chiller Plant for Air Conditioning of Thyristor Drives & PLC Equipment in ECR # 1, Furnace Control Room & Mill Pulpits	1	0.50
5.2	Ventilation System for ECR-1	1	0.20
5.3	Split / Window type Air Conditioning Units for offices	5	0.04
5.4	Ducting & Piping including insulation materials & supports	1	0.15
	Total of Item 5.0		**0.89**
6.	**Quality Control Laboratory Equipment**		
6.1	Universal Testing Machine	1	0.16
6.2	Universal Testing Machine	1	0.10
6.3	Dimension Measuring Tools	1	0.01
6.4	Electronic Precision Weigh Scale	1	-
	Total of Item 6.0		**0.27**
Imported Components			
S.No.	**Item**	**Qty.**	**Estimated Cost in Euros**

MISCELLANEOUS FIXED ASSETS			
Indigenous			
S.No.	**Item**	**Qty.**	**Estimated Cost (Rs. Crores)**
7.	**Roll Shop Equipment**		
7.1	Roll Turning CNC Lathe	1	172000.00
7.2	Roll Turning Conventional Lathe	1	40000.00
7.3	Notch Milling Machine	1	80000.00
7.4	Special Tools & Tackles for Roll Assembly	1	40000.00
	Total Imported cost		332000.00
	Imported cost converted to INR (Rs. Crores)		2.29
	Item	**Qty.**	**Estimated Cost (Rs. Crores)**
7.5	Lathe for Guide Roller Turning	1.00	0.05
7.6	Shaping Machines	2.00	0.08
7.7	Pillar Drilling Machine 40 mm capacity	1.00	0.08
7.8	Universal Milling Machine	1.00	0.10
7.9	Surface Grinder for Shear Knives	1.00	0.08
7.10	Templates for Roll Grooving	1.00	0.05
7.11	Pedestal Grinder	1.00	0.02
7.12	Cutting Tools for Lathes, Shapers & Milling Machine	1.00	0.05
7.13	Roll & Guide Storage Racks	1.00	0.10
7.14	Fire Fighting Equipment		0.11
7.15	Effluent Collection, treatment & disposal system including other misc. environment protection measures		0.20
7.16	Mobile Equipment		0.25
7.17	Furniture & Office Machinery		0.25
7.18	I. T. Equipment		0.15
	Total of Item 7.0		**3.86**
	GRAND TOTAL		**10.61**
	Add, Excise duty/VAT /others etc @	16%	**1.70**
	Foundation & Installation Cost		**1.55**
	Total MFA		**13.86**

We have not placed any definitive orders for the equipments that have been detailed above. The cost of the miscellaneous fixed assets has been arrived at, by KORUS, the technical consultant for Unit II, on the basis of their experience in designing and dealing with similar projects.

5. CONTINGENCY

This has been assumed at a rate of about 8% of the hard cost of the project and is allocated to cover the unforeseen aspects of the estimate. Based on the past experience of the company in executing the projects, the contingency provided for the project may be considered adequate.

6. PRE-OPERATIVE EXPENSES

Preliminary and Pre-operative expenses include legal expenses, salaries, rent rates and taxes, insurance and overheads such as on traveling, printing, stationery, and other miscellaneous expenses likely to be incurred during implementation of the project. The preliminary and pre-operative expenses have been estimated at Rs. 7.40 Crores. The table set forth below gives the detailed breakup of the estimates.

(in Rs Crores)

PRE-OPERATIVE EXPENSES	
Particulars	**Amount**
Project Consultant's Fee	1.45
Expenses on Foreign Technician and training of Indian Technicians abroad	0.35
DPE Cost - @ 2% of (Building+P&M+MFA)	1.57
Travelling Expense for consulting engineers	0.25

PRE-OPERATIVE EXPENSES	
Particulars	**Amount**
Insurance during construction @ 0.25% on Building Equipment cost of Rs. 66 Crores for 1 year	0.18
Establishment including salary during construction, administrative and travel expenses	3.60
TOTAL	**7.40**

7. INTEREST DURING CONSTRUCTION & UPFRONT FEE

The project has been envisaged to be commissioned in 18 months time from the start of construction. It has been assumed that the project would be financed in the debt-equity ratio of 0.28:1. For calculation purpose, Interest on debt has been considered at the rate of 11.50% p.a. Interest During Construction (IDC) has been worked out based on above mentioned construction schedule, interest rate on long term loan and withdrawal pattern of fund.

Upfront fee has been calculated at 1.00% of the total debt requirement of Rs. 28.01 Crores which can be considered as reasonable.

8. MARGIN MONEY FOR WORKING CAPITAL

Necessary provision has been made in the estimate for margin money for working capital based on the manufacturing and other expenses. The total margin money works out to Rs. 25.98 Crores based on the following assumptions:

Working Capital Assumptions	No. of Months	
Raw Materials	0.25	of RM Cost
Consumables	3.00	of consumables
Work in Progress	0.25	of cost of production
Finished Goods	0.50	of cost of sales
Sundry Debtors (Domestic)	1.00	of gross domestic sales
Sundry Creditors	1.00	of RM Purchases
Sundry Debtors (Exports)	2.00	of gross exports
WC Margin	35%	

Funding Arrangements

The aggregate funds required for Objects of the Issue are approximately Rs. [●]. 75% of the funds required, excluding funds to be raised through the Issue have been arranged as follows:

Sr. No.	Particulars	In Rs. Crore
1.	Total cost to set up Proposed Project	121.51
2.	Funding through Proceeds of the Issue	89.50
3.	Internal Accruals	4.00
4.	Funds required excluding the Proceeds of the Issue	32.01
5.	75% of the funds required excluding the proceeds of the Issue	24.01
Arrangements regarding 75% of the funds required excluding the proceeds of the Issue		
6.	Funded through internal accruals	4.00
7.	Funded through third party debt	**-**
	Sanction Letters	28.01
	Total Debt	**28.01**
	Grand Total	**32.01**

Following are the details of loans/ sanction letters/underwriting letters from banks and financial institutions availed:

Bank/Financial Institution	Nature of Credit Facility	Date of sanction letter	Total Sanctioned Amount (In Rs. Crores)
Oriental Bank of Commerce	Term Loan	December 21, 2009	30.00[1]

Note:

a. Subsequent to the aforementioned sanction letter from Oriental Bank of Commerce, we have requested the Bank to reduce the sanction amount to the requirement of the project which is Rs. 28.01 crores, and the bank has acceded the request vide their letter dated February 2, 2010.

In terms of the regulation 4(2)(g) of the SEBI (ICDR) Regulations, we hereby confirm that we have firm arrangements of finance through verifiable means towards the seventy five per cent of the stated means of finance excluding the amount to be raised through proposed issue and internal accruals.

Loan Agreements

For further details of our loan agreements, please refer to the section titled "Financial Indebtedness" on page no. [●] of this Draft Red Herring Prospectus.

Deployment Schedule

The deployment schedule for our Object of the Issue is set out in the following table:

(In Rs. crores)

Particulars	Proposed funds deployment				Total	
	Fiscal 2010		Fiscal 2011			
	Debt	Equity	Debt	Equity	Debt	Equity
Investment in setting Wire Rod Project	-		28.01	89.50	28.01	89.50

* The abovementioned amounts does not include monies that will be deployed out of internal accruals. However, of the Rs. 4 crores that have been earmarked from internal accruals for the purpose of the Wire Rod Project, an amount Rs 1.79 Crores has been incurred in the current fiscal as certified by the statutory auditors of the Company M.K. Badjatya & Co., via its letter dated January 14, 2010.

FUNDS DEPLOYED

Our statutory auditor, Mahendra Badjatya & Company vide their letter dated January 14, 2010 has certified that as on January 14, 2010, the Company has utilized an amount of Rs. 1.79 Crores toward the following :-

(Rs. In Crores)

S No.	Particulars	Amount
1.	Land (Includes interest on delay payment Rs. 0.09 Cr.)	0.78
2.	Preliminary & Pre-operative Expenses	1.01
	Total	**1.79**

Means of Finance of the deployed amount as detailed in the table above

(Rs. In Crores)

S N	Particulars	Amount
1.	Internal Accruals	1.75
2.	Creditors for expenses	0.04
	Total	**1.79**

The Proposed Project is in its planning and implementation stage and we may deploy funds from internal accruals/loans in the Proposed Project during the interim period (from January 14, 2010 till receipt of proceeds in IPO).

II) General Corporate Purposes

We, in accordance with the policies set up by our Board, will have flexibility in applying the remaining Net Proceeds of this Issue, for general corporate purposes which may include upgradation of infrastructure facilities, development of additional facilities and towards investment in acquisitions and contingencies for expansion based on further orders and business opportunities.

As at the date of this Draft Red Herring Prospectus, we have not obtained any quotations for upgrading and developing our infrastructure facilities. nor have we obtained any letter of intent or entered into any other commitment or definitive agreements for any such strategic initiatives and acquisitions. Our Board of Directors typically reviews various opportunities periodically.

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

III) To Achieve The Benefits Of Listing Our Equity Shares

We believe that listing the Equity Shares of our company will *inter-alia*, enhance our visibility and brand name amongst our existing and potential customers.

ISSUE EXPENSES

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

(In Rs. crores)

Particulars	Expenses*
Book Running Lead Manager	[●]
Registrar to the Issue	[●]
Domestic and International Legal Advisors to the Issue	[●]
Bankers to the Issue	[●]
Underwriting commission, brokerage and selling commission	[●]
SCSB's commission	[●]
Advertising and Marketing expenses	[●]
Printing and stationery	[●]
Others (SEBI filing fee, listing fee, etc.)	[●]
TOTAL	[●]

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

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, we intend to temporarily invest the funds from the Issue in interest bearing liquid instruments including deposits with banks and investments in mutual funds and other financial products, such as principal protected funds, derivative linked debt instruments, other fixed and variable return instruments, listed debt instruments and rated debentures. Our Management, in accordance with the policies established by our Board of

Directors, and as necessitated by the deployment schedule mentioned on page [●] of this DRHP, from time to time, will have flexibility in deploying the Net Proceeds of the Issue.

BRIDGE FINANCING FACILITIES

The Company has not raised any bridge loan against the proceeds of the Issue.

MONITORING OF UTILISATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 5 billion, in compliance with the provisions of SEBI (ICDR) Regulations, we have not appointed a monitoring agency to monitor utilization of Issue proceeds.

Our Company undertakes to disclose the utilization of proceeds in its financial statements. We will disclose the utilization of proceeds under a separate head in our Company's Annual Report for fiscal year 2010 and 2011 clearly specifying the purpose for which such proceeds have been utilized. We shall, in our Annual Report for fiscal year 2010 and 2011, provide details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

Pursuant to clause 49 of the Listing Agreement, the Company shall, on a quarterly basis, disclose to the Audit Committee, the uses and applications of the proceeds of the Issue. On an annual basis, the Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilised in full. The statement will be certified by the statutory auditors of the Company.

The Company shall be required to inform material deviations in the utilisation of Issue proceeds to the stock exchanges and shall also be required to simultaneously make the material deviations/adverse comments of the Audit committee/monitoring agency public through advertisement in newspapers.

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

BASIS FOR ISSUE PRICE

The Issue Price will be determined by the Company in consultation with the BRLM on the basis of the assessment of market demand for the offered Equity Shares by the Book Building Process. The face value of the Equity Shares of the Company is Rs. 10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should review the entire Draft Red Herring Prospectus, including the sections "Risk Factors", "Our Business" and "Financial Statements" beginning on page nos. [●], respectively, of this Draft Red Herring Prospectus to get a more informed view before making the investment decision.

Qualitative Factors

For more details on qualitative factors, refer to section titled "Summary of our Business" beginning on page [●] of this Draft Red Herring Prospectus.

Quantitative Factors

The information presented in this section for the years ended March 31, 2007, 2008 and 2009 is derived from our audited restated financial statements prepared in accordance with Indian GAAP. Investors should evaluate the Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. **Earnings Per Share (EPS)**

Financial Period	Earnings Per Share (Rs.)	Diluted Earnings Per Share (Rs.)	Weight
Year ended March 31, 2007	3.56	3.44	1
Year ended March 31, 2008	7.35	7.28	2
Year ended March 31, 2009	9.13	7.98	3
Weighted Average	7.61	6.99	

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

(a).

Financial Period	As per Basic Earning Per Share (Rs.)	As per Diluted Earning Per Share (Rs.)
Based on EPS for the year ended March 31, 2009	**[●]**	**[●]**
Based on weighted average EPS	**[●]**	**[●]**

(b).

Industry P/E

Highest	116.7
Lowest	5.4
Industry Composite Average	20.5

(Source: Capital Markets, Volume XXIV/24 dated January 25–February 7, 2010 (Industry-Steel – Medium/Small).

3. **Return on Average Net Worth (RoNW):**

Financial Period	RoNW %	Weight
Year ended March 31, 2007	23.85%	1

Financial Period	RoNW %	Weight
Year ended March 31, 2008	22.23%	2
Year ended March 31, 2009	23.48%	3
Weighted Average	23.13%	

4. Minimum Return on Increased Net Worth Required to Maintain Pre-Issue EPS

The minimum return on increased net worth required to maintain pre-Issue EPS of Rs. **[●]** is **[●]**% at the lower end of the price band and **[●]**% at the higher end of the price band.

Note:

(a) Net Worth is the sum total of the share capital, the reserves and the surplus minus miscellaneous expenditure

5. Net Asset Value (NAV) per Equity Share of face value of Rs. 10 each

NAV per Equity Share for the year ended March 31, 2009 is as follows:

Financial Period	Net Asset Value per Equity Share (Rs.)
Year ended March 31, 2007	13.97
Year ended March 31, 2008	29.61
Year ended March 31, 2009	38.83

NAV after the Issue will be [●]*

The Issue Price is Rs. [●]*

* Issue Price and the NAV after the Issue will be determined on conclusion of Book Building Process.

6. Comparison of Accounting Ratios with Industry Peers

Following are the Companies which we believe are our listed peers –

Sr. No.	Name of the company	Face Value (Rs. per Share)	FY 2009 Book Value (Rs.)	FY 2009 RoNW (%)	FY 2009 EPS (Rs.)	P/E Ratio
Mittal Corp Ltd		10	38.83	23.48%	7.98	[●]
Peer Companies						
1.	Ratnamani Metals & Tubes Ltd	2	62.4	27.8%	15.3	8.8
2.	Sarda Energy & Minerals Ltd	10	150.8	26.9%	38	32
3.	Panchmahal Steel Ltd	10	40.1	-13.9%	-	-
4.	Sujana Metal Products Ltd	5	29.6	8.5%	1.7	15.8
5.	Varun Industries	10	171.8	3.4%	5.6	22.9

(Source: Capital Markets, Volume XXIV/24 dated January 25–February 7, 2010 (Industry-Steel – Medium/Small). Data based on full year as reported in the edition.)

The BRLM believes that the Issue Price of Rs. [●] is justified in view of the above qualitative and quantitative factors. For further details, please see the section "Risk Factors" beginning on page no. xiii of this Draft Red Herring Prospectus and the section "Financial Statements" including important profitability and return ratios, as set out in the Auditor's Report stated on page no. [] of this Draft Red Herring Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

Statement of Special Tax Benefits:

There are no special tax benefits available to the Issuer and its shareholders

Statement of General Tax Benefits:

These are the general tax benefits available to the all companies and shareholders, subject to compliance with relevant provisions.

A. Under the Income Tax Act, 1961

I. Benefits available to the Company

1. As per Section 10(34) of the ITA, any income by way of dividends referred to in Section 115 – O (i.e. dividends declared, distributed or paid on or after 1st April, 2003 by domestic companies) received on the shares of any company is exempt from tax. Moreover, the company will also be entitled to avail the credit of dividend received by it from its subsidiaries in accordance with the provisions of section 115-O(1A) on which tax on distributed profits has been paid by the subsidiary. Furthermore, the amount of above said dividend shall be reduced by amount of dividend paid to any person for the New Pension System Trust referred to in clause (44) of section 10 of the ITA.

2. As per Section 10(35) of the ITA, the following income will be exempt in the hands of the Company:

   (a) Income received in respect of the units of a Mutual Fund specified under clause (23D) of Section 10; or
   (b) Income received in respect of units from the Administrator of the specified undertaking; or
   (c) Income received in respect of units from the specified company:

   However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified Company or of a mutual fund, as the case may be.

   For this purpose (i) "Administrator" means the Administrator as referred to in Section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) "Specified Company" means a Company as referred to in Section 2(h) of the said Act.

3. As per Section 2(29A) read with Section 2(42A), shares held in a company or a Unit of a Mutual Fund specified under clause (23D) of Section 10 are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares in a company or a Unit of a Mutual Fund specified under clause (23D) of Section 10 are held for more than twelve months.

4. As per Section 10(38) of the ITA, long term capital gains arising to the company from the transfer of long term capital asset being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to securities transaction tax will be exempt in the hands of the Company.

   For this purpose, "Equity Oriented Fund" means a fund –

   i. where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and
   ii. (ii) which has been set up under a scheme of a Mutual Fund specified under Section 10(23D) of the ITA. As per Section 115JB, while calculating "book profits" the Company will not be able to reduce the long term capital gains to which the provisions of Section 10(38) of the ITA apply and will be required to pay Minimum Alternate Tax @ 15% (plus applicable surcharge and education cess) of the book profits.

5. The company will be entitled to amortize preliminary expenditure, being expenditure incurred on public issue of shares, under Section 35D(2)(c)(iv) of the ITA, subject to the limit specified in Section 35D(3).

6. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

   However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

   (i) National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
   (ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

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

8. As per Section 112 of the ITA, taxable long-term capital gains, if any, on sale of listed securities or units or zero coupon bonds will be charged to tax at the concessional rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits in accordance with and subject to the provisions of Section 48 of the ITA or at 10% (plus applicable surcharge and education cess) without indexation benefits, at the option of the Company. Under Section 48 of the ITA, the long term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/ improvement.

9. Under Section 115JAA(1A) of the ITA, credit is allowed in respect of any Minimum Alternate Tax ('MAT') paid under Section 115JB of the ITA for any assessment year commencing on or after April 1, 2006. Tax credit eligible to be carried forward will be the difference between MAT paid and the tax computed as per the normal provisions of the ITA for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes for up to 10 years succeeding the year in which the MAT credit is allowable.

10. The company will be entitled to amortize preliminary expenses being the expenditure incurred on public issue of shares, under Section 35D(2)(c)(iv) of the Act, subject to the limit specified in Section 35D(3) and fulfillment of requirements u/s 35(1) (ii).

11. Deduction under Section 32: As per provisions of Section 32(1) (iia) of the Act, the company is entitled to claim additional depreciation of 20% of the actual cost of any new machinery or plant which has been acquired and installed after 31st March, 2005 subject to fulfillment of conditions prescribed therein.
12. In case of loss under the head "Profit & Gains of Business or Profession", it can be set-off with other income and the excess loss after set-off can be carried forward for set –off –against business income of the next eight Assessment Years.

13. The unabsorbed depreciation, if any, can be adjusted against any other income and can be carried forward for set -off with the income of future years.

14. Short-term capital loss suffered during the year shall be set off against income if any under the head capital gain; balance loss if any, could be carried forward for set off against capital gains of future years upto eight subsequent assessment years.

15. Long-term capital loss suffered during the year is allowed to be set-off only against long-term capital gains; balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

II. Benefits available to Resident Shareholders

1. Under Section 10(32) of the ITA, any income of minor children clubbed in the total income of the parent under Section 64(1A) of the ITA, will be exempt from tax to the extent of Rs.1,500 per minor child whose income is so included.

2. As per Section 10(34) read with Section 115-O(6) of the ITA, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax.

3. As per Section 2(29A) read with Section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

4. As per Section 10(38) of the ITA, long term capital gains arising from the transfer of a long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

5. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

   However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2007:
   (i) by the National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
   (ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

6. As per Section 54F of the ITA, long term capital gains (in cases not covered under Section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:

   (a) if the individual or Hindu Undivided Family-
   - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
   - purchases another residential house within a period of one year after the date of transfer of the shares; or
   - constructs another residential house within a period of three years after the dateof transfer of the shares; and

(b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain, the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

7. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as longterm capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

8. As per Section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

9. As per Section 112 of the ITA, taxable long-term capital gains, if any, on sale of listed securities will be charged to tax at the rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits or at 10% (plus applicable surcharge and education cess) without indexation benefits, whichever is less. Under Section 48 of the ITA, the long term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/ improvement.

III. Benefits available to Non-Resident Indians/Non-Resident Shareholders (Other than FIIs)

1. Under Section 10(32) of the ITA, any income of minor children clubbed in the total income of the parent under Section 64(1A) of the ITA, will be exempt from tax to the extent of Rs.1,500 per minor child whose income is so included.

2. As per Section 10(34) read with Section 115-O(6) of the ITA, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax.

3. As per Section 2(29A) read with Section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

4. As per Section 10(38) of the ITA, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

5. As per first proviso to Section 48 of the ITA, in case of a non resident shareholder, the capital gain/loss arising from transfer of shares of the Company, acquired in convertible foreign exchange, is to be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost Indexation benefit will not be available in such a case. As per Section 112 of the ITA, taxable long-term capital gains, if any, on sale of shares of the company will be charged to tax at the rate of 20% (plus applicable surcharge and education cess).

6. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer

of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" for making investment under this Section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

(i) National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
(ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

7. As per Section 54F of the ITA, long term capital gains (in cases not covered under Section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:
   (a) if the individual or Hindu Undivided Family-
      - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
      - purchases another residential house within a period of one year after the date of transfer of the shares; or
      - constructs another residential house within a period of three years after the date of transfer of the shares; and

   (b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

   If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain, the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

   If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

8. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as longterm capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

9. As per Section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

10. As per Section 115E of the ITA, in the case of a shareholder being a Non-Resident Indian, and subscribing to the shares of the Company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, long term capital gains arising on transfer of the shares of the Company (in cases not covered under Section 10(38) of the ITA) will be subject to tax at the rate of 10% (plus applicable surcharge and education cess), without any indexation benefit.

11. As per Section 115F of the ITA and subject to the conditions specified therein, in the case of a shareholder being a Non-Resident Indian, gains arising on transfer of a long term capital asset being

shares of the Company will not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in Section 10(4B) of the ITA. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in Section 10(4B) of the ITA then such gains would not be chargeable to tax on a proportionate basis. Further, if the specified asset or savings certificate in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.

12. As per Section 115G of the ITA, Non-Resident Indians are not obliged to file a return of income under Section 139(1) of the ITA, if their only source of income is income from specified investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the ITA.

13. As per Section 115H of the ITA, where Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under Section 139 of the ITA to the effect that the provisions of Chapter XIIA shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

14. As per Section 115I of the ITA, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing a declaration along with his return of income for that assessment year under Section 139 of the ITA, that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the ITA.

For the purpose of aforesaid clauses "Non-Resident Indian" means an Individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

Provisions of the ITA vis-à-vis provisions of the Tax Treaty

In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident is resident. As per the provisions of Section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

IV. Benefits available to Foreign Institutional Investors ('FIIs')

1. As per Section 10(34) read with Section 115-O(6) of the ITA, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax.

2. As per Section 2(29A) read with Section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

3. As per Section 10(38) of the ITA, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt to tax in the hands of the FIIs.

4. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" for making investment under this Section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

(i) National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
(ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

5. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as longterm capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

6. As per Section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

7. As per Section 115AD of the ITA, FIIs will be taxed on the capital gains that are not exempt under the provision of Section 10(38) of the ITA, at the following rates:

Nature of income	**Rate of tax (%)**
Long term capital gains	10
Short term capital gains (other than referred to in Section 111A)	30

The above tax rates have to be increased by the applicable surcharge and education cess.

In case of long term capital gains, (in cases not covered under Section 10(38) of the ITA), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

8. As per Section 196D, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares payable to Foreign Institutional Investor.

Provisions of the ITA vis-à-vis provisions of the Tax Treaty

1. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII is resident. As per the provisions of Section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

V. Benefits available to Mutual Funds

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

B. Benefits available under the Wealth Tax Act, 1957

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

C. Benefits available under the Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, any gift of shares of the Company will not attract gift tax.

Notes:

The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;

The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;

The above Statement of Possible Direct Tax Benefits is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his own tax consultant with respect to the specific tax implication arising out of their participation in the issue.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

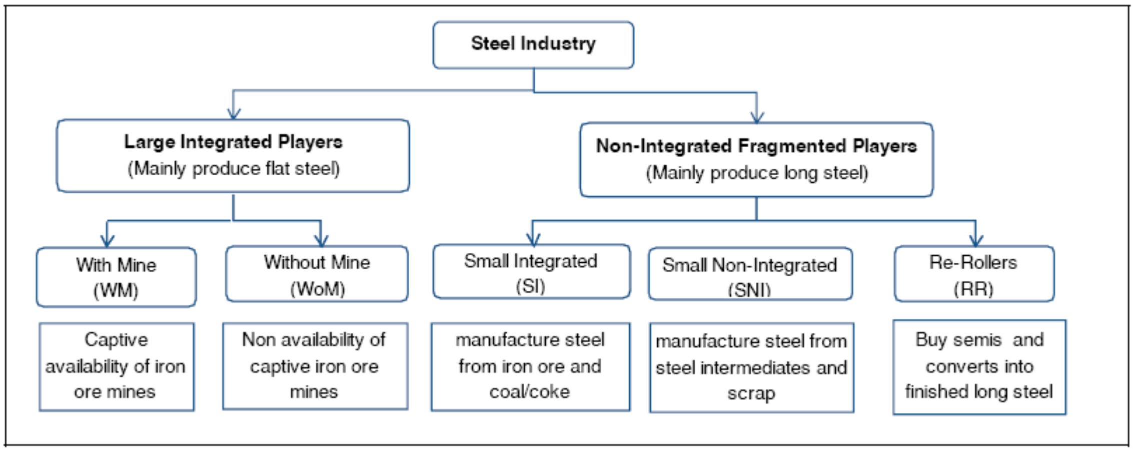
The information in this section is derived from a combination of various official and unofficial publicly available materials and sources of information. It has not been independently verified by the Company, the Lead Managers or their respective legal or financial advisors, and no representation is made as to the accuracy of this information, which may be inconsistent with information available or compiled from other sources.

INTRODUCTION

Steel is a uniquely versatile material. It is involved in virtually every phase of life, right from housing, food supply and transport to energy delivery, machinery and healthcare. Steel has facilitated quality of life, underpinned humankind's development and has even helped in the understanding of Earth and the eco-systems it supports.

The attraction to steel is because of its properties like being hot and cold formable, weldable, hard, recyclable and resistant to heat. The industries in which steel is used include construction, railways and engineering. Steel is also used in the production of power transmission lines, pipelines, electrical and electronic appliances, containers, etc.

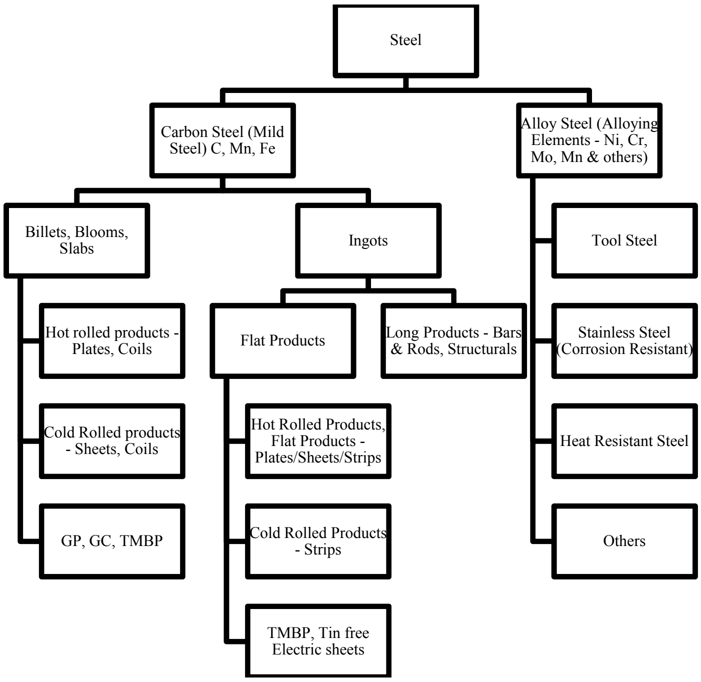
Structure of steel industry in India



The steel industry in India is a century old, with Tata Steel setting up the first plant in 1907. In the 1950s, SAIL set up many units, and was followed by other major steel producers like JSW Steel, Ispat Industries etc. With the booming economy and growing regional demand from the construction and infrastructure industries, many small players came up with different processes of manufacturing steel, one of which was the usage of Electric Arc Furnace (EAF, a type of furnace used during the steel making process that shoots electric arcs between electrodes to burn a combination of pig iron and other materials to produce steel) and Induction Furnace (IF), which are less capital intensive as compared to Basic Oxygen Furnace (BOF, a type of furnace used during the steel making process that injects pure oxygen into a batch of pig iron and other materials to burn the contents and produce steel) as EAFs & IFs are available in small capacities which suit the small players as against BOFs, which are available only in large capacities. For small regional players, capital cost not only decides the process of steel making but also the type of product manufactured. Flat steel products (like Hot Rolled, Cold Rolled) are highly capital-intensive, whereas long products like billets, bars require less investment. As a result, many small plants were set up in the long product category. Thus, while the flat steel industry is fairly consolidated, the long steel is highly fragmented.

Categories of steel

Based on its composition, steel is classified as plain carbon steel and alloy steel. The diagram below depicts the various categories of steel and the products they are used to manufacture:



The vast majority of steel produced in the world is carbon and alloy steel, with the more expensive stainless steels representing a small, but valuable niche market. Carbon steel is basically an alloy of Iron and Carbon and used to produce a number of products which are described below:

- Semi-Finished Steel Products (Semis):
  Intermediate solid steel products obtained by Hot rolling/Forging of ingots (in conventional process) or by Continuous casting of liquid steel are known as Semis. These are called so since they are intended for further rolling/forging to produce Finished steel products.

  Various types of semis are as under:

  - **Blooms**: A Semi-finished product, usually in square (at times in rectangular) section of cross sectional size exceeding 5"x5" (125mm X 125mm). In some of the modern mills, the term bloom is used to cover such products of cross sectional size exceeding 8"x8". These are inputs for producing Heavy sections and Sheet piling section normally by hot rolling. At times, blooms are used to produce billets by hot rolling in the Billet Mill.
  - **Billets:** A semi-finished product which are similar to blooms but of smaller cross sectional size (usually less than or 5''x5''/7''x7''. These are used as input material for production of Finished Steel long products viz bars & rods, light sections etc.
  - **Slabs:** A semi-finished Rectangular, wide, semi-finished steel product intended for production of finished Hot Rolled Flat products viz Plates, sheets, Strips etc. They are normally of width 150-250mm wherein width is at-least 3 or 4 times of thickness.
  - **Thin Slabs:** In modern thin slab casting machine, liquid steel is continuously cast into much thinner slabs of 35-50mm directly which are used for production of Finished Hot Rolled Flat products upon heating on-line.

- Finished Steel:

  Products obtained upon hot rolling/forging of Semi-finished steel (blooms/billets/slabs). These cover 2 broad categories of products, namely **Long Products** and **Flat Products**:

  a) **Long Products:**
  Finished steel products produced normally by hot rolling/forging of Bloom/billets/pencil ingots into useable shape/sizes. These are normally supplied in straight length/ cut length except Wire rods which are supplied in irregularly wound coils.

  Different types of long products are:

- **Bars & Rods:** Long steel products obtained normally by hot rolling/forging of billets/ blooms. They include Rounds, Flats (flat bars), Squares, Hexagons, Octagons etc. which find direct use in a wide variety of products in Engg., & Agricultural, House hold, Furniture sector etc. with/without further processing.
- **CTD (Cold-worked Twisted & Deformed)/ TMT (Thermo Mechanically Treated) Bar & Rods :** Hot rolled round bars/rods with indentations/ribs normally supplied in straight length or in folded bundles. Used directly in civil construction.
- **Wire Rod:** Hot rolled plain bar/rods (i.e. without indentation) in Coil Form, normally used to produce Steel Wires and at times Steel Bright Bars.
- **Angles, Shapes & Section:** Hot rolled Structural Sections obtained by hot rolling of blooms/billets. They include Angles, Channels, Girders, Joist, I Beams, H Beams etc used in civil/mechanical construction.
- **Rails:** Hot rolled Rail Sections obtained upon hot rolling of Blooms/Billets. Used in rail ways/tram ways, on which rail/tram moves.
- **Wires:** Wires are produced by cold drawing of wire rod through a die. They are normally supplied in coils.
- **Bright Bars:** There are cold drawn/ ground/ Peeled plain bars produced from hot rolled plain bars/wire rods. (Does not fall under the purview of MOS but under D/o IP&P).

b) Flat Products (Flat Rolled Products):

Finished steel thin flat products, produced from slabs/thin slabs in rolling mills using flat rolls. These are supplied in Hot Rolled (HR), Cold Rolled (CR) or in Coated condition depending upon the requirement.

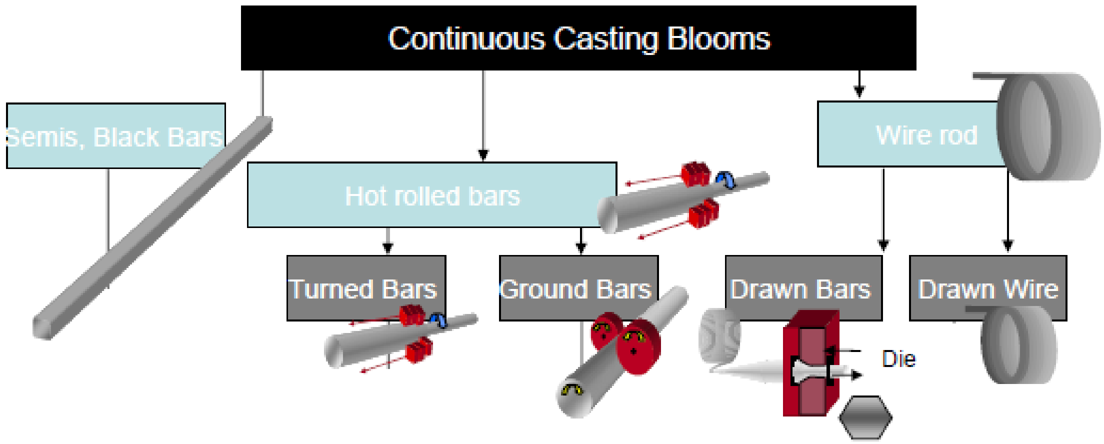
Different types of flat products are:

- **Plate:** Thick flat finished product of width : +500mm & Thickness : (+)5mm which are supplied in cut/straight length. Plates are normally produced/supplied in hot rolled condition with or without specific heat treatments.
- **Sheet:** Thin flat finished steel products, Width : +500MM, Thickness : (-) 5mm, Supplied in cut/straight length. Sheets are produced/ supplied in hot rolled /cold rolled/coated condition and accordingly, known as Hot Rolled (HR) Sheets or Cold Rolled (CR) Sheets or Coated Sheets.
- **Strips:** Hot/cold/coated Flat rolled products, supplied in regularly wound coils of super imposed layers. Accordingly, known as **HR Strips** or **CR Strips** or **Coated Strips**. Depending upon width, strips are sub-classified as wide strip or narrow strip as under :
    - o **Wide Strips**: Strips of widths 600mm & above. Also known as Coils in India and Wide Coils in Europe etc. Accordingly, the terms **HR Coils/Wide Coils or CR Coils/ Wide Coils etc.** are commonly used.
    - o **Narrow Strips**: Strips of widths less than 600mm.
- **Hot Rolled (HR) flat products** are produced by re-rolling of slabs/thin slabs at high temperature (above 1000 Degree C) in Plate Mills (which produce plates) or in Hot Strip Mills (which produce strips) . Hot Rolled Strips are cut into straight length to produce HR Sheets or Thin Plates.
- **Cold Rolled(CR) Strips** are produced by cold rolling of HR Strips in Cold Rolling Mills (normally at room temperature). CR Strips are cut to produce CR sheet. CR Strips/sheets are characterized by lower thickness, better/bright finish, closer dimensional tolerance and specific mechanical/metallurgical properties. They are directly used in automobiles (cars/ scooters, motorcycles etc.), white goods, consumer durable etc. or for production of coated sheet products. Cold Rolled Sheets/Strips are supplied in as rolled condition (CRFH- Cold Rolled Full Hard) or in closed annealed (CRCA –Cold Rolled Close Annealed) condition or in closed annealed & skin passed/temper passed condition, depending upon the requirement of the end users.

(Source: www.steel.nic.in)

The other category of steel is alloy steel, which further consists of various types with stainless steel being one of these. Though metals like iron, brass, copper, gold and silver are familiar to human beings from the beginning of civilizations, stainless steel is too young a discovery, which has just completed its maiden century. Stainless steel is the generic name for a number of different steels used primarily for their resistance to corrosion. The one key element they all share is a certain minimum percentage (by mass) of chromium: 10.5%. Although other elements, particularly nickel and molybdenum, are added to improve corrosion resistance, chromium is always the deciding factor.

Various long stainless steel products



(Source: ISSF)

Sheffield, England born Harry Brearly discovered stainless steel in 1913. In an experiment, he found that steel's corrosion resistance increased when the chromium content is raised to 12 percent or more. He is seen as the person who laid the foundation for the development of various stainless steel grades (discussed later).

Stainless steel began its journey in the house as it was mostly used for producing household articles and kitchenwares. Throughout the world, brass and copper utensils were being replaced by stainless steel kitchenware products. The cause of this attraction was because cleaning stainless steel products was easier and they did not require recurring tinning (process of thinly coating sheets of steel with tin with the resulting product known as tinplate and is most often done to prevent rust) and were also more durable. Slowly, but steadily, it entered other engineering industries because of its anti-corrosion properties. It soon captured the attention of marine, chemicals, petroleum and dairy plant manufacturers. Later on it entered the automobile, construction and furniture segment. Lately, the Indian railways placed orders for passenger bogies and freight wagons. A time will come when stainless steel will penetrate all the metal durables markets. *(Source: Minerals & Metals Review, June 2009)*

Categories of Stainless Steel

The stainless steel family can be categorized based on their areas of application, the alloying elements used in their production, and also by the metallurgical phases present in their microscopic structures. The classification of stainless steel based on the metallurgical phases present is outlined below:

- Ferritic: Ferritic stainless steels have properties similar to those of mild steel but show better corrosion resistance. Most common are 12% and 17% chromium-containing grades – the former used mostly in vehicle exhaust systems and the latter mostly in cooking utensils, washing machines and indoor architecture. Being magnetic, these steels are easily distinguished from austenitic stainless steels.

- Martensitic: Like ferritic grades, martensitic grades contain 12%- 17% chromium. However, they have higher carbon content and are subjected to specific heat treatments during production, making them very hard and strong. They are used for turbine blades, cutlery, razor blades, etc.

- Austenitic: Austenitic stainless steels contain a significant amount of chromium, and sufficient nickel or manganese to stabilize the austenite microstructure that gives these steels good formability and ductility (and makes them nonmagnetic). A typical composition is 18% chromium and 8% nickel, as found in the popular "304" grade – to use the American Iron and Steel Institute (AISI) designation. Austenitic grades can be highly durable and corrosion resistant and have high ductility, low yield stress, relatively high tensile strength and good weldability. They have a very wide range of uses.

- Duplex steels, consisting of mixture of ferrite and austenite: These stainless steels, which contain some nickel, have a roughly 50% ferritic and 50% austenitic microstructure and are both strong and ductile. They are mostly used in the process industry and in seawater applications.

Chemical composition of standard grades

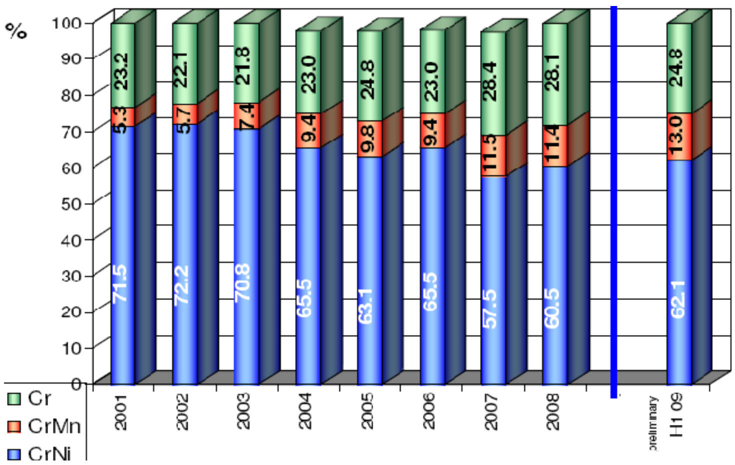
Grades	Chemical Composition (wt %)					
	C	Mn	Cr	Ni	N	Cu
AISI 201 / UNS S20100	0.15 max	5.50 - 7.50	16.0 - 18.0	3.50 - 5.50	0.25 max	-
AISI 202 / UNS S20200	0.15 max	7.50 - 10.0	17.0 - 19.0	4.00 - 6.00	0.25 max	-
UNS S20430 / 204 Cu	0.15 max	6.50 - 9.0	15.5 - 17.5	1.5 - 3.5	0.05 - 0.25	2.0 - 4.0
UNS S20500	0.12 - 0.25	14.0 - 15.50	16.5 - 18.0	1.0 - 1.75	0.32 - 0.40	-
304 / UNS S30400	0.08 max	2.0 max	18.0 - 20.0	8.0 - 10.5	-	-

(AISI = American Iron and Steel Institute. UNS = Unified Numbering System)

(Source: ISSF)

Normally, industrial grade stainless steel is classified according to grades with each of them having a different chemical composition. It is classified broadly into 3 important grades, namely, 200 series, 300 series and 400 series. All the 3 grades of stainless steel have varied commercial applications.

Globally, Nickel based stainless steel is the most produced and it contributed around 60% to the worldwide stainless steel production, in 2008. This is followed by Chromium only based stainless steel and then Chromium Manganese based.



(Source: ISSF)

Benefits of Stainless steel

a. **Corrosion resistance**: It is the characteristic property of stainless steel.
b. **Lower alloyed grades** resist corrosion in atmospheric and pure water environments, while high-alloyed grades can resist corrosion in most acids, alkaline solutions, and chlorine bearing environments, properties which are utilized in process plants.
c. **Fire and heat resistance**
   Special high chromium and nickel-alloyed grades resist scaling (development of heavy oxide films in the heat affected zone which lead to corrosion) and retain strength at high temperatures.
d. **Hygiene**
   The easy cleaning ability of stainless steel makes it the first choice for strict hygiene conditions, such as hospitals, kitchens, hotels and other food processing plants.
e. **Aesthetic appearance**

The bright and easily maintained surface of stainless steel provides a modern and attractive appearance.

f. Strength-to-weight advantage

The work-hardening properties of austenitic (steel heated to a temperature at which it changes crystal structure from ferrite to austenite) grades, which result in significant strengthening of the material from cold working alone, and the high strength duplex grades allow the material to have reduced thickness over conventional grades, and therefore save cost.

g. Ease of fabrication

Modern steel-making techniques enable stainless steel to be cut, welded, formed, machined, and fabricated as readily as traditional steels.

h. Impact resistance

The microstructure of stainless steel especially that of the 300 series, provides high toughness, right from elevated temperatures to far below freezing, making these grades of steel suitable for cryogenic applications.

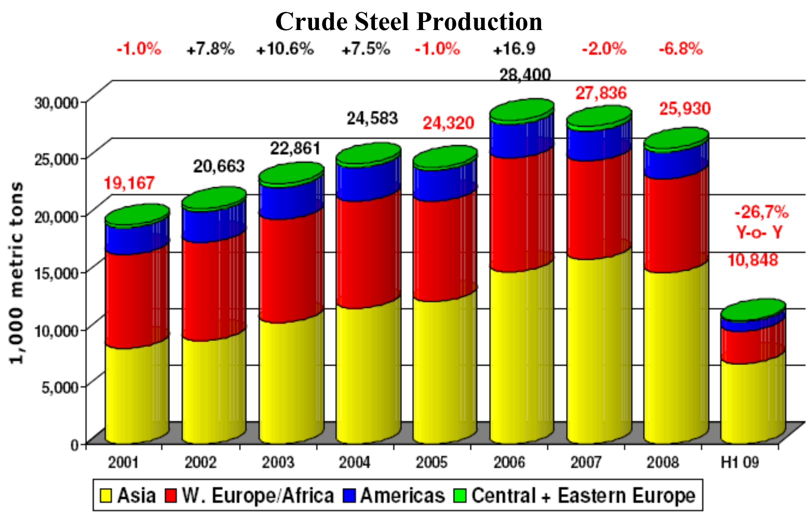
i. Long term value

When the total life cycle costs are considered, stainless steel is often the least expensive material option.

(Source: SSINA)

GLOBAL STAINLESS STEEL INDUSTRY

Asia is the leader in the production of stainless steel globally, followed by Western Europe combined with Africa and then Americas and lastly Central & Easter Europe. Till 2004, Western Europe and Africa used to lead the production of stainless steel followed by Asia and then Americas and the rest of the world, but since 2003, the production has skewed in favour of Asia and it has become the leading producer of stainless steel since 2004.



(Source: ISSF)

Stainless and Heat Resisting Steel Crude Steel Production (Ingot/Slab Equivalent)

The world produced 7.064 million metric tons (MMT) of stainless steel during the quarter ended September 2009. The production has increased by 17.19% when compared to the figures for quarter ended June 2009 with it increasing across the globe. The Central and Eastern European region showed stagnant production figures for the quarter ended June 09 whereas the production increased by 50% in September 09. Asia's production grew by 14.52%, Western Europe with Africa by 11.45%, and The Americas by 48.53% Asia is still the largest stainless steel producing region with production of 4.544 MMT (September 2009). The Table below shows total production for the quarter ended September 2009, comparison of production figures for June 2009 with March 2009, comparison of production figures for September 2009 with June 2009 and comparison of production figures for September 2008 with September 2009.

Total production of Stainless Steel for quarters ended March, June & September 2009 vis-à-vis September 2008

(In '000 Tonnes)

Region	Quarter		Q-o-Q	Quarter		Q-o-Q	Quarter		Q-o-Q
	Mar-09	Jun-09	+/-%	Jun-09	Sep-09	+/-%	Sep-08	Sep-09	+/-%
Western Europe/Africa	1,314	1,572	19.63%	1,572	1,752	11.45%	1,908	1,752	-8.18%
Central + Eastern Europe	50	50	0.00%	50	75	50.00%	89	75	-15.73%
The Americas	408	438	7.35%	438	651	48.63%	548	651	18.80%
Asia	3,058	3,968	29.76%	3,968	4,544	14.52%	3,732	4,544	21.76%
World	4,830	6,028	24.80%	6,028	7,064	17.19%	6,277	7,064	12.54%

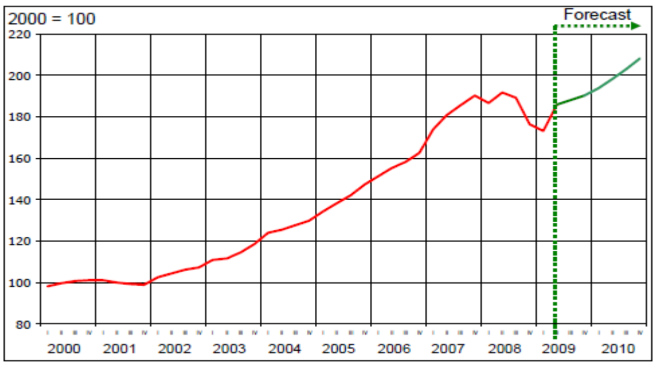
(Source: ISSF)

Comparing the first and second and third quarters of 2009 indicates that a significant recovery in stainless steel production may have begun. All regions showed strongly increased production volumes in the third quarter. Even Central and Eastern Europe, which reported stagnant production in the second quarter, has shown increased volumes.

Grade wise, there has been a significant shift in stainless steel production. Before, the 200 & 400 series productions were miniscule as compared to the 300 series production volumes, but lately, there has been a steady increase in the share of 200 & 400 series, as can be seen in the below chart. The dip in production of 400 series in the first half of 2009 was mostly on account of a weak automotive sector, where the grade is used in large proportions.

(Source: ISSF)

Global Stainless Steel Demand Index



(Source: ISSF)

A comparison of the market share of each of the main stainless steel grades shows there has been a recovery in the market-share of austenitic steels (300 series) compared to the levels of 2008. The market-share of ferritic grades has fallen, mainly due to the global decline in automotive production, typically a strong market for 400 series grades. The market share of chromium-manganese steels (200 series) has increased a little, largely due to an improved domestic market in China.

Market share of stainless steel grades (% of total stainless steel production)

Grade category	2008 Full Year	2009 First Six Months
CrMn steels (200 series)	11.4	13.0
CrNi steels (300 series)	60.5	62.1
Cr steels (400 series)	28.1	24.8

(Source: ISSF)

INDIAN STAINLESS STEEL INDUSTRY

Indians who migrated the world over had a big role in popularising stainless steel utensils. India started exporting stainless steel utensils sometime from 1984-85 onwards to the tune of Rs.8 crores. Its quality and competent rates were accepted throughout the globe. By the end of 2007 it had reached the magnificent figure of Rs. 2000 crores. Currently, India mainly exports to the US, Latin America, U.K. Euro zone, and middle east. *(Source: Minerals and Metals Review – June 2009)*

According to the Indian Stainless Steel Development Association (ISSDA), the per capita consumption of stainless steel in India is 1.2 kg which is far below the global average of around 4.5kg. However, spurred by the recent revival in demand, especially from the automotive and railways sectors, the country's per capita stainless steel consumption is likely to rise to over 2 kg in two to three years. Innovative uses in existing areas and exploration of new application areas, especially in kitchen, railways, buses, malls and multiplexes, automotive sector, furniture etc., will significantly drive the demand of stainless steel in India in the coming years. Overall the future market for Stainless Steel will greatly depend on the economic growth of the country and the expected investment in end use industry sectors. On the supply side, the demand would also be affected by prices, future expected capacities, infrastructure creation for down stream activities like fabrication and testing and the marketing efforts of the industry players. *(Source: Minerals and Metals Review – June 2009)*

Demand Drivers of Stainless Steel

- Overall high GDP growth of 8.5% in 2007-08 and projected sustained high GDP growth of 8 to 8.5% during the five-year period with a minor blip in the next 12 months. (Source: *ISSDA*)

- **Indian Railways -** Currently setting up a two-coach factory each one in Palghat and Rai Bareily to manufacture 15,000 new wagons made only of stainless steel. The Railways is expected to need over 70,000 tonnes of stainless steel this fiscal for building coaches and wagons. The Railways plans to make about 10,000 – 15,000 wagons, besides 5,000 wagons that are slotted for refurbishment – where flooring would remain and the shell would be replaced with stainless steel. In addition, 9,000 new wagons of various sizes are expected to roll this year. The Integral Coach Factory making 1,500 coaches for the Mumbai Rail Vikas Corporation. The Railways will require 7-8 tonnes of stainless steel for each wagons depending upon the capacity. *(Source: Minerals & Metals Review, June 2009)*

- **Infrastructure –** The application of stainless steel in infrastructure is growing at a fast pace. As construction sector is growing faster than country's projected GDP growth, there exists a tremendous potential for development in the related areas. In India, the construction sector, the use of bars, rods and structural, plates, hot and cold coils and sheets, high-grade sheets and pipes and tubes are negligible when compared with other compared with other Asian countries. *(Source: Minerals & Metals Review, June 2009)*

- India emerging as leading Automobile hub in the world, especially for two wheelers and small cars, thereby representing a huge potential for stainless steel products, especially exhausts.

- High growth in,process industry equipment manufacturing, etc.

- Potential for big volume exports of process equipment in the future, having shown a 29% CAGR over the last 4 years. *(Source: ISSDA)*

- Very high domestic and Foreign Direct Investments being pumped in the real estate sector over the last couple of years and the process to continue in the future too, not withstanding current setback.

The major impetus to growth in domestic consumption would be provided by higher penetration of stainless steel in new areas like auto, construction and expected high investment in infrastructure industry as Indian economy enters into a high growth trajectory and integrates with the global economy. The share of new emerging areas like construction and transportation will accordingly increase at the cost of metal goods, the share of which will decline over the years. India will have a usage pattern more in line with the international usage pattern.

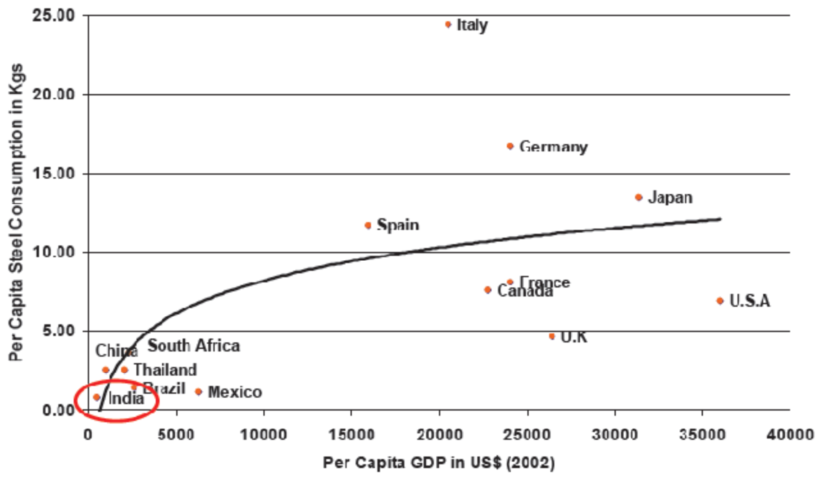
Consumption Pattern

India's total stainless steel consumption is estimated at 1.3 mn tonnes against a production of 1.7 mn tonnes. The industry production last year was close to 1.6 mn tones while the consumption was recorded at 1.15 mn tonnes. The country also imports flats and longs stainless steel products to the tune of about 2-3 lakh tonnes and exports about 4 lakhs tonnes every year. Kitchen and related products use about 70% of the total corrosion free metal available in India while architecture, malls and multiplexes, airports etc. consume about two per cent. Automotive sector and railways still consist of about two per cent while the remaining is shared by miscellaneous sectors including furniture etc. *(Source: Minerals & Metals Review, June 2009)*

The following are the major drivers of consumption growth of stainless steel in the country:

1) GDP
2) Per Capita Income
3) Prices of stainless steel
4) Infrastructure
5) End use industry growth
6) Substitution trends
7) Capacity, marketing and support infrastructure

Per capita Consumption pattern of Stainless steel in India vis-à-vis other countries



(Source: ISSDA)

(a) According to ISSDA, India, with apparent consumption of 1.2 MMT placed 7th in terms of global stainless steel consumption
(b) Indian consumption growth over last decade was at 10-11% and the overall consumption growth is projected at 12% per annum in the next decade.

(c) In absolute terms, Indian consumption is likely to cross 4 MMT in the next ten years.
(d) Per Capita Consumption of stainless steel in India is just 1.2 Kg as against an industry average of around 4.5 kg.

The per capita consumption of stainless steel in India at 1.2 kg has the potential to increase exponentially with growth in the per capita income in the future.

Among various factors, the important factor driving the overall Stainless steel consumption is the GDP or the per capita income. With an increase in GDP of a community, the use of stainless steel for utensils, kitchenware, decoration, construction, transport and host of other industries increases. Many applications of steel are upgraded to Stainless steel.

Export Market

The above demand projections are only for the domestic market. The indicative demand for Indian stainless steel products overseas seems to be significant as is demonstrated by the sales figures of stainless steel companies like, among others, JSL Limited and Panchmahal Steel Limited. The demand from overseas mainly manifests into orders of the following catergories of stainless steel products:

− Flat Rolled Products
− Long products
− Utensils/ Kitchen articles

Production

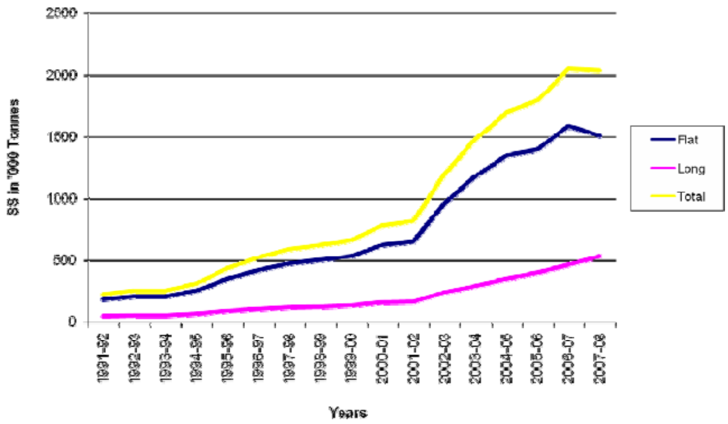
(a) Stainless Steel Mill Production in India is estimated at 2 MMT (2007-08)

(b) Stainless Steel Flat production is estimated at 1.5 MMT and that of long products at 0.5 MMT

(c) Production has grown at about 14% per annum over the last 15 years. India has a 7% share in the world production

(Source: ISSDA)

Trend in Indian production from 1991-92 to 2007-08



(Source: ISSDA)

Swot Analysis

STRENGTHS	WEAKNESS
• Largest producer of Cr-Mn series (low nickel dependency) in the world • Abundant skilled and low cost labour which can be used to exploit fabrication and designer markets. • Utensil/kitchen ware products well established in international markets. (Work content	• Low production scales • Quality problems form informal (small melting units) sector • Trade dictated market and SSI oriented • Poor fabrication/design/R&D facilities • Lack of formal distribution channels • Lack of application engineering base

<table>
<tr>
<td>amenable to India- India becoming hub.)
• Competitive technology
• Abundant raw material availability
• Trained manpower
• Entrepreneurship
• Strong domestic market
• Capability to manufacture products of global standards
• Presence of number of stainless steel development associations
• Increasing Indian trade presence (high value added)
• Strong manufacturing base</td>
<td>• Absence of industry standards for use of stainless steel in new applications.
• Poor awareness levels/visibility among large segment of users/decision influencers.
• Poor database and unreliable statistics
• Poor logistic support-Port End
• High dependency on import for nickel and scrap.</td>
</tr>
<tr><td colspan="2">OPPORTUNITIES</td></tr>
<tr><td colspan="2">• Rising living standards, strong GDP growth, high infrastructure investment and low cost per capita consumption will drive market of stainless steel-consumer and industrial.
• Movement towards high value 300 series
• Volatile prices of nickel – may drive growth for Cr-Mn series products internationally.
• Environmental concerns and rising costs of raw materials will drive production towards developing countries
• Excellent potential for partnership with international traders.
• Excellent potential for Indian firms to tie up with global fabricators for large scale fabrication facilities and service centres in India
• Opportunities will increase in value added products – Fasteners, Forgings, pipes, Railways Wagons, Stainless Steel Rail, etc.
• Possible innovative uses of stainless steel along with other materials.
• Possibilities of backward and forward integration
• Euro III opening new opportunities for stainless steel use in auto exhaust systems
• India' positioning as global hub for auto sector will result in increased opportunities for tie ups with global auto component players
• Major markets for architectural products/builder hardware opening for high quality construction.</td></tr>
<tr><td colspan="2">THREATS</td></tr>
<tr><td colspan="2">• Anti dumping duties – The inability of the Indian Government to resolve it
• China has become a hub for the European market
• Chinese capacity build up</td></tr>
</table>

FUTURE PROSPECTS

Despite the threats and weaknesses outlined above, the stainless steel industry in India has a bright future with 75% of its usage coming from the domestic kitchen segment alone which includes utensils. However, the use in industrial and other segments is still very low which would increase in the coming years. Stainless steel industry in India can increase exports with a major focus on China which still imports 70% of its total requirement of 1.4 mt. The 200 series developed in India has potential in every developing country including value added products like pipes and tubes with kitchen utensils. India also has good facilities for stainless steel long products like bar, wire rod and wires which has good prospects in Europe, USA and the South East Asian region. Also, with the go-ahead given by the government for use of CNG and LPG gas in automobiles, stainless steel auto gas tanks will be of interest to automobile manufacturers and users. With major international fast food chains investing in India, like Kentucky Fried Chicken, Pizza Hut, McDonalds' Burger King etc., the consumption of stainless steel is bound to increase as these fast food units use large quantity of stainless steel in kitchen, service area and furniture. A large potential exists for LPG cylinders in India with 90 million carbon steel LPG cylinders in use. Besides, being lightweight and aesthetically superior these cylinders have a longer life and high final scrap value. *(Source: Minerals & Metals Review, June 2009)*

Stainless steel is increasingly being used for roofing of all metro stations. Most cities have opted to go in for stainless steel shelters as well. For this, bus transport corporations have chosen the build-operate-transfer route to establish the passenger amenity. Mumbai has 1,500 such shelters with Delhi and Chennai following the trend with about 300 each. *(Source: Minerals & Metals Review, June 2009)*

The worlds cheapest car “Nano” will also help revive demand from auto sector. Each small car uses at least 5 kgs of stainless steel. Also, the Bureau of Indian Standard (BIS), the government’s standardization agency, has approved uses of stainless steel for LPG cylinders. It is understood that Bharat Petroleum Corporation and Indian Oil Corporation have floated tenders also for cylinder manufacturing from stainless steel producers. Infrastructures at airport, malls and multiplexes are being modernized with a lot of stainless steel longs and flat articles. Currently, Hyderabad, Mumbai, Delhi etc. airports are under modernization which will revamp the demand of stainless steel in India. *(Source: Minerals & Metals Review, June 2009)*

No doubt there is a huge scope for stainless steel given the enormous demand from various sectors; only if, the government levy additional customs duty/dumping duty for second and defective stainless steel products (Cold Rolled and Hot Rolled) to face dumping threat. Also, since the use of such products is internationally not accepted, import of seconds and defective stainless steel should be removed from the OGL list. Other non-tariff measures could be setting up a minimum floor price for the import of seconds and defective material. These steps would go a long way in promoting healthy competition among domestic stainless steel producers and boost stainless steel demand. *(Source: Minerals & Metals Review, June 2009)*

OUR BUSINESS

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

In this section, a reference to the “Company” means Mittal Corp Limited. Unless the context otherwise requires, references to “we”, “us”, “our” or “MCL” refers to Mittal Corp Limited.

Business Overview

Mittal Corp Limited (“**MCL**”) is a manufacturer of stainless steel billets, blooms, rolled flats of various thickness, width and lengths.

Our Company was promoted as Jewel Steels Limited by Mr. Kuldeep Bishnoi and was subsequently acquired by the current promoters in the year 2002. In the year 2004, we decided to capitalize on the growing demand for stainless steel within the country and set up a manufacturing facility for various grades of stainless steel to be used for a wide range of products.

We currently have an installed capacity of 90,000 TPA to manufacture stainless steel billets and rolling the same into flats / rounds in our Steel Melting Shop and Rolling Mill, spread over 17 acres at Unit I. Further to the existing installed capacity for production of billets, i.e. 90,000 TPA, we are in the process of executing our expansion plan to increase the melting capacity of the Steel Melting Shop to the extent of 120,000 TPA.

This exercise that started in September 2009 is expected to be completed by March 2010.

The expansion was undertaken to cater to the increasing demand for SS Flats at a capital cost of Rs. 15 crores that has been financed partly by term loans to the extent of Rs. 10 crores and the rest through internal accruals.

We further propose to set up a wire rod producing facility in close proximity to our existing plant, with a production capacity of 150,000 TPA (“**Proposed Project**”). Setting up of the Proposed Project is one of the objects of this proposed Issue. For further details of the implementation schedule of the Proposed Project, please refer to the “Objects of the Issue’ on page no. [●] of this Draft Red Herring Prospectus.

Our Company changed its name from Jewels Seamless Limited to Mittal Corp Limited on December 16, 2008 upon issuance of a fresh certificate of incorporation by the Registrar of Companies, Mumbai. The registered office of our Company is located at Mumbai; we have our corporate office at Indore and have branch offices at New Delhi, Ahmedabad and Jodhpur.

Our Competitive Strengths

vi. Easy access to resources at competitive prices

We currently have manufacturing facilities at Pithampur, Madhya Pradesh which is located in close proximity to various markets that stock the raw materials used by our plant. Our principal raw material, iron scrap and Ferro alloys, is procured from neighbouring state i.e. Chhattisgarh, Gujarat and Orissa at competitive prices. Our location also gives us access to a large pool of semi-skilled and unskilled workforce that is imperative to our operations. Our location is one of the primary reasons for the low cost of production vis-à-vis comparable peers in the industry.

vii. Efficient usage of resources

Our facilities have been upgraded, from time to time incorporating the latest advancements in Stainless Steel making technology. To elucidate, we are in the process of installing Automatic Mould Level Controller (“AMLC”), which helps improvement of the internal structure of the billets, by reducing the impurities and slag levels in the cast billet.

Our inventory policy is designed to lower the working capital cycle and provide the highest return on capital invested. Our current operations run on three shifts per day to maximize the capacity utilization rate which stood at 65.11% in 9 months ended Dec 09, 58.16 % in FY09 and 40.32% in FY08.

viii. Emphasis on product quality

We have always focused on maintaining the highest quality of products. Our products go through rigorous quality checks, which happen at our laboratory on site, which is equipped with a 24-channel spectrometer, which ensures consistency in composition of the output, macro analysis is carried out for ensuring sound internal structure of cast billets. This is supplemented by random manual chemical composition analysis of the output.
Our consistent quality of output, and its acceptance thereof could be seen as one of the attributes that has caused our net revenues to expand from Rs. 76.44 Cr. in FY07 to Rs. 278.37 Cr. in FY09, at a CAGR of 90.83%.

ix. Large available customer base in close proximity to our production facilities

Our production facilities are located in the Central region of India, which makes it easy to deliver the finished product to all three demand centres viz. Jodhpur, Ahmedabad and New Delhi at almost similar freight costs. The locational advantage extends to the logistical aspect as well, with delivery times to these demand centres being between 24-72 hours.

x. Skilled management and workforce

The top management of the company, including the Managing Director and the executive directors, has vast experience in the Stainless Steel Industry. All senior management, including key personnel in charge of production, operations, and finance are well qualified and have rich experience in the Stainless Steel Industry. The management believes in keeping the manufacturing technology updated with the latest advancements in technology, and several of these learnings have manifested as improvements to our existing facilities.
For more details on key personnel, please refer to [•]

Our Strategy

ix. Maintain and improve the quality of our output

We believe that our growth over the last five years has been achieved due to the high emphasis we put on the quality of our output. We plan to continue investing in high quality manufacturing equipments to ensure that our products maintain the quality specifications promised to our customers. Investment in latest technology would also enable us to standardize product quality, even for bulk-production, and would enable us to differentiate ourselves from competition.

x. Make optimal utilization of resources

Our Company constantly endeavours to improve its productivity levels by optimum resource utilization, improvement in manufacturing process, skill up-gradation of our workers, modernization of machineries to achieve better asset turnover. We will continue to further improve our existing raw material procurement policy and manufacturing processes to identify the areas of bottlenecks and correct them. This would help us in improving efficiency and putting resources to optimal use.

xi. Enhance our existing capacities

The existing capacities are being ramped up with the installation of new equipment of larger capacity which will enhance our ability to handle larger volumes in our manufacturing process, and ultimately lead to higher production.

xii. Increase our product range

We currently produce stainless steel billets, blooms and flat intermediary products which find use in diversified sectors like railways, public utilities. We propose to move up the value chain by setting up the Wire Rod Project which will be capable of producing Wire Rods of Stainless Steel, Alloy Steel and Mild Steel. These products would be used for making fasteners welding electrodes, SS wire, SS gratings, furniture and in building construction material. This integrated production of wire rods is likely to improve our profitability margins going forward.

xiii. Supplement our capacities with trained manpower

Our company has believed in continuous addition of manpower that is equipped with the latest advances in technology and bring to the table, vast experience in the Stainless Steel Industry. This will help the company, as it has in the past, to keep pace with the advancements in technology, as also implement the same in improving our processes and production.

xiv. Expand our operations organically

We intend to expand our operations within India and internationally. In pursuing our strategy, we seek to identify markets, in states in India where we do not currently operate, and internationally, where we believe we can provide cost and operational advantages to our clients and distinguish ourselves from competitors.

xv. Diversify our customer base

We today have a strong customer base in the cities of Indore, Ahmedabad, New Delhi and Jodhpur. We propose to expand our client base by setting up additional branch offices or appoint selling agents in other demand centres within the country and also abroad in the country, like Europe and the U.S.A. so as to lower our dependence on a particular client or a region. This will also assist us in stabilizing our cash flows.

xvi. Grow inorganically for forward and backward vertical integration

In order to expand our operations, we may also seek to identify acquisition targets and joint venture partners both, from India and as well as globally. We may consider opportunities for inorganic growth through mergers, acquisitions and may enter into joint ventures, if, among other things, they enable us to improve us to improve in various areas like (i) strengthen our pre-qualification criteria in specific areas, (ii) enhance our execution capabilities in niche areas like Railway applications, urban renewal, power generation and transmission, storage of petroleum products and (iii) increase our pool of qualified engineers and other technically qualified staff etc.

A. Our present business

Our Company presently has facilities to manufacture three main products as per the SAE/AISI viz. 201, 202, 304 and 400, catering to segments ranging from normal household goods to specialized steel for pharmaceuticals and other advanced applications. The installed capacity of our Company has increased from 18000 TPA to 60,000 TPA as in September 2006 and has been further augmented to 90,000 TPA from August 2008 onwards to cater to the growing demand for the product range manufactured by the Company.

Our Company started with a capacity of 18000 TPA by installing an 8 ton capacity furnace to manufacture mild steel in December 2004. Further in September 2006, we increased our manufacturing capacity to 60,000 TPA by installing a 15 ton capacity furnace and started manufacturing stainless steel. We then installed a rolling mill of 1,00,000 TPA capacity in January 2008. Earlier our company used to outsource the rolling job which brings extra cost and delay in delivery to the customers. Installation of rolling mill had enabled us to sell our products directly to our customers. In March 2008 we had also installed gas plant to produce Oxygen and Nitrogen with 400 cu.m. capacity. Then in August 2008 we had installed 20 ton furnace and increased our capacity to 90,000 TPA.

To achieve optimum utilization of existing plant and machinery, Our Company has decided to install balancing equipments including 35 Ton AOD converter, Rolling Mill Automation, Automatic Mould Level

Controller, Oxygen Gas Plant and Cranes etc. at a capital cost of Rs. 15 crore during the year 2009-10. With commissioning of balancing equipments the production capacity of the existing plant will be raised from 90,000 MT to 120,000 MT p.a. for steel making. Our Company has already placed order for the machinery. This expansion will be funded through internal accrual of Rs. 5 crore and long term loan from Banks of Rs. 10 Crores, the details of which is given below:

Bank Name	Date of sanction	Amount of sanction
Bank of Maharashtra	August 24, 2009	Rs. 5.00 crores
Oriental Bank of Commerce	July 29, 2009	Rs. 5.00 crores

Our Company currently manufactures stainless steel billets in the grades of SAE/AISI 200-300 Series, especially 201, 202 and 304 grades which are used in large quantities for manufacturing of rounds, wire rods, wiremesh , sheets, utensils, medical equipments etc.
The plant is spread over 17 acres of land area situated at Unit I.

Our Company has achieved a turnover of Rs. 27,837.23 lakhs and a PAT of Rs. 737.06 lakhs during the FY 2008-09 as compared to turnover of Rs. 12,074.98 lakhs and PAT of RS. 531.39 lakhs in FY 2007-08 thereby registering a growth of 130% in top-line and 39% in bottom-line in FY 2008-2009

Existing Product Line

MS/SS Billets and Blooms

Section	Length
100 x100	2 metres & above
120 x120	2 metres & above
140 x 140	2 metres & above
160 x 160	2 metres & above
180 x 180	2 metres & above
200 x 200	2 metres & above

Stainless Steel Flat

Grade	Stainless Steel 200 Series and 300 Series
Size	Thickness: 9mm, 10mm, 12mm, 13mm, 16mm, 18mm, 20mm, 22mm, 24mm
Width	150mm-200mm
Length	As Required

End-Use of the Products

PRODUCT	Markets served
1. To produce pata in various thicknesses and sizes	Utensil manufacturing, building material producers, S.S. pipes
2. To produce S.S. wire rods in coils	Producers of S.S. welding rod, S.S. wire, S.S. wire mesh, S.S. fasteners etc.
3. To produce M.S. wire rod	M.S. wires for construction, welded wire mesh, welding rod producer
4. To produce M.S. flats, rounds	For structuring building, fabricating, automobile sector, fasteners and RCC building construction.
5. To produce S.S. rounds	Building material producers, in RCC work in coastal areas fasteners

Manufacturing Process of stainless steel:

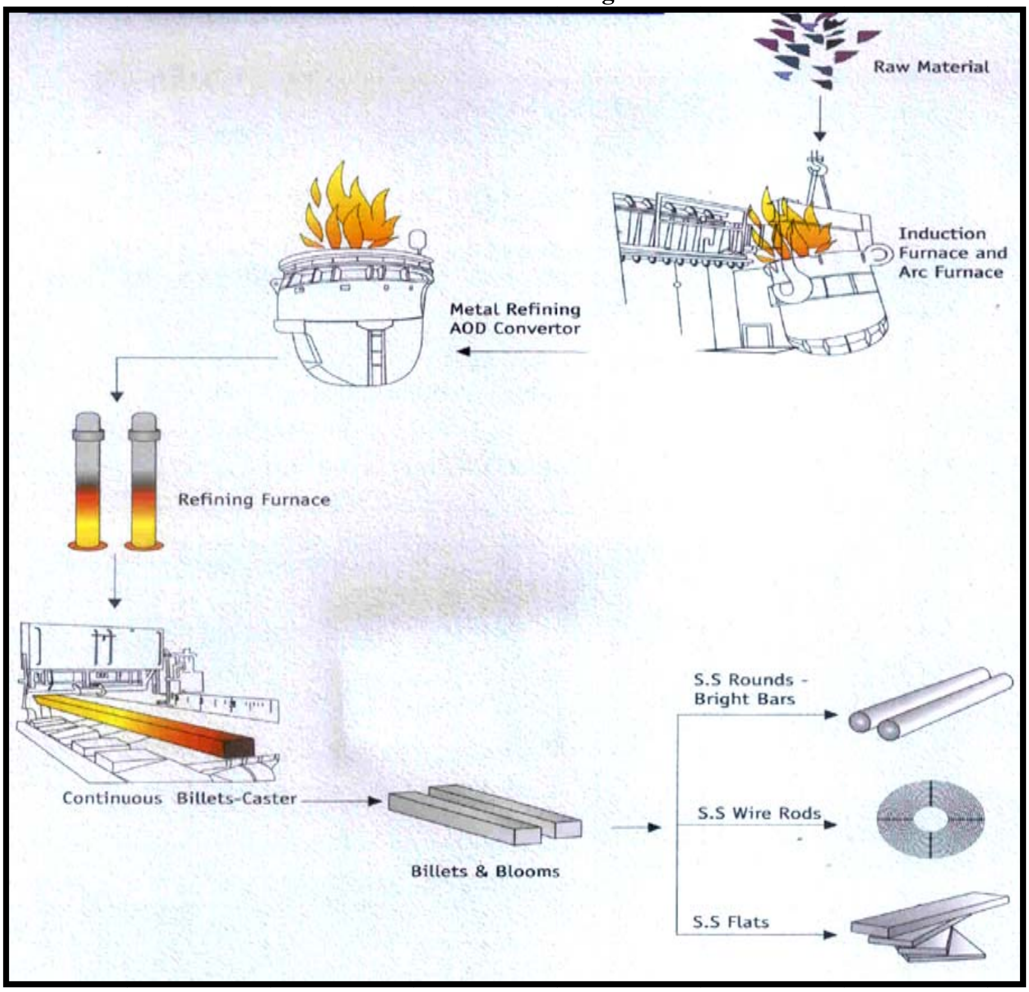
The principal raw materials for making stainless steel are metallic iron in the form of steel scrap and Ferro alloys of chromium, nickel, and manganese. These are added at different stages of steel making, depending upon the characteristics.

The stainless steel charge containing steel scrap of graded quality and sponge iron is melted in the induction furnaces. The liquid metal is tapped in lip pouring type ladle, and after temperature adjustment and slagging off the liquid metal, is transferred to the Argon Oxygen Decarburisation (AOD) vessel.

Refining in the AOD vessel with blowing of gases like Oxygen, Nitrogen and Argan is done to drop the carbon sulphur level of the liquid metal.

During the decarburizing stage, Ferro alloys and coolant metallic materials and fluxes are added as per the required composition and to maintain the temperature and homogeneity of liquid steel.
After secondary refining, the stainless steel in liquid form is tapped into teeming ladle for casting. Finally the teeming ladle is taken to the Continuous Casting Machine for casting liquid metal into solid cast billets of desired sizes and length

Production Flow Diagram



Quality Control & Testing Facilities:

There is photospectrometer in our plant which can analyse 24 elements. Samples of the production from the AOD Converter are run through the photospectrometer to check for desired chemical composition. Based on analysis, additives / alloys are added, if needed, to match the required chemistry, in the AOD. The mix within the AOD is improved by adding the required quantities of alloys to ensure that the end product meets quality specifications as desired.

Capacities and Production

Class of Goods	Unit	Licensed Capacity			Installed capacity			Actual Production			Capacity utilisation		
		2009-2010	2008-2009	2007-2008	2009-2010	2008-2009	2007-2008	2009-2010 (9m)	2008-2009	2007-2008	2009-2010 (9m)	2008-2009++	2007-2008++
MS/SS Billets	MT	1,00,000	1,00,000	1,00,000	90,000	90,000*	60,000	43,947	46,532	24,192	65.11%	58.16%	40.32%
SS Flats	MT							41,202	39,242	2123**	61.04%	49.05%	21.23%

*the installed capacity increased from 60,000 TPA per annum to 90,000 TPA per annum in August 2008 (weighted average capacity is 80,000 MT per annum)
**the production of SS Flats commenced in February 2008
++the weighted average capacity utilization is calculated on the weighted average installed capacity

Infrastructure facilities

Raw Materials

The principal raw materials for making stainless steel are metallic iron in the form of steel scrap and Ferro alloys. The following is the list of raw material required for manufacturing billets:

Raw Material	Quantity required per ton of Stainless Steel (Apprx.)
Scrap (S.S., M.S., Shredded, Sponge iron etc.)	700 - 800 Kg
Ferro – Alloys (Ferro Chrome, Ferro Manganese, Ferro Silicon etc.)	400 – 500 Kg
Fluxes (Lime, Dolomite, coke etc.)	250 – 300 Kg

Most of the aforementioned raw materials are procured indigenously. Our Company has not entered into long term contracts with the suppliers of these raw materials, but has a tacit understanding with its regular suppliers

Utilities

Details of the utilities at the plant locations are as follows:

	Power (in KW) Connected Load	Water Cu metre/hr (Connected Load)
SMS	6,212	20
Rolling mill	1,425	12
Oxygen plant	1,360	03
Pollution control equipment	250	-
Total	**9,247**	**35**

The power is made available by the State Electricity Board; the company also has an in-house diesel generator that is used as backup in case of exigencies. Water is supplied by MPAKVN.

Present manpower of our Company

At present there are 167 employees working in our Company. The break-up of manpower deployed at our plant (excluding contract labour) and branch offices are given below:

Category of Manpower	Total	Plant	Indore	Mumbai	Delhi	Jodhpur	Ahmedabad
Technical Staff	35	35	-	-	-	-	-
General Staff	90	52	33	2	-	2	1
Supervisors	28	16	8	1	1	1	1
Managers & above	14	7	6	-	-	1	-
Total	**167**	**110**	**47**	**3**	**1**	**4**	**2**

Note:- There are contractual labour employed at the plant for handling raw materials, slag, refractory, finished product, gardening and housekeeping.

PROPOSED PROJECT

Our Company intends to set-up a 150,000 TPA Steel Wire Rod Mill at a green field site close to their existing Plant in Pithampur near Indore. Our Company plans to set-up a steel wire rod mill to primarily manufacture stainless steel wire rods to cater to the domestic as well as export market. The proposed Wire Rod Mill will be capable of producing Wire Rods of all types of Stainless Steel, Alloy Steel and Mild Steel. The proposed mill can produce Rounds also in straight lengths by just adding a cooling bed and shears. In the proposed mill the production of Rounds has been considered which will enhance the profitability.

Proposed Product Line:

1. Wire Rods: The installed capacity can be used to manufacture wire rods of 5mm to 20mm diameter, which has a standard wire rod coil weight of between 900 kg to 1,050 kg apprx.
2. Rounds: In addition to the above, the installed capacity can also be used to manufacture rounds of 15mm to 85mm diameter.

Wire rod is a rolled alloy or non alloy steel product, produced from an intermediate product (e.g. billet) and having a round, rectangular or any other cross-section. Wire rod is wound into coils.

Wire rod is used for many different products. Depending upon how it is cold formed and heat treated, a wire is used, for example, to produce not only wire ropes, barbed wire, wire mesh and nails, but also springs, welded wire mesh and reinforcement wire.

Technical Consultants

Our Company has appointed KORUS as its technical consultants. KORUS will help the company in plant engineering, construction engineering, foundation engineering, fluid engineering, electrical engineering and other auxiliary services. They shall prepare tender specifications, drawing and documents for inviting competitive bids and prepare techno commercial analysis of tenders / bids received against the specifications. KORUS shall depute specialist engineers for inspection and witnessing factory tests of the equipment to be procured by MCL and specialist engineers for providing designer's supervision at site.

\They shall receive drawings and foundation data from the suppliers of additional equipment and accord approval to the same. They shall assist MCL to obtain approval of the installations from statutory authorities such as Electrical Inspector, Factory Inspector, Controller of Explosives and Pollution Control Department.

KORUS has prepared the Techno-Economic Feasibility Report (TEFR) for the proposed project. The various details about the proposed projects as outlined in the TEFR report is given below.

Location

Our Company has been issued a letter of allotment by MPAKVN for the Proposed Project, pursuant to which we will enter into a lease with MPAKVN.

Land plot is rectangular with length 300m and width 200m; giving the total land area of 60,000 sq.m. Power shall be available at 132 KVA from the nearby Power Line. Water shall be supplied by MPAKVN from their 100mm pipe line, running along our Company's adjoining unit. In addition, borewell water is available in ample quantities, and is suitable for industrial use (after due softening) and human consumption.

Project Facilities

The project involves setting up of a wire rod mill. The following shows the important equipments required for the proposed project.

- A Pusher type reheating furnace with a capacity of 30 t/hr.
- Roughing mill & associated equipment

- Mill stand - spherical roller bearings, open top, middle roll fixed.
- Flywheel main drive motor
- Geared couplings
- Reduction gear box spindles & couplings
- Centralized lubrication system
- Mill approach table
- Front & back mill main working tables
- Approach roller

- Continuous mill
  - Crop and cobble shear
  - 2-hi horizontal stands
  - 2-hi vertical mill stands
  - Alternative horizontal and vertical stands
  - Pinch roll before dividing shear
  - Combined gear-cum-pinion stands for continuous mill stands
- Wire rod line

  After the last stand of continuous mill, the bar shall be diverted to a wire rod line for rolling of wire rods in coils
- Centralized lubrication systems
- Hydraulic systems
- Centralized grease systems
- Operational parts
- Guides & rolls
- Electricals and automation equipment

For details of the plant and machinery proposed and miscellaneous fixed asset to be ordered please refer to the chapter "Objects of the Issue" beginning on page [●] of this DRHP.

Manufacturing Process

The process of manufacturing Wire Rods in coils basically consists of selecting billets of correct steel composition, heating the billets to a temperature suitable for hot rolling and then rolling the heated billets. The rolling process consists of passing the hot billet through a number of rotating grooved roll pairs progressively and sequentially reducing the cross sectional area till a certain size of bar is obtained. The hot bars are then passed through 8 closely spaced fixed reduction stands driven by common motors in the so-called 'no twist wire rod block'.

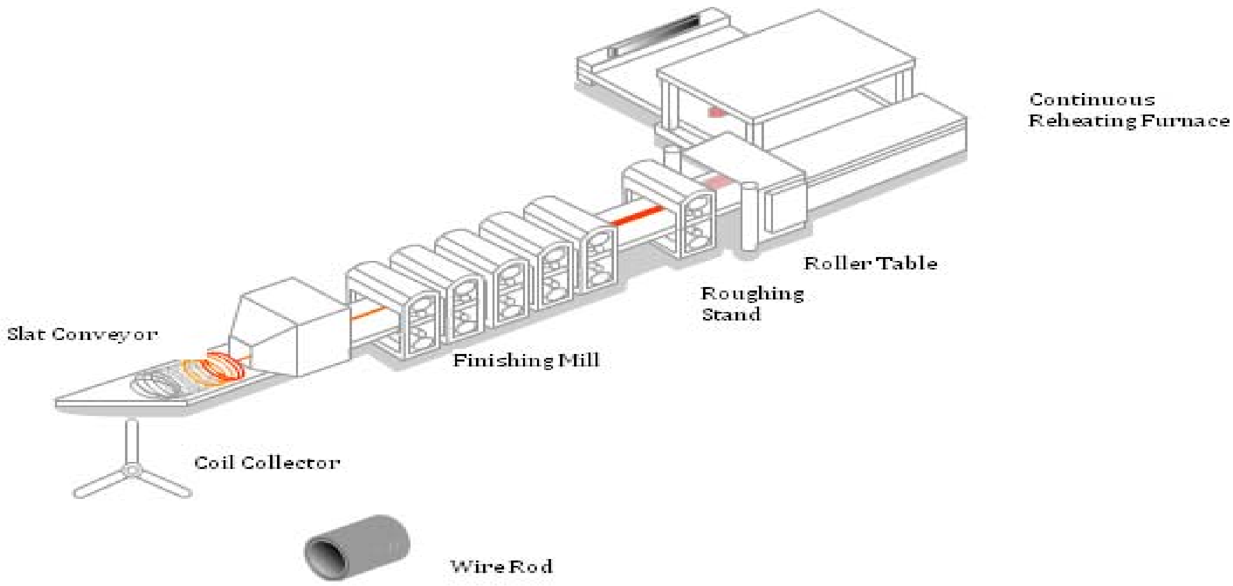
Depending on the market demand, billets in SAE/AISI 200, 300 or 400 series shall be selected. The reheating of billets is carried out in continuous Reheating Furnaces, for which pusher-type furnace is proposed. The reheating furnace shall have a recuperator to utilize the heat of waste gases. Furnace shall be equipped with modern computer controls and data logging. The heated billet enters a 3-Hi Single stand Roughing mill. Here nine to and fro passes are given with the help of tilting tables on both sides of the mill.

After the roughing mill front and back end of the bars are cropped at a Crop & Cobble Shear (CCS-1) to remove the bulged ends. After cropping, the bar enters a 14-Stand Continuous Mill in a free mode. At the end of the Continuous mill i.e. after Stand 14; the bar is diverted to an 8-Stand No-Twist Block through a Pinch roll, Cropping shear and a horizontal Looper. After the No-Twist Block, the hot rod passes through Water Boxes & Equalization Troughs to cool down to a temperature of about 900^0C (depending on the SS grade.) After Water Boxes, the rod is conveyed to Pinch Roll and a Laying Head. Waps from the Laying

Head are conveyed on a controlled Cooling Conveyor, which is inclined upwards. Fans are provided below the conveyor to achieve the controlled cooling of the stainless steel waps.

At the end of the Coil Conveyor, a Reform Station collects the waps into the Coil Shape. From the Reform Station, the Coil is collected by a Coil Collector. The Coil Car brings the coil outside from below the Coil Reform platform. From the coil car, the coil is lifted by a Fork-Lift. The Fork-lift deposits the Coil inside an off-line Coil Compactor. While the coil is held by the compactor, it is tied by straps with the help of pneumatically operated machines. Coils are stored in horizontal position by a 'C' hook mounted on an EOT Crane. The same arrangement is used to load the coils on a truck for despatch.

Production Flow Diagram



Raw Materials & Sourcing Strategy

Major Raw Material and Consumables for the proposed Wire Rod Mill are Stainless Steel Billets, Furnace Oil as fuel for reheating the furnace, mill rolls, refractories, lubricating oils & greases and blades for cropping.

Stainless Steel Billets

Stainless Steel Billets are the main raw material for the project. Billets of the required Stainless Steel Grades, size and length will be readily available from the existing steel melt shop of MCL. And if there is a shortage of billets, the same will be sourced from other Stainless Steel making units in the country.

Furnace Oil

Furnace Oil shall be used as fuel for reheating of the billets. Furnace Oil is readily available from the local petroleum companies.

Mill Rolls & Guides

In hot rolling mills, Mill Rolls are a consumable item. With use, grooves wear out and are frequently changed. After all the grooves on a roll wear out, the roll is redressed. A maximum of about six re-dressings can be carried out before the rolls have to be discarded. Similarly, guides also get worn out and need replacement.

Refractories

Refractories are used in the reheating furnace for the insulation of side walls, hearth and roof. The flue duct and chimney are also refractory lined. Soaking zone and the burner walls refractories are subjected to intense heating and have to be repaired / replaced regularly.

Lubricants & Greases

Lubricating oils are required for topping up the centralized lubrication systems, machinery gearboxes and lubricators in compressed air line. Greases are required for lubrication of roll neck bearings, bearings of roller tables, E.O.T. Crane wheel bearings, shearing machine slides etc. All the lubricants and greases are available indigenously.

Shear Knives

Heat Treated Alloy Tool Steel Knives are used in Crop & Cobbles Shears. The Knives are to be kept sharpened by regular grinding. Also there is some breakage of Knives due to accidental damage caused by loosening of fixing blades or mishandling. All these Knives shall be procured from regular Knives manufactured indigenously or imported.

Steel Strap

Steel Strap shall be used for binding of the coils with the help of signode machines.

Power

The electric supply to the plant shall be made available by the State Electricity Board.

List of estimated connected load for Wire Rod mill is given below:

Sr. No.	Description	Estimated Connected Load (KW)
1.	Roughing Mill AC Motor (Slipring Type)	1500
2.	DC Motors for Main Continuous Mill Stands	7400
3.	DC Motors for Wire Rod Block	1800
4.	Aux. DC Motors for the Mill (Shear, pinch rolls, laying head etc.)	80
5.	Water System	1000
6.	Reheating furnace and EOT Cranes	900
7.	Compressor	400
8.	Roll Shop & Work Shop	300
9.	Testing Laboratory	50
10.	Air-conditioning and Ventilation	200
11.	Plant Lighting	150
12.	Miscellaneous	720
	Total	**14,500**

Water

Water is required for two purposes viz. Industrial use and general services & drinking. Industrial Water System is proposed to be a self contained re-circulating system in which the loss of water through evaporation, spillage etc. is made up by addition of make-up water. Two separate recirculation systems are proposed viz: Clear water System for Reheating Furnace and Mill Heat Exchangers; and Scaled Water System for cooling of bars, rolls & guides during rolling.

Clear Water System for Reheating Furnace and Mill Heat Exchangers shall serve the cooling requirements of Hydraulic oil, beam ends and discharge trough of Walking Hearth Furnace and heat exchangers of various lubrication and hydraulic systems in the mill, heat exchangers of Ventilation Systems of main drive motors of Mill Stands, Air Compressors and Air Conditioning system. Scaled Water System shall serve the requirement of water for Trough Sealing of Reheating Furnace, Cooling of rolls of Roughing Mill, Continuous and Finishing Mill, Pinch Rolls & Shears, cooling of rolls of NTM of Wire Rod Block, cooling of material in scrap buckets and Scale Flushing. The flow requirement of industrial water re-circulating system is summarized in the table:

Water System	Flow M^3/Hr.
Clear Water System for Reheating Furnaces and Mill Heat Exchangers	900
Scaled Water System (Raw Water)	850
Total Industrial Circulation Water	1750

The requirement of water for drinking, washing, etc. is estimated at about 30 M^3 per day. The total requirement of about 1050 M^3 of water per day is proposed to be met from the bore well after softening and Water supply line of MPAKVN.

Manpower Requirement

MCL's existing staff of administration covering the personnel, finance, sales & purchase functions is considered adequate to additionally look after the requirements of the new Mill.

Technical, managerial and supervisory staff

A General Manager shall head the works of Wire Rod Division. The mechanical engineering department will comprise of a chief mechanical engineer, roll shop manager, utility manager and mechanical engineers. The electrical engineering department will comprise of chief electrical engineer, electrical and electronic engineers. In addition, production engineers, quality assurance manager, stores in-charge, dispatch in-charge and supervisory staff will be employed.

Directly employed manpower

Shift-wise manpower proposed is as shown below:

Sr. No.	Department	Shifts				Total
		A	B	C	D	
1.	Mechanical Engineering	16	16	16	7	55
2.	Electrical & Automation	4	4	4	5	17
3.	Production	27	27	27	8	89
4.	Quality Assurance	2	2	2	-	6
	Total	**49**	**49**	**49**	**20**	**167**

Skill category wise manpower proposed is as shown below:

Sr. no.	Department	Skill Category			Total
		SC	SS	US	
1.	Mechanical Engineering	23	22	10	55
2.	Electrical & Automation	9	4	4	17
3.	Production	50	33	6	89
4.	Quality Assurance	3	-	3	6
	Total	85	59	23	167

SC = Skilled Craftsman
SS = Semi Skilled
US = Unskilled

Proposed capacity and production

Class of Goods	Unit	Licensed Capacity		Installed capacity	
		2011-2012	2012-2013	2011-2012	2012-2013
1. SS - Wire Rod	MT	3,60,000	3,60,000	1,05,000	1,05,000
2. MS – Wire Rod	MT			15,000	15,000
3. Alloy – Wire Rod	MT			30,000	30,000

Competitors

For an indicative list of our closest peers please refer to the chapter titled “Basis of Issue Price” beginning on page number [•].

Marketing and selling arrangement

Our Company has been selling Stainless steel and alloy steel billets and has seen sales growth of 90.83% CAGR between 2007 to 2009. Our Company has developed a strong distribution network for its current products and will have the advantage of utilizing its network and relationship with its existing customers to promote & sell the end products of the proposed wire rod plant.

Further, our Company proposes to market the products of the proposed project to the major users of stainless steel viz. plant & machinery fabrication industry, construction industry, transportation and process engineering industry. Our Company proposes to capitalize on the surging demand of stainless steel in the domestic as well as international markets by the infrastructure, engineering and real estate sectors. MCL has identified four major centers where its products can be sold viz. Mumbai, Ahmedabad, New Delhi and Jodhpur. Our Company will cater to the demand in these major centers of Western and Northern India. Since the plant is located in central India, it is easy to operate and address the demand of desired products as per the requirements of customers.

We will develop distribution channel which will work through agents /distributors who will be authorized to take orders of the required products of our Company. Our Company will deliver their products through depot sales. Our Company will negotiate directly with the bulk consumers and will be supplying products as per their requirement on a priority basis with special discounts on bulk bookings.

Insurance

We have taken out adequate insurance for all our business activities, that include office protection policies, fire and special perils policies, machinery breakdown policies etc. Our policies cover the risks associated with our assets and infrastructure that are instrument for our business.

Intellectual Properties

As of the date of this Draft Red Herring Prospectus, we have not registered trademarks (including logos and words) relating to our “Mittal Corp” logo. We have applied for trademark registration of our “Mittal Corp” logo which is pending before the trademark registry.

Properties

Lease Deed for land situated at Plot No. 159, Industrial Area No. III, Pithampur Tehsil and District Dhar, Madhya Pradesh (Unit I)

On August 8, 1986 our Company (then Jewels Steels Limited) entered into a lease deed with the Governor of Madhya Pradesh (acting through MPAKVN). In terms of the lease deed, our Company was granted a lease of land admeasuring 72,875 square metres situated in the Industrial Area No. III, Pithampur of Tehsil Dhar, District Dhar for a term of 99 years commencing from the date of handing over of possession for the purpose of construction and establishing thereon a factory for manufacturing steel ingots/billets and other ancillary purposes.

In terms of an amendment of the lease deed on June 11, 2008, the MPVAKN revised the lease period to be read as 30 years commencing from August 8, 1986 and ending on August 7, 2016. In terms of another amendment of the lease dated on February 18, 2009, the MPAKVN recognised the change of our Company’s name to Mittal Corp Limited in its records.

Towards consideration for the lease, our Company paid a land premium of Rs. 801,625 and security deposit equivalent of three years’ rent. The amounts payable as consideration include – (i) annual ground rent of Rs. 7,288; (ii) annual development charges of Rs. 218,625; and (iii) service tax of Rs. 23,269.

Lease deed for land situated at Plot No 164C, Industrial Area No. III, Pithampur Tehsil and District Dhar, Madhya Pradesh (Unit II)

On January 18, 2010 our Company entered into a lease deed with the Governor of Madhya Pradesh (acting through MPAKVN). In terms of the lease deed, our Company was granted a lease of land admeasuring 60,000 square metres situated in the Industrial Area No. III, Pithampur of Tehsil Dhar, District Dhar for a term of 30 years commencing from the date of lease deed i.e. January 18, 2010 and ending on January 17, 2040.

Towards consideration for the lease, our Company paid advance rent of Rs. 462,000 and premium of Rs. 462,000 and security deposit equivalent of three years' rent i.e. Rs. 1,386,000. The amounts payable as consideration include – (i) annual ground rent of Rs. 462,000; and (ii) annual development charges of Rs. 270,000. The ground rent of Rs. 462,000 shall be liable to increase on the expiry of 10 years.

The said allotment has been considered under the "Mega Project Scheme" as notified in the Industry Policy-2004 issued by the Commerce and Industries Department, Government of Madhya Pradesh as the proposed investment is more than Rs. 100 crore. In case, the Company fails to invest at least the minimum fixed investment of Rs. 100 crore within three years from the date of allotment, the amount of concession will be recovered with 12% simple interest.

Agreement for office premises located at 315, 3rd Floor, Jolly Bhawan No. 1, 10 New Marine Lines, Mumbai, Maharashtra

On July 8, 2009, our Company entered into an agreement with Mr. N.M. Purohit, sole proprietor of M/s N.M Purohit & Co. In terms of the Agreement, our Company was granted facilities and allowed usage of office space admeasuring 300 square feet situated at 315, 3rd Floor, Jolly Bhawan No. 1, 10 New Marine Lines, Mumbai, Maharashtra for a period of 24 months commencing from the May 1, 2009 and ending on April 30, 2011 with a lock-in of one year from May 1, 2009 to April 30, 2010.

Towards consideration for usage of the said premises, our Company paid a security deposit of Rs. 3,50,000 and a monthly rent of Rs. 45,000.

Lease Deed for the Corporate Office of the Company situated at Abhay Prashal (West Wing), Race Course Road, Indore

On May 1, 2009, our Company entered into a lease deed with Indore Table Tennis Trust. In terms of the lease deed, our Company has the right to use the premises admeasuring 2542.27 square feet situated at Abhay Prashal (West Wing), Race Course Road, Indore, Madhya Pradesh for a period of 3 years commencing from May 1, 2009 and ending on April 30, 2012.

Towards consideration for the lease, our Company is liable to pay Rs 38,134 per month as rent, 15% increase of rent would be effective from November 2010 and an interest free security deposit of advance rent of six months. Our Company is required to pay rent on or before 15th of every month.

Lease Deed for premises situated at Plot No 22/2, Yeshwant Niwas Road, Indore, Madhya Pradesh

On September 3, 2009, our Company entered into a lease deed with Shri Abhay Singh Bharkatiya and Smt Renu Bharkatiya. In terms of the lease deed, our Company has the right to use the premises admeasuring 3000 square feet situated at Plot No 22/2, Yeshwant Niwas Road, Indore, Madhya Pradesh for a period of 3 years commencing from September 1, 2009 and ending on August 31, 2012.

Towards consideration for the lease, our Company is liable to pay Rs 45,000 per month as rent and an interest free security deposit of Rs 1,80,000. Our Company is required to pay rent on or before 5th of every month.

New Delhi

Name of the Lessor and date of Agreement	Leased premises	Term of the Lease	Consideration and other significant financial terms
Mr. Om Prakash Gupta November 25, 2009	A-96, 1st Floor, Group, Wazirpur Industrial Area, New Delhi 110 052	1 years ending on March 31, 2010	Rs. 4,500 per month excluding water, electricity and other charges.

Jodhpur

Name of the Lessor and date of Agreement	Leased premises	Term of the Lease	Amount and other significant financial terms
Mr. Chandra Prakash Daga March 6, 2008	G-651-652, 2nd Phase, Basni, Jodhpur	2 years commencing on March 6, 2008 and to be extended further with mutual consent	Rs. 10,000 as monthly rent The rent shall be enhanced by 7% per annum.

Ahmedabad

Name of the Lessor and date of Agreement	Leased premises	Term of the Lease	Amount and other significant financial terms
Mr. Pradeep Mehta September 1, 2008	Plot No. 307/2, GVMM Odhav, Ahmedabad	2 years commencing on September 1, 2008 and to be extended further with mutual consent	Rs. 10,000 as monthly rent excluding water, electricity and other charges The rent shall be enhanced by 10% per annum.

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India. The information detailed in this chapter has been obtained from the various local legislations and the bye laws of the respective local authorities which are available in the public domain. The regulations set out below are not exhaustive, and is only intended to provide general information to the Investors and is neither designed nor intended to be a substitute for professional legal advice.

In carrying on the business as described in the section titled "Our Business" on page no. [•] of this Draft Red Herring Prospectus, the Company is regulated by the following legislations in India. For details of the requisite approvals, please see the section titled "Government Approvals" on page no. [•] of this Draft Red Herring Prospectus.

National Steel Policy, 2005

The National Steel Policy, 2005 (hereinafter referred to as the "**Policy**") lays down a broad policy framework for India's steel industry, and aspires India to have a modern and efficient steel industry of world standards, catering to diversified steel demand. The Policy envisages a compounded annual growth of 7.3 per cent per annum in the steel sector. To achieve this, it aims to increase production from 38 MTPA in 2004-05 to over 110 MTPA by 2020, through a multi-pronged strategy.

The Policy focuses on achieving global competitiveness not only in terms of cost, quality and product-mix, but also in terms of global benchmarks of efficiency and productivity.

The Government proposes to create incremental demand for domestic consumption via promotional efforts, awareness drives and strengthening the delivery chain, particularly in rural areas. On the supply side, the strategy would be to facilitate creation of additional capacity, remove procedural and policy bottlenecks in the availability of inputs such as iron ore and coal, make higher investments in R&D and HRD and encourage the creation of infrastructure such as roads, railways and ports.

Fiscal Regulations

Foreign Trade Policy

Under the Foreign Trade (Development and Regulation) Act, 1992, the Central Government is empowered to periodically formulate the Export Import Policy ("**EXIM Policy**") and amend it thereafter whenever it deems fit. All exports and imports have to be in compliance with such EXIM Policy. The iron and steel industry has been extended various schemes for promotion of export of finished goods and import of inputs. Duty Entitlement Pass Book ("**DEPB**") Scheme has been extended up to 31 December 2010.

Excise Regulations

The Central Excise Act, 1944 seeks to impose an excise duty on excisable goods which are produced or manufactured in India. The rate at which the said duty is sought to be imposed is contained in the Central Excise Tariff Act. However, the Government has the power to exempt certain specified goods from excise duty, by notification. Steel products are classified under Chapter 72 of the Central Excise Tariff Act and presently attract an ad-valorem excise duty at the rate of 8% and also an Education Cess of 2% over the duty element.

Customs Regulations

All imports in the country are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Government has the power to exempt certain specified goods from excise duty, by notification. The customs duty on iron and steel items falling under Chapter 72 of the Custom Tariff Act, 1975 has been reduced sharply during the last five years. The current custom duty on non-alloy Steel is 5%. The peak rate of custom duty on iron and steel items falling under Chapter 72 items was brought down from 20% to 10% vide S.No. 330 of notification No 21 of 2007.

Labour Legislations

As part of our business, we are required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to our operations is set forth below:

Factories Act, 1948

The Factories Act, 1948, as amended (the "**Factories Act**"), defines a 'factory' to be any premises on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948, as amended, provides a framework for State governments to stipulate the minimum wage applicable to a particular industry. The minimum wage may consist of a basic rate of wages and a special allowance; or a basic rate of wages and the cash value of the concessions in respect of supplies of essential commodities; or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any. Workmen are to be paid for overtime at overtime rates stipulated by the appropriate government. Contravention of the provisions of this legislation may result in imprisonment for a term up to six months or a fine up to Rs. 500 or both.

Payment of Bonus Act, 1965

Pursuant to the Payment of Bonus Act, 1965, as amended (the "**Bonus Act**"), an employee in a factory or in any establishment where 20 or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year is eligible to be paid a bonus. Contravention of the provisions of the Bonus Act by a company is punishable with imprisonment or a fine, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention.

Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948, as amended (the "**ESI Act**"), provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "**CLRA**"), requires establishments that employ, or have employed on any day in the previous 12 months, 20 or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour. The CLRA requires the principal employer of an establishment to which it applies to make an application to the registering officer in the prescribed manner for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, drinking water, washing facilities, first aid facilities, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be imposed for contravention of the provisions of the CLRA.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Fund and Miscellaneous Provisions Act, 1952, as amended, provides for the institution of compulsory provident fund, pension fund and deposit linked insurance funds for the benefit of employees in factories and other establishments. Liability is placed both on the employer and the employee to make certain contributions to the funds mentioned above.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, as amended, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. The entitlement to gratuity in the event of death or disablement is not contingent upon an employee having completed five years of continuous service.

Environmental Legislations

We are required under applicable law to ensure that our operations are compliant with environmental legislation such as the Water (Prevention and Control of Pollution) Act 1974, as amended (the "**Water Act**"), the Air (Prevention and Control of Pollution) Act, 1981, as amended (the "**Air Act**") and the Environment Protection Act, 1986, as amended (the "**Environment Act**"). The Water Act aims to prevent and control water pollution. It provides for the constitution of a Central Pollution Control Board ("**CPCB**") and State Pollution Control Boards ("**SPCBs**"). The functions of the CPCB include coordination of activities of the SPCBs, collecting data relating to water pollution and the stipulation of measures for the prevention and control of water pollution and prescription of standards for streams or wells. The SPCBs are responsible for the planning for programs for, among other things, the prevention and control of pollution of streams and wells, collecting and disseminating information relating to water pollution and its prevention and control; inspection of sewage or trade effluents, works and plants for their treatment and to review the specifications and data relating to plants set up for treatment and purification of water; and laying down standards for treatment of trade effluents to be discharged. This legislation prohibits any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluents into a stream, well or sewer without the prior consent of the relevant SPCB.

The CPCB and the SPCBs constituted under the Water Act are to perform functions under the Air Act for the prevention and control of air pollution. The Air Act aims to prevent and control air pollution. It is mandated under the Air Act that no person may, without the prior consent of the relevant SPCB, establish or operate any industrial plant in an air pollution control area.

The Environment Act has been enacted for the protection and improvement of the environment. It empowers the Government to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants. The Government may make rules for regulating environmental pollution.

Environment Impact Assessment Notifications

The Environment Impact Assessment Notification S.O.60(E), issued on January 27, 1994 (the "**1994 Notification**") under the provisions of the Environment (Protection) Act, 1986, as amended (the "**EPA**"), prescribes that for the construction of certain power projects specified in the 1994 Notification, in the case of new projects, if the investment is more than Rs.100 crore and in the case of expansion or modernization projects, if the investment is more than Rs. 50 crore, the prior environmental clearance of the MoEF is required. The environmental clearance must be obtained from the MoEF according to the procedure specified in the 1994 Notification. No construction work, preliminary or other, relating to the setting up of a project can be undertaken until such clearance is obtained.

The application to the MoEF is required to be accompanied by a project report which should include, *inter alia*, an Environmental Impact Assessment Report and an Environment Management Plan. The Impact Assessment Authority evaluates the report and plan submitted. Such assessment is required to be completed within a period of 90 days from receipt of the requisite documents from the project developer/manager. Thereafter, a public hearing has to be completed and a decision conveyed within 30 days.

The clearance granted is valid for a period of five years from the commencement of the construction or operation of the project. The project developer/manager concerned is required to submit a half yearly report to the Impact Assessment Authority to enable it to effectively monitor the implementation of the recommendations and conditions subject to which the environmental clearance has been given.

If no comments from the Impact Assessment Authority are received within the time limits specified above, the project will be deemed to have been approved by the project developer/manager.

On September 14, 2006, the Environmental Impact Assessment Notification S.O.1533 (the "**2006 Notification**") superseded the 1994 Notification.

Under the 2006 Notification, the environmental clearance process for new projects consists of four stages - screening, scoping, public consultation and appraisal. After completion of public consultation, the applicant is required to make appropriate changes in the draft Environment Impact Assessment Report and the Environment Management Plan. The final Environment Impact Assessment Report has to be submitted to the concerned regulatory authority for appraisal. The regulatory authority is required to give its decision within 105 days of the receipt of the final Environment Impact Assessment Report.

Hazardous Waste (Management and Handling) Rules, 1989

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991, as amended (the "**Public Liability Act**") imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

HISTORY AND CORPORATE STRUCTURE

Our History

Our Company was incorporated on July 5, 1985 as “Jewel Steels Limited”, a public limited company under the Companies Act, 1956. The name of our Company was changed to “Jewel Seamless Limited” following a special resolution passed by the members on July 25, 1995 and a fresh certificate of incorporation dated August 28, 1995 was issued by the RoC, Madhya Pradesh at Gwalior.

Our Company was incorporated and promoted by Kuldeep Bishnoi and Seema Bishnoi. In the 1990s, they had set up a seamless pipe manufacturing facility at Unit I. However, owing to a general recessionary trend in the steel markets in the 1990s the enterprise was not very successful. In the year 2002, Mr. Karan Mittal became our Promoter and assumed responsibility for conducting the business affairs of our Company. In the period between financial years ending 1995 and 2001, the Company was not into commercial operations and no profit and loss accounts were prepared in this period. The first venture undertaken by our Company was a franchisee arrangement with a mineral water brand ‘Oxyrich’ and this commercial venture commenced in July 2003. This venture was discontinued by our Company in the financial year ending 2005. In the financial year ending 2005, our Company ventured into setting up manufacturing facilities for various grades of stainless steel to be used for wide range of business products.

The registered office of our Company was shifted from the state of Madhya Pradesh to Maharashtra and a certificate of registration of the Company Law Board’s order in this regard was issued by the RoC, Maharashtra at Mumbai on April 9, 2007. Pursuant to the terms of the Company Law Board’s order passed on March 5, 2007, our registered office was shifted from Unit I to our present registered office at 315, Jolly Bhawan No. 1, 10 New Marine Lines, Mumbai – 400 020.

The name of our Company was changed to “Jewels Seamless Limited” following a special resolution passed by the members on September 6, 2008 and a fresh certificate of incorporation dated September 16, 2008 was issued by the RoC, Maharashtra at Mumbai. The name of our Company was changed to “Mittal Corp Limited” following a special resolution passed by the members on November 24, 2008 and a fresh certificate of incorporation dated December 16, 2008 was issued by the RoC, Maharashtra at Mumbai.

Our Company also maintains a corporate office at Abhay Prashal (West Wing), Race Course Road, Indore – 452 003.

Major Events

Year	Events
2002	Jewel Seamless Tubes unit taken over by Mr. Karan Mittal and his team.
2003	Company entered into a franchisee agreement with a mineral water brand ‘Oxyrich’. This venture was discontinued in the financial year ending 2005.
2004	New Management diversifies into Mild Steel ingots & Billets by installing balancing equipments with 8 tons furnace. Project is completed in record time of 6 ½ months.
2006	Mr. Mittal gets into Stainless Steel manufacturing billets, slabs, sheets etc.
	Company expands from capacity of 18000 MT to 60,000 MT per annum. Company plans an expansion outlay of Rs 28 Crores. Project completed in record 8 months.
2007-08	Company sets up rolling mill to get into further value addition. Project comes into commercial production within six months flat.
	Company installs oxygen Plant for captive use to save cost and increase contribution.
2008-09	Company further expands from 60000 MT to 90000 MT by installing another 20 tonnes furnace.
2009-10	Company starts installing balancing equipments with CAPEX of Rs. 15.00 crores to increase the capacity to 120000 MT.
	Company puts on paper the plan for green field Wire Rod mill of 150,000 MT per annum with a fund outlay of approximately Rs 125 Cr. Completes Land acquisition.

For details of our competitors, please refer to the chapter titled “Business” on page no. [●] of this Draft Red Herring Prospectus.

Other than as disclosed in the chapters titled “Capital Structure” and “Financial Indebtedness” on page nos. [●] and [●] of this Draft Red Herring Prospectus, our Company has not issued any capital in the form of equity or debt.

For details on the corporate profile of our Company regarding its history, the description of its activities, services, products, market of each segment, the growth of our Company, the standing of our Company with reference to our prominent competitors, please refer to the chapter titled “Business” on page no. [●] of this Draft Red Herring Prospectus.

Main Objects of the Company

The main objects of our Company as contained in its Memorandum of Association are:

1. To carry on the business of manufacturing, producing, creating, procuring, mastering, buying, selling converting and in other ways dealing in iron and steel.

2. To manufacture, steel special steels, Steels Casting, Pig, Iron, Iron Alloys, Ingots, Billets, Slabs, Sheets Strips, Skelps, Rounds Bars, Flats, Sections and Shapes, Brass wire Rods, wires, Aluminum, Stainless Steel and other non-ferrous metals.

3. To carry on the business of iron masters, Steel makers, Steel converters miners smelters, Iron, Steel and coal engineers dealers and producers, tin plate makers in all their branches.

4. To undertake, to manufacture, supply, erection or installation of tubular structures, furniture's Transmission Towers, Tubular Pools Pipe Lines, Portable Pipe Houses and tubes, Pipes, Fittings, Galvanized or black, Ferrous, Non-ferrous, welded or seamless or any other type, by any process and method whatsoever.

5. To carry on in India or elsewhere the business as manufacturer, processor, importer, exporter, distiller, refiner, fermenter, converter, bottler, distributor, preserver, franchisee, packer, mover, consignor, seller, buyer, reseller, transporter, stockist, agent, sub-agent, broker, supplier, indentor, concessionaire or otherwise deal in all types of beverages including soft drinks, soft drink concentrates, syrups, effervescent drinks, aerates water and mineral water.

Amendments to our Memorandum of Association

Since our incorporation, the following changes have been made to our Memorandum of Association:

EGM Date	Nature of Amendment
July 25,1995	The name of our Company was changed from Jewel Steels Limited to Jewel Seamless Limited
August 29,1996	The authorised capital of our Company was enhanced from Rs. 3,00,00,000 to Rs. 4,00,00,000 comprising 4,000,000 Equity shares of Rs. 10 each
October 15, 2002	Change in object clause of the Company
March 16, 2005	The authorised capital of our Company was enhanced from Rs. 4,00,00,000 to Rs. 7,00,00,000 comprising 70,00,000 Equity shares of Rs. 10 each
March 25,2006	The authorised capital of our Company was enhanced from Rs. 7,00,00,000 to Rs. 11,00,00,000 comprising 1,10,00,000 Equity shares of Rs. 10 each
March 7, 2007	The registered office of the Company was shifted from the state of Madhya Pradesh to Maharashtra
September 6, 2008	The name of our Company was changed from Jewel Seamless Limited to Jewels Seamless Limited
November 24, 2008	The name of our Company was changed from Jewels Seamless Limited to Mittal Corp Limited
September 15, 2009	The authorised capital of our Company was enhanced from Rs. 11,00,00,000 to Rs. 51,00,00,000 comprising 5,10,00,000 Equity shares of Rs. 10 each
October 21, 2009	The authorised capital of our Company was enhanced from Rs. 51,00,00,000 to Rs. 60,00,00,000 comprising 6,00,00,000 Equity shares of Rs. 10 each

Total number of our shareholders

The total number of shareholders is 17. For further details of our shareholding pattern, please refer to the chapter titled "Capital Structure" on page no. [•] of this Draft Red Herring Prospectus.

Subsidiaries, if any

Our Company does not have any subsidiaries.

Shareholders Agreements

There are no shareholders agreements between the shareholders of our Company.

Strategic Partners/Financial Partners

Our Company has not entered into any strategic partnerships or financial partnerships with any other entity.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association we are required to have not less than 3 Directors and no more than 12 Directors. We currently have 6 Directors on our Board.

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

S. No	Name, Father's Name, Address, Occupation and Term, and DIN	Nationality	Age	Designation	Other Directorships
1.	**Mr. Karan Mittal** S/o Mr. R.R Mittal 153/1, Y.N. Road, Indore 452 003 Date of appointment as Managing Director: September 25, 2002 Term as Managing Director: From September 1, 2006 to August 31, 2011 *Business* DIN: 00328725	Indian	31	Managing Director, Non-Independent Director	1. Parks Webtech Limited 2. Pandit Holdings Private Limited 3. Labh Ganga Marketing Private Limited 4. K.N. Metals Private Limited 5. Parks Holding Private Limited 6. Parks Sales Private Limited 7. Parks Infoway Private Limited 8. Matashrey Investment services Private Limited
2.	**Mr. Dinesh Kumar Agrawal** S/o Late Mr. Radheyshyam Agrawal 471, Sudama Nagar, Indore – 452 009, Madhya Pradesh Date of Appointment: February 8, 1999 Term: liable to retire by rotation *Service* DIN: 00328874	Indian	42	Whole Time Director Non-Independent Director	1. Mittal Enterprises Private Limited 2. Mahalaxmi Exim Private Limited 3. Sphinx Investments Private Limited 4. Pandit Holdings Private Limited
3.	**Mr. Vinod Kumar** S/o Mr. Dharma Vir Visa Guest House, At-Limapada, Jajpur Road, Jajpur, Orissa – 755 019 Date of Appointment: August 12, 2009 *Service* DIN: 02728746	Indian	57	Whole Time Director, Non-Independent Director	**NIL**
4.	**Mr. Atul Kumar Shukla** S/o Late (Dr.) S.N. Shukla 501, May Flower, 31-A, Union Park, Khar (West), Mumbai – 400 052. Date of Appointment: November 23, 2009 *Professional* DIN: 00121601	Indian	63	Non-Executive Director Independent Director	1. Gammon India Limited 2. Almondz Global Securities Limited 3. Deccan Infrastructures & Land Holdings Limited 4. India Venture Advisors Private Limited 5. India Infoline Trustee Co. Limited
5.	**Mr. C.P. Swarnkar** S/o. Mr. Bherulal Swarnkar 3539, Syndicate Bank House, 2nd Cross, 13th 'H' Main, HAL, 2nd Stage, Indiranagar, Bangalore –	Indian	62	Non-Executive Director, Independent Director	1. Lanco Anpara Power Limited

S. No	Name, Father's Name, Address, Occupation and Term, and DIN	Nationality	Age	Designation	Other Directorships
	560 008, Karnataka Date of Appointment: August 12, 2009 *Professional* DIN: 00262730				
6.	**Dr. N.S. Datar** S/o Mr. Sitaram Narayan Datar Plot No. 14S, No. 128/4 Off ITI Road, Abhishek, Sanewadi, Aundh, Pune – 411 007, Maharashtra Date of Appointment: September 23, 2009 *Professional* DIN: 00080801	Indian	84	Non-Executive Director Independent Director	1. Oil Country Tubular Limited 2. Uttam Galva Steels Limited 3. Cyclo Engineering Limited 4. Data Engineering and Consultancy Private Limited

Brief Biographies of our Directors

Mr. Karan Mittal is a Managing Director and one of the Promoters of our Company. He holds Bachelor's Degree in Commerce. He has over 12 years of total experience of which 8 years is in steel industry. He has commendable knowledge of latest stainless steel technology, for which he got trained in Russia. His stupendous success in steel & other business ventures, in a very short time, makes him an ideal leader of the team of competent professional managers. Mr. Karan Mittal has exposure to modern day technology. He also holds senior position in various bodies like Indore Management Association etc. He has been honoured with the "STAINLESS STEEL EXCELLENCE AWARD – GROWTH" conferred by Minister of Steel – Government of India in January 2010 and with the "UDYOG BHARATI AWARD" in the year 2006, by the Indian Achievers Forum. He is responsible for the formulation of the overall strategic policy governing the growth drivers of our Company and has been instrumental in execution of business strategies.

Mr. Dinesh Agrawal, is a Whole-time and Non-independent Director of our Company. He holds master's degree in commerce Devi Ahiliya University, Indore. He has vast experience of over 25 years in handling various accounts and finance related activities. He has been associated with the Company for last 11 years. He takes care of day-to-day cash management activities of the company and is also an expert in financial matters.

Mr. Vinod Kumar, is a Whole-time and Non Independent Director of our Company. He has worked with Jindal Steel and Power Limited. as a Vice President, Aarti Steel Limited. as a Vice President, and VISA Steel Limited. as a President. He holds bachelor's degree in Mechanical Engineering from Manipal Institute of Technology, Karnataka. He has over 33 years of experience of which 22 years in steel industry in handling activities related to maintenance, production and projects management of integrated steel making plants. He has experience and knowledge on latest steel making and casting practices which he had acquired by taking training and by visiting many steel plants across the countries like Europe, Japan, Malaysia, Indonesia etc.

Mr. Atul Kumar Shukla, is an Independent and Non Executive Director of our Company. He was Chairman of Life Insurance Corporation of India ("LIC"). He had joined LIC in 1968 and held prestigious posts therein including Managing Director. He holds Master's Degree in Science. He has over 40 years of experience. He has done various management programmes at IIM, Lucknow, Asian Institute of Management, Manila, National Insurance Academy, Pune, Administrative Staff College, Hyderabad and All India Management Association, Delhi related to Strategic Marketing, Personal and Industrial Relations and Corporate Planning and Corporate Governance. He was Chairman/ Director of various companies including National Commodities and Derivatives Exchange Limited, GIC of India, L&T Limited, IL&FS, Gujarat State Financial Corporation etc. He is Distinguish Fellow of Institute of Directors, Delhi.

Mr. Chandra Prakash Swarnkar, is an Independent and Non Executive Director of our Company. He has been associated with Punjab National Bank for 20 years prior taking up the position of Executive Director. In the year 2006 he was appointed as the Chairman and Managing Director of Syndicate Bank by the Government of India and retired as CMD in 2008. He holds master's degree in commerce and also a CAIIB-I from the Indian Institute of Bankers Association. He has over 38 years of experience in the banking industry and handled important portfolios like Treasury, Credit Administration, Credit policy & Risk Management, Law, Management Advisory Services, Gen Admin, International banking etc. He has been a member of various working groups of Reserve Bank of India.

Dr. N.S. Datar, is an Independent and Non Executive Director of our Company. He was Managing Director of Rourkela - Iron and Steel Plant for the period 1978-82 and has been associated with Steel Authority of India Limited (SAIL) and held various senior positions during his stint like, Director - Research and Development Centre for Iron and Steel, Ranchi etc. He holds bachelor's Degree in Science (Metallurgy) from College of Mining & Metallurgy Banaras Hindu University (BHU), Varanasi and Dr.Ing. (German Engineering Doctorate degree) from Rheinische Westfellish Technisched Hockscheule in Aachen. He has over 50 years of rich experience in Ferrous Metallurgy and related industries. Dr. Datar is on the Board of M/s. Uttam Galva Steels Limited and advisor to a number of steel plants across the country. He was honoured as "Distinguished Alumnus Award" 1975 from BHU, "INDRANI" 1976, Gold Medal from Mining Geological and Metallurgical Institute of India, "JAWAHAR AWARD" 1975 from SAIL, "VASVIK" AWARD 1982, "DAS VARDIENST KREUZ 1. KLASSE Des Verdienstordens der Bundeserepublic Deutschlands.

Relationship between Directors

None of our Directors have any family relationships.

Shareholding of our Directors in the Company

Save and except, as disclosed below, none of our Directors have any shareholding in our Company.

Director	No. of Equity Shares
Mr. Karan Mittal	599,100
Mr. Dinesh Kumar Agrawal	22,500

As per our Articles of Association, our Directors are not required to hold any Equity Shares in our Company.

Interests of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as directors, members, and promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this section "Our Management" or the chapter titled "Related Party Transactions" on page no. [•] of this Draft Red Herring Prospectus, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Red Herring Prospectus.

Remuneration of our Directors

Mr. Karan Mittal, Managing Director

Mr. Karan Mittal was appointed as our Managing Director pursuant to sections 192, 198, 269, 310 and 311 and other applicable provisions of the Companies Act, 1956 for a period of five years with effect from September 1, 2006 for a remuneration of Rs. 55,000 per month.

Pursuant to a special resolution of the members passed at the annual general meeting on September 15, 2009, Mr. Karan Mittal's salary was increased to Rs. 250,000 per month for his remaining tenure. His salary comprises – (i) basic salary of Rs. 150,000 per month; (ii) house rent allowance of Rs. 60,000 per month; (iii) conveyance allowance of Rs. 15,000 per month; and (iv) special allowance of Rs. 25,000 per month.

In addition to the above, Mr. Karan Mittal shall be entitled to receive any other perquisite or allowance or benefit as may be applicable from time to time.

Mr. Vinod Kumar, Wholetime Director, Non-Independent Director

Mr. Vinod Kumar was appointed as an Additional Director pursuant to section 260 and articles of association of the company with effect from 12 August 2009.

Pursuant to a special resolution of the members passed at the annual general meeting on October 21, 2009, Mr. Vinod Kumar's salary was fixed at 1,97,500 per month.. His salary comprises – (i) basic salary of Rs. 60,000 per month; (ii) house rent allowance of Rs. 15,000 per month; (iii) conveyance allowance of Rs. 10,000 per month; and (iv) special allowance of Rs. 1,12,500 per month. Except the Whole Time Directors who are entitled to statutory benefits upon termination of their employment in the Company, no other Director is entitled to any benefit upon termination of their employment with the Company.

Mr. Dinesh Kumar Agrawal, Executive Director, Non-Independent Director

Mr. Dinesh Kumar Agrawal was appointed as an Additional Director pursuant to section 260 and articles of association of the company with effect from February 8, 1999.

Pursuant to a special resolution of the members passed at the annual general meeting on October 21, 2009, Mr. Dinesh Kumar's salary was 38,500 per month. His salary comprises – (i) basic salary of Rs. 23,500 per month; (ii) house rent allowance of Rs. 9,000 per month; (iii) conveyance allowance of Rs. 6,000 per month. Except the Executive Directors who are entitled to statutory benefits upon termination of their employment in the Company, no other Director is entitled to any benefit upon termination of their employment with the Company.

In addition, the Company will, subject to the provisions of the Companies Act and other applicable laws and regulations, pay each non-executive Director sitting fees to attend meetings of the Board and any committee of the Board. The Company will also reimburse such Directors for out-of-pocket expenses to attend such meetings and perform their role as a Director. These Directors may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations.

Changes in our Board of Directors during the last three years

Name	Date Of Appointment	Date of Cessation	Reason
Vinod Kumar	August 12, 2009	-	Appointment
C.P. Swarnkar	August 12, 2009	-	Appointment
N.S. Datar	September 23, 2009	-	Appointment
Adhir Agrawal	-	September 17, 2009	Resignation
Atul Kumar Shukla	November 23, 2009	-	Appointment

Borrowing powers of the Board

Our Articles, subject to the provisions of the Act, authorise our Board, at its discretion, to generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. Pursuant to a resolution passed by our shareholders at the AGM held on September 15, 2009, our Board has been authorised to borrow any sum or sums of monies in excess of our aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed the aggregate of the paid-up capital and free reserves of the Company by more than a sum of Rs. 1,500 million only.

Corporate Governance

The provisions of the listing agreement to be entered into with the Stock Exchanges ("**Listing Agreement**") with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. As of the date of this Draft Red Herring Prospectus, the Company has taken steps to comply with the provisions of Clause 49 of the Listing Agreement, including with respect to the appointment of independent directors, the constitution of the Audit, Remuneration and Shareholders/Investors Grievance committees.

The Chairman of the Board is an executive and non-independent director. The Board of Directors comprise six directors, of which three are independent directors. There are three non-executive Directors on the Board.

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

Audit Committee

The Audit Committee was constituted at our Board meeting held on April 1, 2006. The Audit Committee was reconstituted on December 29, 2009 as under. The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of our financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters. The Audit Committee comprises:

Name of Directors	Status
Mr. C. P. Swarnkar (Chairman)	Independent Director
Mr Atul Kumar Shukla	Independent Director
Dr. N. S. Datar	Independent Director

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

Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information disclosed.

(i) recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services;
(ii) discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
(iii) reviewing the financial statements and draft audit report, including quarterly / half yearly financial information;
(iv) reviewing with management the annual financial statements before submission to the Board, focusing primarily on:

    (a) any changes in accounting policies and practices;
    (b) major accounting entries based on exercise of judgment by management;
    (c) qualifications in draft audit report;
    (d) significant adjustments arising out of audit;
    (e) the going concern assumption;
    (f) compliance with the Indian GAAP;

(v) reviewing with the management, external and internal auditors, and the adequacy of internal control systems;
(vi) reviewing the adequacy of internal audit function, including the audit charter, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
(vii) discussion with internal auditors of any significant findings and follow-up thereon;

(viii) 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;
(ix) looking into the reasons for substantial defaults in payments to the shareholders (in case of non-payment of declared dividends) and creditors;
(x) reviewing compliances as regards the Company's whistle blower policy; and
(xi) to monitor the utilization of the proceeds of the issue.

Shareholder/Investors Grievance Committee

The Investor Grievance Committee was constituted at our Board meeting held on October 22, 2009. This Committee is responsible for the redressal of shareholder grievances. The Investor Grievances Committee comprises:

Name of Directors	Status
Mr. Vinod Kumar	Whole Time Director
Mr. C. P. Swarnkar (Chairman)	Independent Director
Dr. N. S. Datar	Independent Director

The Committee performs *inter alia* the role/functions as set out in Clause 49 of the listing agreements with the Stock Exchanges and includes:

(i) investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interest, non- receipt of balance sheet etc.;
(ii) oversee the performance of Registrar and Transfer Agent; and
(iii) such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Remuneration Committee

The Remuneration Committee was constituted at our Board meeting held on November 23, 2009. The Remuneration Committee comprises:

Name of Directors	Status
Atul Kumar Shukla	Independent Director
Mr. C. P. Swarnkar	Independent Director
Dr. N. S. Datar	Independent Director

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

Offering Committee

This Committee is responsible for dealing with all matters in relation to the initial public offering of the Company. Pursuant to this, the Committee has been authorized by the Board pursuant to a resolution dated October 22, 2009, to carry out and decide upon all activities in connection with the Issue, including any Pre-IPO Placing. The Offering Committee comprises:

Name of Members	Status
Mr. Karan Mittal	Managing Director
Mr. M.K. Jain	Chief Finance Officer
Ms. Pooja Bansal	Company Secretary

The functions of the committee in connection with the Issue include but are not limited to:

(i) Amendments to the memorandum of association and the articles of association of the Company;
(ii) Approving all actions required to dematerialize the Equity Shares of the Company;

(iii) Approving the Draft Red Herring Prospectus, the Red Herring Prospectus (the "RHP"), the Prospectus (the "Prospectus"), the preliminary and final international wrap, and any amendments, supplements, notices or corrigenda thereto, together with any summaries thereto;

(iv) Finalizing and arranging for the submission of the statement-in-lieu of prospectus, the Draft Red Herring Prospectus, the RHP, the Prospectus and the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;

(v) Approving a code of conduct as may be considered necessary by the Board or the Offering Committee or as required under applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;

(vi) Approving a suitable policy on insider trading as required under applicable laws, regulations and guidelines;

(vii) Approving any corporate governance requirement that may be considered necessary by the Board or the Offering Committee or as may be required under applicable laws, regulations or guidelines in connection with the Offering;

(viii) Deciding on the number of Equity Shares to be offered or issued and allotted in the Offering, including any Pre-IPO Placing, Reservation, Green Shoe Option, and any rounding off in the event of any oversubscription as permitted under the SEBI (ICDR) Regulations;

(ix) Appointing book running lead managers, lead managers, syndicate members, placement agents, bankers to the Offering, registrar to the Offering, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies and all such persons or agencies as may be involved in or concerned with the Offering, including any successors or replacements thereof;

(x) Opening bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in rupees or in any other currency, in accordance with applicable laws, rules, regulations, approvals and guidelines;

(xi) Remunerating all such book running lead managers, lead managers, syndicate members, placement agents, bankers to the Offering, the registrar to the Offering, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all other agencies or persons as may be involved in or concerned with the Offering, if any, by way of commission, brokerage, fees or the like;

(xii) Seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing applications to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the Listing Agreements;

(xiii) Seeking the admission of the Company's Equity Shares into the Central Depository Services (India) Limited and the National Securities Depository Limited and taking any further action as may be necessary or required for the dematerialization of the Company's Equity Shares;

(xiv) Seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offering, if any;

(xv) Determining the price at which the Equity Shares are offered or issued/allotted to investors in the Offering;

(xvi) Determining the price band for the purpose of bidding, any revision to the price band and the final Offering price after bid closure;

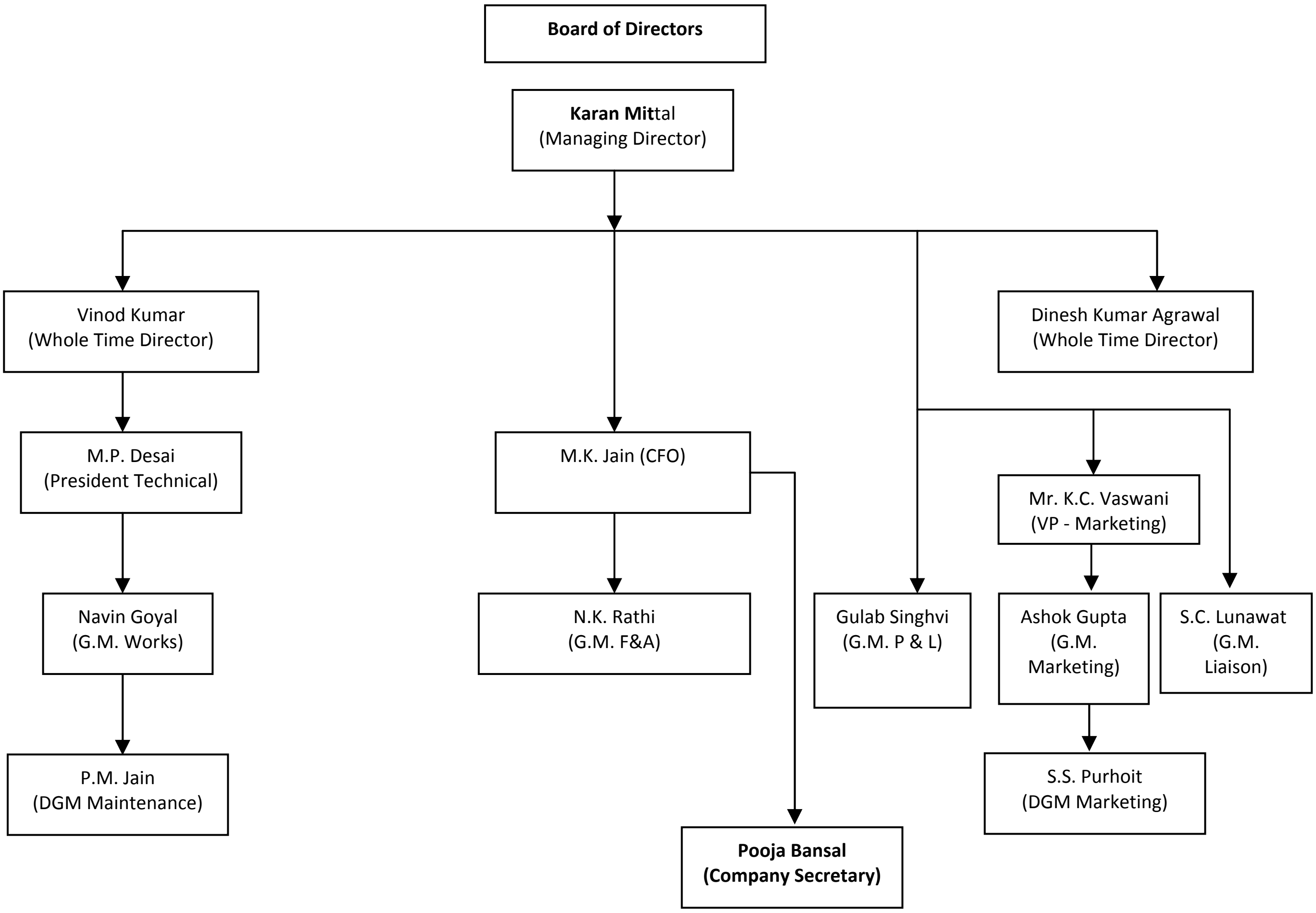
(xvii) Determining the bid opening and closing dates;

(xviii) Finalizing the allotment/transfer of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers in consultation with the book running lead managers, the Stock Exchanges and/or any other entity;

(xix) Allotment/transfer of the Equity Shares; and

(xx) Opening with the bankers to the Offering, escrow collection banks and other entities such accounts as are required under the SEBI (ICDR) Regulations and any other applicable laws, regulations, policies and guidelines.

Managerial Organizational Structure



Key Managerial Personnel

The profiles of our key managerial personnel are as follows:

Mr. Karan Mittal (Managing Director) - Please refer to the section titled "Our Management – Brief Biographies of our Directors" on page no. [•] of this Draft Red Herring Prospectus.

Mr. Vinod Kumar (Wholetime Director) - Please refer to the section titled "Our Management – Brief Biographies of our Directors" on page no. [•] of this Draft Red Herring Prospectus.

Mr. Dinesh Kumar Agrawal (Executive Director) - Please refer to the section titled "Our Management – Brief Biographies of our Directors" on page no. [•] of this Draft Red Herring Prospectus.

Mr. M.K. Jain, Chief Financial Officer, age 52 years, is a fellow member of the Institute of Chartered Accountants of India (ICAI) and has approximately 28 years of experience in various aspects of corporate finance in textiles, steel & auto industry. He has worked with Banswara Syntex Group and Madhu Milan Group. He is responsible for raising funds, co-ordination with the banks of the company and ensuring efficient fund management of the company and accounting activities of our Company. He has joined the Company in January 2008. The gross compensation paid to him in the fiscal year 2010 was Rs. 4.35 Lacs.

Mr. M. P. Desai, President - Technical, age 56 years, is a science graduate from M.S. University, Baroda and has over 34 years of experience in steel industry. He has worked with reputed companies like M/s. Shah Alloys Limited as a President, Viraj Alloys Limited and Panchmahal Steel Limited. as a General

Manager (Works). He is managing production activities at works. He joined the Company in January 2009 as President Technical. The gross compensation paid to him in the fiscal year 2010 was Rs. 9.00 Lacs.

Mr. K.C. Vaswani, Vice President - Marketing, age 54 years, he hold Master's degree in Business Administration from B.K. Institute of Management, Gujarat University, Post Graduate diploma in Marketing and Sales Management from Bhatiya Vidhya Bhavan, Ahmedabad and also Bachelor's degree in Mechanical Engineering. He has approximately 30 years of experience in in managing overall operation involving business development, marketing and administration in steel industry. He was Cheif Marketing Manager at Salem Steel Plant, SAIL, and has been associated for more than 28 years. He is responsible to manage business development and marketing activities. He has joined the Company in November 2009. The gross compensation paid to him in the fiscal year 2010 was Rs. 0.24 lakhs.

Mr. Navin Goyal, General Manager - Works, age 49 years, holds Bachelor's degree in Mechanical Engineering from Devi Ahilya University, Indore and Diploma in marketing from Devi Ahilya University, Indore. He has worked with Shri Ishar Alloys Steel Limited., Remi Metals Limited etc. and gained rich experience of 26 years in Steel Industry He is specialized in stainless steel production and continues casting. He is looking after routine plant work. He joined the Company in July 2005. The gross compensation paid to him in the fiscal year 2010 was Rs. 1.15 Lacs.

Mr. Gulab Singhvi, General Manager - Purchase and Logistics, age 34 years is an associate member of the Institute of Chartered Accountants of India (ICAI). He is looking after entire purchase activities. He has over 10 years of experience working with Electrotherm India Limited, M/s. Stainless India Limited, M/s. Synergy Steels Limited, etc. reputed stainless steel manufacturers of the country. He is also experienced in Project execution and planning. He joined the Company in August 2006. The gross compensation paid to him in the fiscal year 2010 was Rs.4.82 Lacs.

Mr. Ashok Gupta, General Manager - Marketing, age 45 years, is a post graduate in commerce and have a rich experience of about 20 years in marketing of steel product mainly stainless steel. He has worked with Mukund Limited as a Marketing Officer and Stainless (I) Limited. as a General Manager Marketing. He is looking after entire marketing activities. He joined the Company in March 2008. The gross compensation paid to him in the fiscal year 2010 was Rs. 3.48 Lacs.

Mr. N. K. Rathi, General Manager – Finance and Accounts, age 37 years, is an associate member of the Institute of Chartered Accountants of India (ICAI) and also holds master's degree in Commerce from Maharishi Dayanand University, Ajmer. He has over 10 years of experience in Finance covering accounting and audit, costing. He has worked with Damoder Thread Limited and Oswal Suitings Limited. His responsibilities include management of Company accounts and Co-ordination for audit. He joined the Company in June 2008. The gross compensation paid to him in the fiscal year 2010 was Rs. 2.82 Lacs.

Mr. P.M. Jain, Deputy General Manager – Maintenance, age 52 years, is a H.S.C. from MP Education Board and holds License from Domestic & Industrial Electrical Maintenance License. He has over 31 years of experience in electrical maintenance field. He has worked with Pooja Fero Alloys P. Limited., Goa, Laxmi Metals P. Limited., Ratlam, Steel Melt P. Limited., Ratlam. He is looking after entire electrical maintenance. He joined the Company in March 2007. The gross compensation paid to him in the fiscal year 2010 was Rs. 1.05 Lacs.

Mr. S.S. Purohit, Deputy General Manager – Marketing, age 43 years, is a Bachelors in Commerce from University of Rajasthan, Jaipur. He has over 20 years of experience in accountancy field.. He has worked with M/s. Vrdhman Builders, M/s. Vikram Cement a unit of Grasim Industries Limited, M/s. Guljag Industries Limited. and M/s. Stainless India Limited. He is responsible for sales and marketing work of our products. He joined the Company in August 2008. The gross compensation paid to him in the fiscal year 2010 was Rs. 2.22 Lacs.

Ms. Pooja Bansal, Company Secretary, age 23 years, is an associate member of Company Secretaries of India (ACS). She has worked with M/s Kalani Industries Private Limited. for 1 year as a trainee. She is looking after company secretarial matters, corporate governance, company law and compliance. She joined the Company in May 2009. The gross compensation paid to her in the fiscal year 2010 was Rs. 1.23 Lacs.

Family relationships between Key Managerial Personnel

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

Shareholding of the Key Managerial Personnel

Save and except, as disclosed below, none of our Key Managerial Personnel have any shareholding in our Company.

Director	No. of Equity Shares
Mr. Karan Mittal	599,100
Mr. Dinesh Kumar Agrawal	22,500

Bonus or profit sharing plan of the Key Managerial Personnel

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

Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Payment of Benefits to Officers of the Company

Except as disclosed in this Draft Red Herring Prospectus, and other than statutory payments and remuneration, in the last two years the Company has not paid or has intended to pay any sum to its employees in connection with superannuation payments and ex-gratia/rewards and has not paid or has intended to pay any non-salary amount or benefit to any of its officers. None of the beneficiaries of loans and advances and sundry debtors are related to the Directors.

Changes in the Key Managerial Personnel

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

Name of the Key Managerial Person	Designation	Date of Joining	Date of Leaving	Reason
Mr. K.C. Vaswani	Vice-President, Marketing	December 21, 2009	-	Appointment
Mr. S.C. Lunawat	General Manager, Liaisoning		October 31, 2009	Resignation
Mr. Vinod Kumar	Whole time Director	August 1, 2009	-	Appointment
Mr. M.P. Desai	President Technical	January 16, 2009	-	Appointment
Mr. M.K. Jain	Chief Finance Officer	January 30, 2008	-	Appointment
Mr. Amit Tanwar	GM Personnel & Administration	June 9, 2008	November 9, 2009	Appointment and Resignation
Mr. Narendra Rathi	GM Finance and Accounts	June 20, 2008	-	Appointment
Mr. Ashok Gupta	GM Marketing	March 1, 2008	-	Appointment
Mr. P.M. Jain	DGM-Maintenance	March 1, 2007	-	Appointment
Mr. S.S. Purohit	DGM Marketing	August 1, 2008	-	Appointment
Ms. Pooja Bansal	Company Secretary	May 5, 2009	-	Appointment
Mr. Navin Gang	VP- Production		November 30, 2008	Resignation
Mr. Amit Mukerjee	VP- Production		February 28, 2008	Resignation

OUR PROMOTERS AND GROUP COMPANIES

Our Promoters

Our Promoters are Mr. Karan Mittal, Pandit Holdings Private Limited and Labh Ganga Marketing Private Limited. Mr. Karan Mittal, our individual promoter, holds 70.00% and 21.29% shareholding in Pandit Holdings Private Limited and Labh Ganga Marketing Private Limited respectively.

The details of our Promoters are as follows:

A. Mr. Karan Mittal

	Mr. Karan Mittal, 31, is our Promoter, Managing Director. He is a resident Indian national. For further details of Mr. Karan Mittal including his profile, other directorships and terms of his appointment, please refer to the section titled "Our Management" on page no. [●] of this Draft Red Herring Prospectus. His Passport Number is F3765613 issued by the Government of India. His Permanent Account Number is AELPM6931M. His driving license number is K/34676/00. His Voter's ID No. is MP/37/271/306295.

Our Company undertakes that the details of the Permanent Account Number, Bank Account Numbers, and Passport Number of Mr. Karan Mittal will be submitted to the stock exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

B. Labh Ganga Marketing Private Limited

Corporate Information

Labh Ganga was incorporated on June 3, 1988 under the Companies Act, as a private limited company with CIN U51109MP1988PTC004632. Labh Ganga is registered with the registrar of companies located at Gwalior (Madhya Pradesh). The registered office of Labh Ganga is situated at 153, Y.N. Road, Indore – 452 003, Madhya Pradesh, India.

As per its memorandum of association, Labh Ganga is currently engaged in the business of selling and purchasing activities directly and acting as service agents for providing services after sales and other technical services.

Shareholding Pattern

The shareholding pattern of Labh Ganga as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	**Number of equity shares of Rs. 100 each**	**%**
Mr. Karan Mittal	2,711	21.29
Mr. Jagdish Joshi	22	0.17
Parks Webtech Limited	10000	78.54
Total	12,733	100.00

Promoters of Labh Ganga

The natural persons in control of Labh Ganga (i.e, holding fifteen percent or more voting rights) include Mr. Karan Mittal, our individual Promoter.

Board of Directors

The board of directors of Labh Ganga comprises:

1. Mr. Karan Mittal
2. Mr. Jagdish Joshi

Except as disclosed below, there have been no changes in control or management of Labh Ganga in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mrs. Pushpa Mittal	5-July-2000	05-May-07	Resigned
Mr. Jagdish Joshi	05-May-07		Appointed
Mr. Sharad Chand Lunawat	15-Jun-07	01-Apr-09	Resigned

Financial Performance

The following table sets forth the summary audited financial data of Labh Ganga:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	2.73	2.73	12.73
Reserves (excluding revaluation reserves) and Surplus	14.95	15.54	18.10
Income (including Other Income)	0 .38	56.41	50.05
Profit / (Loss) after Tax	0.12	0.59	2.56
Earnings per Share (Rs.)	4.26	21.56	20.13
Net Asset value per share (Rs.)	647.08	668.64	242.18
No. of Shares	2,733	2,733	12,733

Note 1*: Face value of each Equity Share is Rs. 100.*

Labh Ganga is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

We confirm that the permanent account number, bank account number and the company registration number of Labh Ganga and the address of the registrar of companies at Madhya Pradesh will be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

C. Pandit Holdings Private Limited

Corporate Information

Pandit Holdings was incorporated on March 1, 1990 under the Companies Act, as a private limited company with CIN U64120MP1990PTC005706. Pandit Holdings is registered with the registrar of companies located at Gwalior (Madhya Pradesh). The registered office of Pandit Holdings is situated at Pandit Holdings is situated at 153, Y.N. Road, Indore – 452 003, India.

As per its memorandum of association, Pandit Holdings is currently engaged in the business of investment and to buy, sell, underwrite, invest in shares, stocks, debentures etc.

Shareholding Pattern

The shareholding pattern of Pandit Holdings as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 100 each	%
Mr. Karan Mittal	700	70.00

Name of the shareholders	Number of equity shares of Rs. 100 each	%
Labh Ganga Marketing Private Limited	300	30.00
Total	**1,000**	**100.00**

Promoters of Pandit Holdings

The natural persons in control of Pandit Holdings (i.e, holding fifteen percent or more voting rights) include Mr. Karan Mittal, our individual Promoter.

Board of Directors

The board of directors of Pandit Holdings comprises:

1. Mr. Karan Mittal
2. Mr. Dinesh Kumar Agrawal

Except as disclosed below, there have been no changes in control or management of Pandit Holdings in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Dinesh Kumar Agrawal	1-Oct-09		Appointment
Mrs P. Mittal	31-Jan-2000	12-Oct-09	Resignation

Financial Performance

The following table sets forth the summary audited financial data of Pandit Holding:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves) and Surplus	-	-	-
Income (including Other Income)	-	0.16	0.19
Profit / (Loss) after Tax	(0.06)	0.04	0.003
Earnings per Share (Rs.)	-	3.53	0.32
Net Asset value per share (Rs.)	30.10	36.99	44.01
No. of Shares	1,000	1,000	1,000

Note 1*: Face value of each Equity Share is Rs. 100.*

Pandit Holdings is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

We confirm that the permanent account number, bank account number and the company registration number of Pandit Holdings and the address of the registrar of companies at Madhya Pradesh will be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Interests of Promoters and Common Pursuits

Our Promoters are interested to the extent of their shareholding in our Company. Our individual Promoter is also the promoter and shareholder of our corporate Promoters, Labh Ganga and Pandit Holding.

Further, our individual Promoter is also a Director of our Company and may be deemed to be interested to the extent of fees, if any, payable to him for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration payable or reimbursement of expenses to him. Our individual Promoter may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to him in the present Issue in terms of this Draft Red Herring Prospectus and also to the extent of any dividend payable to him and other distributions in respect of the said Equity Shares. Our individual Promoter is also a director on the boards of our corporate Promoters, our Promoter Group entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group entities.

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

Further, except as disclosed in this section our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by us.

Our Company currently manufactures stainless steel billets and flats in the grades of SAE/AISI 200, 300-400 series, especially 304 grades which are used in huge quantities for manufacturing of rounds, wire rods, wire plates, sheets, utensils, medical equipments etc. To forward integrate our manufacturing facilities, we are setting up a wire rod mill with a capacity of 1,50,000 TPA (“**Proposed Project**”). We do not have the experience that demonstrates our ability to develop and manage the Proposed Project including our ability to manage the growth of our business at the rate we project for the next few years.
However the company has recently taken on board key managerial personnel that will aid and assist the company in setting up and operating the Wire Rod Project. While the proposed project is a new line of business for the company, the technical knowhow acquired by operating Unit I will be used for the operation of the proposed project. Hence we do not see the relative inexperience of the promoters and impediment in the implement of the wire rod project.

Payment of benefits to our Promoters in the last two years

Except as stated in the section titled “Financial Statements - Related Party Transactions” on page no. [•] of this Draft Red Herring Prospectus, no benefits have been paid or given to the Promoters within the two years preceding the date of this Draft Red Herring Prospectus.

Change in Promoters

There have been no changes in the promoter and promoter group in the past five years.

Confirmations

None of our Promoters has been declared as a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them. None of our Promoters, Promoter Group entities or persons in control of our Promoters or bodies corporate forming part of the Promoter Group has been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

GROUP COMPANIES

Companies forming part of the Promoter Group that under Regulation 2(1)(zb)(iii) and (iv) of the SEBI (ICDR) Regulations are:

Sr. No.	Name of the company
1.	Parks Sales Private Limited
2.	Parks Infoway Private Limited
3.	Parks Holdings Private Limited
4.	KN Metals Private Limited
5.	Parks Webtech Limited
6.	Sphinx Investments Private Limited
7.	Mittal Enterprises Private Limited

Sr. No.	Name of the company
8.	Mahalaxmi Exim Private Limited
9.	Future Stainless Private Limited

1. Parks Sales Private Limited

Corporate Information

Parks Sales Private Limited (Parks Sales) was incorporated on May 26, 1995 under the Companies Act, as a private limited company with CIN U74899DL1995PTC069062. Parks Sales is registered with the registrar of companies located at N.C.T of Delhi and Haryana. The registered office of Parks Sales is situated at A-96, 1st Floor Group, Wazirpur Industrial Area, New Delhi, India.

As per its memorandum of association, Parks Sales is currently engaged in the business of buying, departmental stores, sellers, importers, exporters, distributors, agents, brokers of all kind of fabrics and textiles.

Nature and interest of the Promoters in Parks Sales

(a) **Shareholding Pattern**

The shareholding pattern of Parks Sales as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 10 each	%
Mr. Karan Mittal	8,000	80.00
Parks Holding	2,000	20.00
Total	**10,000**	**100.00**

(b) **Board of Directors**

The board of directors of Parks Sales comprises:

1. Mr. Karan Mittal
2. Mr. Swayam Prakash Agrawal

Except as disclosed below, there have been no changes in control or management of Parks Sales in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Adhir Agrawal	07-Sep-02	17-Sep-09	Resigned
Mr. Swayam Prakash Agrawal	17-Sep-09		Appointed

(c) **Financial Performance**

The following table sets forth the summary audited financial data of Parks Sales:

(in Rs. lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves) and Surplus	-	-	-
Income (including Other Income)	0.00	0.27	0.15
Profit / (Loss) after Tax	(0.03)	0.20	(0.03)
Earnings per Share (Rs.)	-	2.05	-

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Net Asset value per share (Rs.)	2.83	4.87	4.60
No. of Shares	10,000	10,000	10,000

***Note 1**: Face value of each Equity Share is Rs. 10.*

Parks Sales is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

2. Parks Infoway Private Limited

Corporate Information

Parks Infoway Private Limited (Parks Infoway) was incorporated on November 9, 1999 under the Companies Act, as a private limited company with CIN U72200MP1999PTC013838. Parks Infoway is registered with the registrar of companies located at Gwalior, Madhya Pradesh. The registered office of Parks Infoway is situated at 153/1, Y.N. Road, Indore, Madhya Pradesh, India.

As per its memorandum of association, Parks Infoway is currently engaged in the business of computer software development, internet and intranet service provider, cable T.V. operators, data processors, data bankers.

Nature and interest of the Promoters in Parks Infoway

(a) Shareholding Pattern

The shareholding pattern of Parks Infoway as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 10 each	%
Mr. Karan Mittal	7,700	77.00
Pandit Holdings Private Limited	2,300	23.00
Total	**10,000**	**100.00**

(b) Board of Directors

The board of directors of Parks Infoway comprises:

1. Mr. Karan Mittal
2. Mr. Swayam Prakash Agrawal

Except as disclosed below, there have been no changes in control or management of Parks Infoway in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Adhir Agrawal	15-Nov-99	17-Sep-09	Resigned
Mr. Swayam Prakash Agrawal	17-Sep-09	-	Appointed

(c) Financial Performance

The following table sets forth the summary audited financial data of Parks Infoway:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	1.00	1.00	1.00

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Reserves (excluding revaluation reserves) and Surplus	-	0.51	0.85
Income (including Other Income)	3.45	4.00	7.50
Profit / (Loss) after Tax	2.07	0.94	0.34
Earnings per Share (Rs.)	20.66	9.42	3.39
Net Asset value per share (Rs.)	5.66	15.07	18.47
No. of Shares	10,000	10,000	10,000

Note 1: Face value of each Equity Share is Rs. 10.

Parks Infoway is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

3. Parks Holdings Private Limited

Corporate Information

Parks Holdings Private Limited (Parks Holding) was incorporated on May 26, 1995 under the Companies Act, as a private limited company with CIN U74899DL1995PTC069063. Parks Holdings is registered with the registrar of companies located at N.C.T. Delhi and Haryana. The registered office of Parks Holdings is situated at A-96, 1st Floor Group, Wazirpur Industrial Area, New Delhi, India.

As per its memorandum of association, Parks Holdings is currently engaged in the business of investment.

Nature and interest of the Promoters in Parks Holdings

(a) Shareholding Pattern

The shareholding pattern of Parks Holdings as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 10 each	%
Mr. Karan Mittal	8,000	80,00
Parks Sales Private Limited	2,000	20.00
Total	**10,000**	**100.00**

(b) Board of Directors

The board of directors of Parks Holdings comprises:

1. Mr. Karan Mittal
2. Mr. Swayam Prakash Agrawal

Except as disclosed below, there have been no changes in control or management of Parks Holdings in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Adhir Agrawal	07-Sep-02	17-Sep-09	Resigned
Mr. Swayam Prakash Agrawal	17-Sep-09		Appointed

(c) Financial Performance

The following table sets forth the summary audited financial data of Parks Holdings:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves) and Surplus	-	-	-
Income (including Other Income)	-	0.25	0.18
Profit / (Loss) after Tax	(0.03)	0.19	0.00
Earnings per Share (Rs.)	-	1.88	-
Net Asset value per share (Rs.)	2.84	4.71	4.66
No. of Shares	10,000	10,000	10,000

***Note 1**: Face value of each Equity Share is Rs. 10.*

Parks Holdings is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

4. KN Metals Private Limited

Corporate Information

KN Metals Private Limited (KN Metals) was incorporated on May 25, 2007 under the Companies Act, as a private limited company with CIN U27310MH2007PTC171162. KN Metals is registered with the registrar of companies located at Maharashtra, Mumbai. The registered office of KN Metals is situated at 315, Jolly Bhawan No. 1, 10, New Marine Lines, Mumbai – 400 020, Maharashtra, India.

As per its memorandum of association, KN Metals is currently engaged in the business of promote, run, establish, install, takeover or set mini steel plants.

Nature and interest of the Promoters in KN Metals

(a) Shareholding Pattern

The shareholding pattern of KN Metals as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 10 each	%
Mr. Karan Mittal	9,900	99.00
S. C. Lunawat	100	1.00
Total	**10,000**	**100.00**

(b) Board of Directors

The board of directors of KN Metals comprises:

1. Mr. Karan Mittal
2. Mr. S.C. Lunawat

There have been no changes in control or management of KN Metals in the last three years preceding the date of this Draft Red Herring Prospectus

(c) Financial Performance

The following table sets forth the summary audited financial data of KN Metals:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	-	1.00	1.00

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Reserves (excluding revaluation reserves) and Surplus	-	0.11	0.27
Income (including Other Income)	-	2.50	2.00
Profit / (Loss) after Tax	-	0.11	0.16
Earnings per Share (Rs.)	-	1.10	1.64
Net Asset value per share (Rs.)	-	9.73	11.71
No. of Shares	-	10,000	10,000

Note 1*: Face value of each Equity Share is Rs. 10.*

KN Metals is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

5. Parks Webtech Limited

Corporate Information

Parks Webtech Limited (Parks Webtech) was incorporated on March 31, 1995 under the Companies Act, as a private limited company with CIN U07220MP1995PLC009259. Parks Webtech is registered with the registrar of companies located at Gwalior, Madhya Pradesh. The registered office of Parks Webtech is situated at Abhay Prashal (West Wing) 10, Race Course Road, Indore – 452003, Madhya Pradesh, India.

As per its memorandum of association, Parks Webtech is currently engaged in the business of market, trade, buy, sell ferrous materials, non-ferrous material, intermediate etc.

Nature and interest of the Promoters in Parks Webtech

(a) Shareholding Pattern

The shareholding pattern of Parks Webtech as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 10 each	%
Mr. Karan Mittal	47,500	95.00
Mr. Om Prakash Purey	100	0.20
Mr. Shyam Sunder Pareek	100	0.20
Mr. Narendra Solanki	100	0.20
Mr. Puranmal Agrawal	100	0.20
Mr. Jagdish Joshi	2,000	4.00
Mr. Deepak Shende	100	0.20
Total	**50,000**	**100.00**

(b) Board of Directors

The board of directors of Parks Webtech comprises:

1. Mr. Karan Mittal
2. Mr. Jagdish Joshi
3. Mr. Swayam Prakash Agrawal

Except as disclosed below, there have been no changes in control or management of Parks Webtech in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Adhir Agrawal	20-Aug-00	17-Sep-09	Resigned
Mr. Swayam Prakash Agrawal	17-Sep-09	-	Appointed

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Jagdish Joshi	01-Oct-07	-	Appointed

(c) Financial Performance

The following table sets forth the summary audited financial data of Parks Webtech:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	5.00	5.00	5.00
Reserves (excluding revaluation reserves) and Surplus	-	-	-
Income (including Other Income)	4.87	6.53	13.79
Profit / (Loss) after Tax	0.52	0.99	0.24
Earnings per Share (Rs.)	1.05	1.98	0.48
Net Asset value per share (Rs.)	-	-	-
No. of Shares	50,000	50,000	50,000

***Note 1**: Face value of each Equity Share is Rs. 10.*

Parks Webtech is a limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up. It has a negative net worth.

6. Sphinx Investments Private Limited

Corporate Information

Sphinx Investments Private Limited (Sphinx Investments) was incorporated on February 24, 1995 under the Companies Act, as a private limited company with CIN U74899DL1995PTC065792. Sphinx Investments is registered with the registrar of companies located at N.C.T Delhi and Haryana. The registered office of Sphinx Investments is situated at A-96, 1st Floor Group, Wazirpur Industrial Area, New Delhi, India.

As per its memorandum of association, Sphinx Investments is currently engaged in the business of investments.

Nature and interest of the Promoters in Sphinx Investments

(a) Shareholding Pattern

The shareholding pattern of Sphinx Investments as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 10 each	%
Mr. Karan Mittal	8,000	80.00
Mahalaxmi Exim Private Limited	2,000	20.00
Total	**10,000**	**100.00**

(b) Board of Directors

The board of directors of Sphinx Investments comprises:

1. Dinesh Kumar Agrawal
2. Mr. Jagdish Joshi

Except as disclosed below, there have been no changes in control or management of Sphinx Investments in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Jagdish Joshi	29-Feb-08		Appointed
Mr. Jagdish Shukla	07-Sep-02	29-Feb-08	Resigned

(c) Financial Performance

The following table sets forth the summary audited financial data of Sphinx Investments:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves) and Surplus	-	-	-
Income (including Other Income)	-	0.25	0.19
Profit / (Loss) after Tax	(0.03)	0.20	(0.01)
Earnings per Share (Rs.)	-	1.98	-
Net Asset value per share (Rs.)	1.43	3.41	3.30
No. of Shares	10,000	10,000	10,000

***Note 1**: Face value of each Equity Share is Rs. 10.*

Sphinx Investments is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

7. Mittal Enterprises Private Limited

Corporate Information

Mittal Enterprises Private Limited (Mittal Enterprises) was incorporated on March 19, 1981 under the Companies Act, as a private limited company with CIN U27203MP1981PTC001743. Mittal Enterprises is registered with the registrar of companies located at Gwalior Madhya Pradesh. The registered office of Mittal Enterprises is situated at Abhay Prashal (West Wing) 10, Race Course Road, Indore – 452003, Madhya Pradesh India.

As per its memorandum of association, Mittal Enterprises is currently engaged in the business of manufacturing, producing, casting, procuring, mastering, buying, selling, of alluminium, alluminium products and stainless steels products.

Nature and interest of the Promoters in Mittal Enterprises

(a) Shareholding Pattern

The shareholding pattern of Mittal Enterprises as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 100 each	%
Mr. Karan Mittal	3,790	51.99
Parks Webtech Limited	3,500	48.01
Total	**7,290**	**100.00**

(b) Board of Directors

The board of directors of Mittal Enterprises comprises:

1. Mr. Dinesh Agrawal
2. Mr. Jagdish Joshi

There have been no changes in control or management of Mittal Enterprises in the last three years preceding the date of this Draft Red Herring Prospectus
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(c) Financial Performance

The following table sets forth the summary audited financial data of Mittal Enterprises:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	7.29	7.29	7.29
Reserves (excluding revaluation reserves) and Surplus	-	-	-
Income (including Other Income)	0.46	3.01	0.17
Profit / (Loss) after Tax	0.26	0.52	0.01
Earnings per Share (Rs.)	3.53	7.09	0.20
Net Asset value per share (Rs.)	27.31	34.40	34.60
No. of Shares	7,290	7,290	7,290

Note 1*: Face value of each Equity Share is Rs. 100.*

Mittal Enterprises is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

8. Mahalaxmi Exim Private Limited

Corporate Information

Mahalaxmi Exim Private Limited (Mahalaxmi Exim) was incorporated on December 21, 1994 under the Companies Act, as a private limited company with CIN U74899DL1994PTC063667. Mahalaxmi Exim is registered with the registrar of companies located at N.C.T. Delhi and Haryana. The registered office of Mahalaxmi Exim is situated at A-96, 1st Floor Group, Wazirpur Industrial Area, New Delhi, India.

As per its memorandum of association, Mahalaxmi Exim is currently engaged in the business of buyers, departmental stores, sellers, importers, exporters, distributors, agents, brokers of all kind of fabrics, textiles.

Nature and interest of the Promoters in Mahalaxmi Exim

(a) Shareholding Pattern

The shareholding pattern of Mahalaxmi Exim as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 10 each	%
Mr. Karan Mittal	8,000	80.00
Sphinx Investments Private Limited	2,000	20.00
Total	**10,000**	**100.00**

(b) Board of Directors

The board of directors of Mahalaxmi Exim comprises:

1. Mr. Dinesh Agrawal
2. Mr. Jagdish Joshi

Except as disclosed below, there have been no changes in control or management of Mahalaxmi Exim in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Jagdish Joshi	29-Feb-08		Appointed
Mr. Jagdish Shukla	07-Sep-02	29-Feb-08	Resigned

(c) Financial Performance

The following table sets forth the summary audited financial data of Mahalaxmi Exim:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves) and Surplus	-	-	-
Income (including Other Income)	-	0.32	0.18
Profit / (Loss) after Tax	(0.04)	0.25	(0.02)
Earnings per Share (Rs.)	-	2.51	-
Net Asset value per share (Rs.)	-	-	-
No. of Shares	10,000	10,000	10,000

Note 1*: Face value of each Equity Share is Rs. 10.*

Mahalaxmi Exim is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and have negative net worth.

9. Future Stainless Steels Private Limited

Corporate Information

Future Stainless Steels Private Limited (Future Stainless Steels) was incorporated on May 30, 2007 under the Companies Act, as a private limited company with CIN U27310DL2007PTC164175. Future Stainless Steels is registered with the registrar of companies located at N.C.T Delhi and Haryana. The registered office of Future Stainless Steels is situated at 4786/35, Deputyganj, Mahaveer Nagar Delhi- 110 006, India.

As per its memorandum of association, Future Stainless Steels is currently engaged in the business of promote, run, establish, install, takeover or set mini steel plants.

Nature and interest of the Promoters in Future Stainless Steels

(a) Shareholding Pattern

The shareholding pattern of Future Stainless Steels as on the date of this Draft Red Herring Prospectus is as below:

Name of the shareholders	Number of equity shares of Rs. 10 each	%
Mr. Karan Mittal	9,900	1.98
S.C. Lunawat	100	0.02
Parks Infoway Private Limited	490000	98.00
Total	**5,00,000**	**100.00**

(b) Board of Directors

The board of directors of Future Stainless Steels comprises:

1. Mr. S.C. Lunawat
2. Mr. Jagdish Joshi

Except as disclosed below, there have been no changes in control or management of Future Stainless Steels in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Director	Date of appointment	Date of cessation	Reason
Mr. Karan Mittal	30-May-07	28-Feb-09	Resigned
Mr. Jagdish Joshi	28-Feb-09		Appointed

(c) Financial Performance

The following table sets forth the summary audited financial data of Future Stainless Steels:

(in Rs. Lacs, except Share data)

Particulars	For the years ended		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Capital	-	50.00	50.00
Reserves (excluding revaluation reserves) and Surplus	-	5.01	5.19
Income (including Other Income)	-	533.80	13.36
Profit / (Loss) after Tax	-	5.01	0.18
Earnings per Share (Rs.)	-	1.00	0.04
Net Asset value per share (Rs.)	-	10.81	10.89
No. of Shares	-	5,00,000	5,00,000

***Note 1**: Face value of each Equity Share is Rs. 10.*

Future Stainless Steels is a private limited company and has not made any public or rights issue since its incorporation. It has not become a sick company, is not under winding up and does not have negative net worth.

Listed companies in the Promoter Group

As on the date of this Draft Red Herring Prospectus, there are no listed companies in the Promoter Group.

Sale and purchase between Group Companies/ associate companies

There are no sales or purchase between Group Companies/associate companies exceeding an aggregate value of 10% of the total sales or purchases of the Company during the last three years.

Business interest of the Group Companies/ associate companies in our Company

None of our Group Companies/ associate companies have business interests in our Company.

Previous public or rights issues by the Group Companies

None of our Promoter Group companies are presently listed on any stock exchanges, nor have made any public or rights issues in the preceding three years.

Defunct Promoter Group Companies

There are no defunct Promoter Group Companies.

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

Our Promoters have not disassociated from any company in the last three years.

Other than those discussed in this section, there is no promoter group company which has become a sick company within the meaning of SICA or is under winding up. For details of the Promoter Group companies which have made loss or negative net worth during the past three years, see “Risk Factors” beginning on page [●] of the Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, see "Financial Statements – Related Party Transactions" on page no. [•] of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board and approved by the shareholders of the Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board. Further, pursuant to the terms of the term loans obtained by the Company, prior written consent of the lenders of the Company is required to pay any dividends. The Board may also from time to time pay interim dividend. All dividend payments are made in cash to the shareholders of the Company.

We have not declared any dividend on the Equity Shares since inception.

Our dividend policy in the past is not necessarily indicative of our dividend policy or dividend amounts in the future.

SECTION V: FINANCIAL STATEMENTS

AUDITORS' REPORT ON THE UNCONSOLIDATED RESTATED FINANCIAL STATEMENTS

To,
The Board of Directors,
Mittal Corp Limited
315, Jolly Bhavan,
10, New Marine Lines,
Mumbai-400020

Dear Sirs,

1. We have examined the attached financial information of **Mittal Corp Limited (Erstwhile Jewels Seamless Limited)** (Hereinafter referr**ed to as the Company'),** as approved by the Board of Directors of the Company and initialled by us for the purpose of identification, prepared in terms of the requirements of Paragraph B(1) of Part II of Schedule II of the Companies Act, 1956 ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 4th November in connection with the proposed Initial Public Offer of equity shares of the Company.
2. The financial information is based on the financial statements of the Company for the half year ended September 30, 2009 audited by Mahendra Badjatya & Co. and Haribhakti & Co. jointly and the years ended March 31, 2009, 2008, 2007, 2006, and 2005 audited by Mahendra Badjatya & Co, the statutory auditors of the Company during those years and accordingly reliance has been placed on those financial statements.
3. The financial information is prepared to be included in the Offer Document of the Company in connection with the public issue of its equity shares.

<u>Financial Information</u>

4. The following information referred to above, relating to profits and losses, assets and liabilities and cash flows of the Company is contained in the following Annexure to this report:
   a) Annexure A containing the Unconsolidated Summary statement of assets and liabilities, as restated as at September 30th 2009, March 31st 2009, 2008, 2007, 2006 and 2005.
   b) Annexure B containing the Unconsolidated Summary statement of profit and loss, as restated for the half years ended September 30th 2009 and years ended March 31, 2009, 2008, 2007, 2006, and 2005.
   c) Annexure C contains the Unconsolidated Summary statement of cash flows, as restated for the half years ended September 30th 2009 and years ended March 31, 2009, 2008 and 2007.
   d) Annexure E contains the Summary of Significant Accounting Policies and Notes to Accounts.

<u>Other Financial Information</u>

5. Other financial information relating to the Company prepared by the Company is attached in Annexure F to S to this report:
   i. Statement of Contingent Liabilities as appearing in **Annexure F** to this report.

ii. Statement of Dividend paid / proposed as appearing in **Annexure G** to this report.

iii. Statement of Restated Related Party Transactions as appearing in **Annexure H** to this report.

iv. Statement of Restated Other Income as appearing in **Annexure I** to this report.

v. Statement of Restated Accounting Ratios as appearing in **Annexure J** to this report.

vi. Statement of Restated Secured Loans as appearing in **Annexure K** to this report.

vii. Statement of Restated Unsecured Loans as appearing in **Annexure L** to this report.

viii. Statement of Restated Current Liabilities and Provisions as appearing in **Annexure M** to this report.

ix. Statement of Restated Sundry Debtors including details of debts due from related parties as appearing in **Annexure N** to this report

x. Statement of Restated Cash & Bank as appearing in **Annexure O** to this report.

xi. Statement of Restated Loans and Advances as appearing in **Annexure P** to this report.

xii. Statement of Restated Investments as appearing in **Annexure Q** to this report.

xiii. Statement of Restated Capitalization Statement enclosed as **Annexure R** to this report.

xiv. Statement of Tax Shelter appearing in **Annexure S** to this report.

6. We have examined, as appropriate, the financial information contained in the aforesaid Annexure and state that:

   a) The financial information, prepared by the Company, is based on the financial statements of the Company for the half year ended September 30, 2009 audited by Mahendra Badjatya & Co. and Haribhakti & Co. jointly and the years ended March 31, 2009, 2008, 2007, 2006, and 2005 audited by Mahendra Badjatya & Co, and approved by the Board of Directors.

   b) The financial information is arrived at, after making such adjustments as, in our opinion, are appropriate in the year to which they relate as detailed in Annexure D to this report.

7. Based on the examination of the Restated Summary Statements, we confirm that:

   a) The impact arising on account of changes in accounting policies adopted by the Company as at and for the half year ended September 30, 2009 have been adjusted with retrospective effect in the attached Restated Summary Statements except for the following;

      During the half year ended September 30, 2009, the company has accounted for its gratuity liability based on estimates determined by the Management. Accordingly the financial statements for the half year ended September 30th , 2009 and years ended March 31, 2009, 2008, 2007, 2006 & 2005 have been restated based on estimates determined by the Management and not as per actuarial valuation as required under AS – 15 (Revised). Also necessary disclosures for these years have not been made and hence they are not in strict compliance with AS – 15 (Revised).

   b) The prior period items have been adjusted in the Restated Summary Statements in the years to which they relate;

c) There are no extraordinary items which need to be disclosed separately in the Restated Summary Statements

8. In our opinion, the financial information of the Company as attached to this report, read with the significant accounting policies and notes on accounts and other notes contained in the aforesaid Annexure, has been prepared in accordance with Part II of Schedule II of the Act and the Regulations issued by SEBI.

9. This report is intended solely for your information and for inclusion in the Offer Document in connection with the Public issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

10. This report should not, in any way, be construed as a re-issuance or re-dating of any of the previous audit reports nor should this be construed as a new opinion on any of the financial statements referred to herein.

For Mahendra Badjatya & Co.
Chartered Accountants

CA. M. K. Badjatya
Proprietor
Membership No. 70578
Place: Indore
Date: December 7, 2009

For Haribhakti & Co.
Chartered Accountants

Rakesh Rathi
Partner
Membership No. 45228
Place: Mumbai
Date: December 4, 2009

AUDITOR'S REPORT

ANNEXURE A : SUMMARY STATEMENT OF UNCONSOLIDATED ASSETS AND LIABILITIES AS RESTATED

(Rs. In Lacs.)

	Particulars	Half Year Ended As at Sept. 30, 2009	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005
A	**Fixed Assets**						
	Gross Block	5,689.64	5,646.17	4,326.31	2,556.13	981.71	1,029.13
	Less : Depreciation	944.43	696.05	273.05	120.64	45.10	27.34
	Net Block	4,745.21	4,950.12	4,053.26	2,435.49	936.61	1,001.79
	Capital Work in Progress	746.42	221.16	15.13	37.60	432.29	4.67
	Total	**5,491.63**	**5,171.28**	**4,068.39**	**2,473.09**	**1,368.90**	**1,006.46**
B	**Investments**	**1.60**	**1.60**	**1.60**	**1.60**	-	-
C	**Current Assets, Loans & Advances**						
	Inventories	6,363.17	5,861.15	3,099.88	2,075.12	369.86	60.51
	Sundry Debtors	5,265.83	4,785.98	2,634.12	1,108.89	1,718.54	67.67
	Other Current Assets	0.35	0.27	0.13	-	-	-
	Cash and Bank Balances	392.69	871.69	306.77	176.22	109.86	26.02
	Loans & Advances	1,063.51	732.57	387.15	505.92	276.01	70.34
	Total	**13,085.55**	**12,251.66**	**6,428.05**	**3,866.15**	**2,474.27**	**224.54**
	TOTAL ASSETS	**18,578.78**	**17,424.54**	**10,498.04**	**6,340.84**	**3,843.17**	**1,231.00**
D	**Liabilities and Provisions**						
	Secured Loans	6,761.13	6,118.15	3,741.60	2,427.56	713.94	153.94
	Unsecured Loans	1,358.29	981.02	835.94	488.47	163.59	283.20
	Deferred Tax Liability & (assets)	187.68	187.70	131.33	60.88	42.34	(0.21)
	Current Liabilities	4,522.02	5,257.27	2,869.70	1,482.89	2,038.51	190.04
	Provisions	303.65	62.88	79.39	41.44	9.10	1.39
	TOTAL LIABILITIES	**13,132.77**	**12,607.02**	**7,657.96**	**4,501.24**	**2,967.48**	**628.36**
E	Share Application Money	-	1,679.02	450.00	830.97	154.72	10.72
F	**Net Worth (A+B+C-D-E)**	**5,446.01**	**3,138.50**	**2,390.08**	**1,008.63**	**720.97**	**591.92**
	Represented by						
	Equity Share Capital	3,265.02	808.37	807.24	722.24	675.24	565.24
	Reserves & Surplus	2,180.99	2,330.25	1,583.02	286.63	46.03	28.37
	Less : Miscellaneous Expenditure	-	(0.12)	(0.18)	(0.24)	(0.30)	(1.69)
	Net Worth	**5,446.01**	**3,138.50**	**2,390.08**	**1,008.63**	**720.97**	**591.92**

The above statement should be read with the Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows, appearing in Annexure E

ANNEXURE B : RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES

(Rs. In Lacs.)

Particulars	**Half Year Ended As at Sept. 30, 2009**	**YEAR ENDED**				
		March 31, 2009	**March 31, 2008**	**March 31, 2007**	**March 31, 2006**	**March 31, 2005**
Income						
Sales						
Of product manufactured by the issuer	15,942.97	24,154.69	10,067.90	5,565.61	1,248.47	623.70
Of product traded in by the issuer	2,764.34	6,315.71	3,413.65	2,899.57	1,657.74	-
Gross Sales	18,707.31	30,470.40	13,481.55	8,465.18	2,906.21	623.70
Less: Excise duty on sales	1,085.31	2,633.17	1,406.57	820.77	190.27	73.54
Net Sales	**17,622.00**	**27,837.23**	**12,074.98**	**7,644.41**	**2,715.94**	**550.16**
Other Income	15.07	336.83	202.80	47.69	73.84	68.87
Increase / (Decrease) in Inventories	44.41	1,399.05	30.75	964.48	175.95	10.08
Total Income	**17,681.48**	**29,573.11**	**12,308.53**	**8,656.58**	**2,965.73**	**629.11**
Expenditure						
Material Cost	13,762.34	24,513.22	9,594.80	7,299.48	2,426.26	375.79
Manufacturing Expenses	1,826.81	2,240.03	1,102.30	602.49	358.07	150.57
Employees Remuneration & Benefits	156.11	242.11	75.19	42.82	17.65	18.27
Administration and General Expenses	147.49	225.00	132.55	98.99	32.17	24.03
Selling & Distribution Expenses	219.20	332.71	224.11	137.85	11.98	11.29
Interest Expenses	376.86	682.68	329.01	133.37	39.16	3.83
Depreciation	248.38	423.00	152.41	75.54	19.17	6.55
Total Expenditure	**16,737.19**	**28,658.75**	**11,610.37**	**8,390.54**	**2,904.46**	**590.33**
Profits / (Losses) before tax and extraordinary item	**944.29**	**914.36**	**698.16**	**266.04**	**61.27**	**38.78**
Income Tax	(290.76)	(107.83)	(91.61)	(34.39)	(5.20)	(3.19)
Mat Credit entitlement	(25.86)	(8.40)	(1.08)	30.06	5.28	-
Fringe Benefit Tax	-	(5.10)	(3.42)	(2.57)	(1.05)	-
Tax effect on Adjustments	(0.09)	0.40	(0.22)	-	(0.09)	-
Deferred Tax (Liability) & Assets	0.01	(56.37)	(70.44)	(18.54)	(42.55)	0.21
Net Profits /(Losses) as restated before extraordinary items	**627.59**	**737.06**	**531.39**	**240.60**	**17.66**	**35.80**
Extraordinary Items	-	-	-	-	-	-
Net Profits /(Losses) as restated after extraordinary items	**627.59**	**737.06**	**531.39**	**240.60**	**17.66**	**35.80**
Profits/ (Losses) at the beginning of the year	1,555.08	818.02	286.63	46.03	28.37	(7.43)
	2,182.66	1,555.08	818.02	286.63	46.03	28.37
Less: Profit used for Bonus Share Issue	1.66	-	-	-	-	-
Balance Carried Forward as restated	**2,180.99**	**1,555.08**	**818.02**	**286.63**	**46.03**	**28.37**

1) There are no extraordinary items in the profits and losses for the above periods
2)The above statement should be read with the Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows, appearing in Annexure E

ANNEXURE C : RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS

(Rs. In Lacs.)

	Particulars	Half Year Ended As at Sept. 30, 2009	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
A	**Cash Flows from Operating Activities**				
	Net profits/(losses) before tax, as restated	**944.29**	**914.36**	**698.16**	**266.04**
	Adjustment for :				
	Depreciation	248.38	423.00	152.41	75.54
	Preliminary Expenditure W/off	0.12	0.06	0.06	0.06
	Interest expense	376.86	682.68	329.01	133.37
	Operating Profits /(Losses) before Working capital changes	**1,569.65**	**2,020.10**	**1,179.64**	**475.01**
	Movement in working capital:				
	(Increase)/Decrease in Inventories	(502.02)	(2,761.27)	(1,024.75)	(1,705.26)
	(Increase)/Decrease in Sundry Debtors	(479.85)	(2,151.86)	(1,525.23)	609.65
	(Increase)/Decrease in Fixed Deposit With Bank	500.06	(542.25)	(146.19)	(50.34)
	(Increase)/Decrease in Loans and advances	(330.94)	(345.42)	118.77	(229.91)
	(Increase)/Decrease in Other Current Assets	(0.08)	(0.14)	(0.13)	-
	Increase/(Decrease) in Current Liabilities & Provisions	(731.62)	2,392.05	1,389.85	(553.76)
	Cash generated from /(used in) operations	**25.20**	**(1,388.79)**	**(8.04)**	**(1,454.61)**
	Tax (paid) / refund	(79.46)	(141.92)	(61.42)	23.58
	Net Cash generated from /(used in) Operations (A)	**(54.26)**	**(1,530.71)**	**(69.46)**	**(1,431.03)**
B	**Cash Flows from Investing Activities**				
	Purchase of fixed assets including capital work-in-progress	(568.88)	(1,525.89)	(1,747.71)	(1,179.73)
	(Purchase) / sale of investments , net	-	-	-	(1.60)
	Net cash generated from /(used in) Investing activities (B)	**(568.88)**	**(1,525.89)**	**(1,747.71)**	**(1,181.33)**
C	**Cash Flows from Financing Activities**				
	Proceeds from Equity share capital	279.97	1.13	85.00	47.00
	(Repayment) / Proceeds from long-term borrowings, net	1,020.26	2,521.63	1,661.51	2,038.50
	Interest paid	(376.86)	(682.68)	(329.01)	(133.37)
	Receipts against Share Application	(1,679.02)	1,229.02	(380.97)	676.25
	Receipts of Share Premium	1,399.85	10.17	765.00	-
	Net cash generated from /(used in) Financing activities (C)	**644.20**	**3,079.27**	**1,801.53**	**2,628.38**
	Net changes in cash & cash equivalents (A+B+C)	**21.06**	**22.67**	**(15.64)**	**16.02**
	Cash & Cash equivalents at the beginning of the year	40.63	17.96	33.60	17.58
	Cash & Cash equivalents at the end of the year	**61.69**	**40.63**	**17.96**	**33.60**
	Components of cash and cash equivalents :				
	Cash on hand	29.11	37.38	10.53	30.90
	Balance with Banks	32.58	3.25	7.43	2.70
	Total	**61.69**	**40.63**	**17.96**	**33.60**

1) The above statement should be read with the Notes to the Restated Unconsolidated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows, appearing in Annexure E.
2) Cash flow statement for the year ended 31st March 05 & 31st March 06 have not been provided as requirement of reporting as per AS-3 - Cash Flow Statement was not applicable in those financials years.

ANNEXURE D : Notes on Adjustment made in the restated statements

(Rs. In Lacs.)

Particulars	**Half Year Ended As at Sept. 30, 2009**	**As at March 31, 2009**	**As at March 31, 2008**	**As at March 31, 2007**	**As at March 31, 2006**	**As at March 31, 2005**
Profit after tax as per audited financial statements	646.24	733.01	544.77	215.82	12.71	36.70
Increase / Decrease in accumulated profits as a result of adjustment for:						
Deferred tax expense	(3.83)	1.52	1.05	0.63	0.42	0.21
Interest Accruals		0.14	0.13			
Material Cost			(0.78)		(0.28)	
Gratuity		(2.91)	(2.49)	(1.86)	(1.24)	(0.61)
Leave Encashment		(1.56)	(0.57)			
Selling & Other exp.					0.02	
Administration & General Exp.						(0.13)
Additional tax expense		(0.13)	(12.83)	(4.05)	0.84	(0.37)
Mat Credit entitlement	(25.86)	(8.40)	(1.08)	30.06	5.28	
Prior period expense/ taxes	11.13	14.99	3.41			
Tax effect on adjustment	(0.09)	0.40	(0.22)	-	(0.09)	-
Adjusted / Restated Profit	**627.59**	**737.06**	**531.39**	**240.60**	**17.66**	**35.80**

Note:
The above amounts are as per the Restated Unconsolidated Summary Statement of Profits and Losses of Mittal Corp Ltd.

ANNEXURE - E

A) SIGNIFICANT ACCOUNTING POLICIES:

1. **Basis of accounting**:
   The accompanying financial statements are consistently prepared under the historical cost convention, on the accrual basis of accounting and comply with the accounting standards issued by the Institute of Chartered Accountants of India (to the extent applicable) and in accordance with the generally accepted accounting principles, the provisions of the Companies Act, 1956.

2. **Use Of Estimates:**
   The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

3. **Fixed Assets & Depreciation**:
   Fixed Assets are stated at cost of acquisition/ construction less accumulated depreciation thereon. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Preoperative expenditure during construction period / trial run : Direct expenses as well as clearly identifiable indirect expenses incurred on the projects during the period of construction are capitalised along with the respective assets.
   The Company provides pro-rata depreciation from the date on which asset is ready for its intended_use. In respect of assets sold, prorata depreciation is provided upto the date on which the asset is disposed off. Depreciation is applied to all fixed assets on the straight-line basis in the manner and as per rates specified in Schedule XIV to the Companies Act, 1956 except :
   a) Assets each costing Rs. 5,000/- or less are fully depreciated in the year of purchase.
   b) Improvements to leased Assets are depreciated over the initial period of lease.

4. **Inventories**:
   Finished goods (including trading stock), work-in-process, semi-finished goods are valued at cost or net realizable value whichever is lower and raw materials, Stores, Spares, Fuel, Components, Loose Tools and Materials-in-transit are valued at cost. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition excluding excise duty payable on goods produced. The costs for the purpose of valuation are determined as under:
   - Finished goods and Stock-in-process: Weighted Average Method.
   - Raw materials and Stores & Spares : FIFO

5. **Revenue Recognition**:
   a) Sales comprise of sales of goods less discounts, if any, and include excise duty. Sales is recognized when the substantial risks and rewards of ownership is transferred to the buyer.
   b) Claims of immaterial nature are accounted for when no significant uncertainties are attached to their eventual receipt.

c) Interest is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
d) Purchase includes direct expenses of Rs. 886.29 lacs pertaining to Custom duty, Clearing & Forwarding Charges, Freight Charges, Discounting Charges on LC and Relevant Bank charges net of interest on margin money received from bank

6. Investments:

Investments are classified into long-term investments and current investments. Investments that are intended to be held for one year or more are classified as long-term investments and investments that are intended to be held for less than one year are classified as current investments.

Long term investments are valued at cost. Provision for diminution in value of long term investments is made if in the opinion of management such a decline is other than temporary. Current investments are valued at cost or market/fair value, whichever is lower.

7. Retirement Benefits:

Provident Fund:

Contribution payable to the recognised provident fund, which is a defined contribution scheme, is charged to the profit and loss account in the period in which they occur.

Gratuity:

The company has accounted for its gratuity liability based on estimates determined by the Management.

Leave Encashment:

As per the leave policy of the company the un-utilized leave at the end of the year is allowed to be encashed. Provision is made for expected cost of accumulating compensated absences as a result of unused leave entitlement which has accumulated as at the balance sheet date.

8. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

9. Income Tax:

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Current Tax:

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961.

Deferred taxation:

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; i.e. where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

10. **Provision, Contingent Liability & Contingent Assets:**
The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.
Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

11. **Foreign Currency Transactions**:
Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction .The gain or loss arising out of settlement / translation of the assets and liabilities at the closing rates due to exchange fluctuations is recognized as income/expenditure in the profit and loss account.

B. NOTES ON ADJUSTMENT

a. Having impact on profit

Provision for Employee Benefits
During the half year ended 30th September 2009 the company has accounted for its gratuity liability based on management estimates. Consequent to the adoption of this policy, provision of gratuity for the year ended 31st March 2005, 2006, 2007, 2008 & 2009 have been adjusted accordingly.

During the half year ended 30th September 2009 the company has also provided for leave encashment. Consequent to the adoption of this policy provision of Leave encashment for the year ended 31st March 2008 & 2009 have been adjusted accordingly.

Provision for Income Tax & Deferred Tax Adjustment
The Prior period Income tax expenses, Deferred tax expenses & Mat Credit Entitlement relating to earlier years in the profit and loss account have been reallocated to respective years.

Prior Period Adjustments
The Prior Period Income and Expenses in the profit and loss account have been reallocated to respective years.

b. Having no impact on profit

Regroupings

Material Cost

Stores/Consumables has been regrouped to manufacturing expenses in the respective years & same is deducted from the material cost in the audited accounts of the respective years.

Financial Expenses Regrouping

Expenses Related to Letter of Credit has been regrouped to material cost in the respective years & same is deducted from the financial Expenses. Bank Charges has been regrouped to administration expenses & deducted from the financial expenses in the audited accounts of the respective years.

Manufacturing Expenses Regrouping

Direct Expenses (Freight inward & other Freight) has been regrouped to material cost in the respective years & same is deducted from the manufacturing expenses in the audited accounts of the respective years.

Administration & General Expenses Regrouping

Repair & Maintenance Expenses has been regrouped to manufacturing expenses and advertisement expenses regrouped to selling & distribution expenses in the respective years & same is deducted from the administration & general expenses In the audited accounts of the respective years.

Current Assets & Liabilities Regrouping

Advances received/ given from/ to debtors/ creditors have been re grouped in current liabilities/ current assets respectively. The same were netted from debtors and creditors in the audited accounts of respective years.

c. Detail of Deferred tax Liability

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
Timing Difference of depreciation on accounts	3.57	170.31	210.32	56.41	126.42	-
Gratuity	(2.22)	(2.91)	(2.49)	(1.86)	(1.23)	(0.62)
Leave Encashment	(1.39)	(1.56)	(0.58)	-	-	-
Total timing difference	**(0.04)**	**165.84**	**207.25**	**54.55**	**125.19**	**(0.62)**
Tax Liability on Above	(0.01)	56.37	70.44	18.54	42.55	(0.21)
Deferred tax liability at the begining of the year	187.70	131.33	60.88	42.34	(0.21)	-
Deferred tax liability Carried forwards	**187.68**	**187.70**	**131.33**	**60.88**	**42.34**	**(0.21)**

Note:
The above amounts are as per the Restated Unconsolidated Summary Statement of Assets & Liabilities of Mittal Corp Ltd.

d. Segment Reporting

The Company has only one reportable segment i.e. Manufacturing of Stainless Steel Billets & Flats. Further the company does not have any geographical segment and hence segment reporting as per AS – 17 is not required.

ANNEXURE F

Summary Statement of Contingent Liabilities , as restated

(Rs. In Lacs.)

Particulars	**Half Year Ended As at Sept. 30, 2009**	**As at 31st March**				
		2009	**2008**	**2007**	**2006**	**2005**
Inland Letters of Credit Outstanding	5509.93	5247.78	1922.73	851.76	194.55	-
Bank Guarantees Outstanding	-	40.37	-	-	-	-
Income Tax matters (excluding interest, if any)	14.51	14.51	-	-	-	-

1) Income Tax appeal pending before CIT (appeals) where an amount of Rs 14.51 lacs. is due net out of which advance payment made of Rs 7.50 lacs.

ANNEXURE G

Statement of Dividend Declared

The company has not declared dividend in any of the five financial years immediately preceding the issue of the offer document

ANNEXURE – H

Names of the Related parties and their relationship

Relationship	Name
Key Management Personnel	Sh. Karan Mittal - Chairman & Managing Director Sh. Dinesh Agrawal - Wholetime Director Sh. Adhir Agrawal- Wholetime Director Sh. Vinod Kumar - Executive Director
Enterprises in which Key Managerial Personnel & Relatives exercise significant influence	Parks Webtech Ltd. K.N. Metals Pvt. Ltd. Labhganga Marketing Pvt. Ltd Pandit Holdings Pvt. Ltd. Parks Infoway Pvt. Ltd. Mittal Enterprises Pvt. Ltd. Mrs. Rachna Bansal

Transactions with Related Parties
(a) Key Management Personnel & Relatives (Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
1. Karan Mittal						
(i) Remuneration	16.08	20.46	13.93	5.28	2.50	-
2. Dinesh Agrawal						
(i) Remuneration	1.84	3.18	2.46	1.69	1.24	-
3. Adhir Agrawal						
(i) Remuneration	0.46	2.00	1.54	1.13	0.83	-
4. Vinod Kumar						
(i) Remuneration	4.09	-	-	-	-	-
5. Mrs. Rachna Bansal						
(i) Remuneration	2.09	-	-	-	-	-
Total	**24.56**	**25.64**	**17.93**	**8.10**	**4.57**	**-**

(b) Enterprises in which key managerial personnel exercise significant influence **(Rs. In Lacs.)**

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
(1) Parks Webtech Ltd.						
(i) Share Application Money Received	-	55.00	114.00	-	-	-
(ii) Trade Advances	108.30	-	-			-
(2) K.N. Metals Pvt. Ltd.						
(i) Share Application Money Received		110.00	275.00	-	-	-

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
(ii) Trade Advances	755.98					-
(3) Labhganga Marketing Pvt. Ltd.						
(i) Share Application Money Received		185.00	208.00			-
(ii) Trade Advances	854.43					
(4) Pandit Holdings Pvt. Ltd.						
(i) Share Application Money Received			63.00	-	-	-
(ii) Trade Advances	109.98					-
(5) Parks Infoway Pvt. Ltd.						
(i) Share Application Money Received			59.00	-	-	-
(ii) Trade Advances	6.50					-
(6) Mittal Enterprises Pvt. Ltd.						
(i) Share Application Money Received	(0.04)		46.00	-	-	-

ANNEXURE I
Details of Other Income

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March					Remarks	
		2009	2008	2007	2006	2005	Recurring / Non-Recurring	Business / Non-Business
Insurance Claim	3.00	5.93	2.22	1.75	0.19	0.22	Non - Recurring	Business
Commision Received		139.10	156.95	37.23		45.30	Recurring	Business
Non- Competent Agreement income	-	151.00	-	-	-	-	Non - Recurring	Business
Sundry Balance Written back	7.18	35.71	39.90	5.61	12.47	-	Non - Recurring	Business
Profit on Sale Of Fixed Assets	-	-			58.83	-	Non - Recurring	Business
Interest on NSC & Other	0.08	0.14	0.13	-	-	0.02	Recurring	Non-Business
Misc.Income	-	-	0.01	-	-	23.07	Non - Recurring	Business
Interest on Security	4.81	4.95	3.59	3.10	2.35	0.26	Recurring	Business
Total (Gross other income)	**15.07**	**336.83**	**202.80**	**47.69**	**73.84**	**68.87**		
Net Profit before tax as restated	**944.29**	**914.36**	**698.16**	**266.04**	**61.27**	**38.78**		
Other income as % on net profit before tax as restated	**1.60%**	**36.84%**	**29.05%**	**17.93%**	**120.51%**	**177.61%**		

Note:

1. The above amounts are as per the Restated Unconsolidated Summary Statement of Profits and Losses of Mittal Corp Ltd.
2. The classification of other income as recurring/non recurring and related/non related to business activity is based on the current operation and business activity of Mittal Corp Ltd.

ANNEXURE – J

Summary Of Accounting Ratios

(Rs. In Lacs.)

Particulars	**Half Year Ended As at Sept. 30, 2009**	**As at 31st March**				
		2009	**2008**	**2007**	**2006**	**2005**
Nominal Value Of Share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Number of shares outstanding at the end of year	326.50	80.84	80.72	72.22	67.52	56.52
Weighted Average number of Equity Shares Outstanding during the year considered for Basis EPS	93.21	80.76	72.25	67.54	56.73	39.28
Weighted Average number of Equity Shares Outstanding during the year considered for Diluted EPS	93.21	92.32	73.02	70.01	57.30	39.28
Net Profits /(Losses) as restated	627.59	737.06	531.39	240.60	17.66	35.80
Earning Per Share (Rs.)						
Basis	6.73	9.13	7.35	3.56	0.31	0.91
Diluted	6.73	7.98	7.28	3.44	0.31	0.91
Net Worth	5,446.01	3,138.50	2,390.08	1,008.63	720.97	591.92
Net Asset Value Per Share (Rs.)	16.68	38.83	29.61	13.97	10.68	10.47
Return on Net Worth (%)	11.52%	23.48%	22.23%	23.85%	2.45%	6.05%

Formula:

Basis Earning Per Share (Rs.) $= \dfrac{\text{Net Profits /(Losses) as restated}}{\text{Weighted Average No. Of equity Shares}}$

Diluted Earning Per Share $= \dfrac{\text{Net Profits /(Losses) as restated}}{\text{Weighted Average No. Of potential equity Shares}}$

Return on Net Worth (%) $= \dfrac{\text{Net Profits /(Losses) as restated}}{\text{Net Worth as restated at the end of year}}$

Net Assets Value Per Share (Rs.) $= \dfrac{\text{Net Worth as restated at the end of year}}{\text{No. Of Equity Shares outstanding at the end of the year}}$

Notes.

1. The figures for the half year ended 30th Sept.2009 have not been annualised
2. Net Profits/(losses), as appearing in the Restated Summary Statement of Profit and Losses of the respective years, have been considerd for the purpose of computing the above ratios . These Ratios are computed on the basis of Restated Unconsolidated Summary Statement of the Company
3. Earnings Per Share Calculations are in accordance with Accounting Standard 20 " Earnings Per Share"
4. Net Worth = Equity share capital + Reserves & Surplus - Miscellaneous Expenditure

ANNEXURE – K
Statement of Secured Loans

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
Term Loan	2314.20	2214.69	1929.30	1036.70	387.50	150.00
Working Capital Loans	4423.40	3873.37	1776.49	1355.36	317.27	0.00
Vehicle Loan	23.53	30.09	35.81	35.50	9.17	3.94
Total	**6761.13**	**6118.15**	**3741.60**	**2427.56**	**713.94**	**153.94**

Details of Borrowing as on 30th Sept.09

Name Of Borrowing	Name Of Institution					Total
	State Bank Of India	Oriental Bank of Commerce	Bank Of Maharashtra	ICICI Bank Ltd.	HDFC Bank Ltd.	
Outstanding						
Term Loan	1214.71	943.15	156.34	-	-	2314.20
Working Capital Loans	2398.48	1842.91	182.01	-	-	4423.40
Vehicle Loan	-	-	-	3.54	19.99	23.53
Total	**3613.19**	**2786.06**	**338.35**	**3.54**	**19.99**	**6761.13**

(Rs. In Lacs.)

Name Of Borrowing	Sanctioned Amount	Outstanding as at 30th Sept. 2009	Rate of Interest
State Bank Of India			
Term Loan (I)	750.00	646.62	At 0.80 SBAR with monthly rests and reset option after every 2 years
Term Loan (II)	600.00	568.09	At 0.75 SBAR with monthly rests and reset option after every 2 years
Working Capital Loan (CC Limit)	2,850.00	2,398.48	At SBAR with monthly rests 1 years
Oriental Bank of Commerce			
Term Loan (I)	200.00	25.20	At PLR with monthly rests
Term Loan (II)	900.00	543.16	At PLR with monthly rests
Term Loan (III)	300.00	215.38	At PLR with monthly rests
Term Loan (IV)	500.00	159.41	At PLR- 0.50 % with monthly rests
Working Capital Loan (CC Limit)	1,950.00	1,842.91	At-PLR - 1% with monthly rests subject to minimum SBI rate
Bank Of Maharashtra			
Term Loan	500.00	156.34	At BPLR i.e. presently at 12.25 %
Working Capital Loan (CC Limit)	200.00	182.01	At BPLR presently at 12.25 %
ICICI Bank Ltd.			
Vehicle Loan	23.42	3.54	
HDFC Bank Ltd.	37.56		
Vehicle Loan		19.99	
Total		**6,761.13**	

Details Of Security

I. **Term Loan facilities Secured by:**

i. First pari-passu charge by equitable mortgage and hypothecation on entire fixed assets, present and future, situated on Plot No. 159, Sector III, Industrial Area, Pithampur District, Dhar, Madhya Pradesh

ii. Pledge of 30% shares of the Company of value Rs. 2.54 crores on pari-passu basis

iii. Pledge of fixed deposit receipts of Rs. 0.51 crores

iv. Equitable mortgage by deposit of title deeds of plots held by certain individuals*

v. Personal guarantees given by Karan Mittal, Dinesh Agrawal, Adhir Agrawal, Arvind Bhargava, Mahesh Agrawal, Puranmal Agrawal, Rachna Bansal

vi. Corporate guarantee of Mittal Enterprises Private Limited

Title holder	Plot
Karan Mittal; and	Plot No. 6, part of Khasra No. 157,163/2,
Arvind Kumar Bhargava	Gram Pipliya Rao, District indore
Rachna Bansal; and	Plot No. 1, part of Khasra No. 157,163/2,
Puranmal Agrawal	Gram Pipliya Rao,
Mahesh Agrawal; and	Plot No. 7, part of Khasra No. 157,163/2,
Mittal Enterprises Private Limited	Gram Pipliya Rao, District Indore

Collateral
Second charge by way of hypothecation on all current assets of the Company

II. **Working Capital facilities Secured by:**

Primary

i. First charge by way of hypothecation on all current assets of the Company

Collateral

ii. Second charge on all fixed assets at Factory (for details, please refer to the primary security for the term loan facilities)

III. **Vehicle Loan Secured by:**

i. Vehicle Loan Secured by hypothecation of specific Vehicles

ANNEXURE - L
Statement of Unsecured Loans

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
Inter Corporate Deposits	1113.65	929.75	750.30	425.23	94.01	210.32
From Other	244.64	51.27	85.64	62.75	69.58	72.17
From Director				0.49		0.71
From Promoters	-	-	-	-	-	-
Total	**1358.29**	**981.02**	**835.94**	**488.47**	**163.59**	**283.20**

Details of outstanding Unsecured Loans outstanding as at 30th Sept.2009

(Rs. In Lacs.)

Name of Party	Particulars of Loan	Outstanding Amount	Interest rate	Re Payment Terms
Anmol Industries, M'bai	Inter Corporate	18.50	NIL	On - Demand
Atishay Sales Private Ltd.	Inter Corporate	472.77	NIL	On - Demand
B.A. Trading Co. Pvt. Ltd. Mumbai	Inter Corporate	50.00	NIL	On - Demand
Dhariwal Industries Ltd.	Inter Corporate	14.50	NIL	On - Demand
Expantion Trading Co. Pvt. Ltd	Inter Corporate	125.00	NIL	On - Demand
Goodluck Empire	Inter Corporate	6.25	NIL	On - Demand
Jenil Empire	Inter Corporate	4.45	NIL	On - Demand
Mahavir Iron Traders Pvt. Ltd.	Inter Corporate	10.00	NIL	On - Demand
Malwa Metal Corporation, M'bai	Inter Corporate	9.00	NIL	On - Demand
Manwani Industries Ltd.	Inter Corporate	40.00	NIL	On - Demand
Money Penny Fincom Pvt. Ltd	Inter Corporate	10.00	NIL	On - Demand
Omkar Steel	Inter Corporate	6.75	NIL	On - Demand
Pace Logistic (India) Ltd.	Inter Corporate	11.00	NIL	On - Demand
Rollick Agency P. Ltd	Inter Corporate	86.64	NIL	On - Demand
Shivan Giri Steel Ltd. Mumbai	Inter Corporate	194.00	NIL	On - Demand
Shubham Metal Corporation	Inter Corporate	6.40	NIL	On - Demand
Sundrop Securities Pvt. Ltd	Inter Corporate	14.00	NIL	On - Demand
Tacit Agencies Private Ltd.,	Inter Corporate	34.39	NIL	On - Demand
Bhoop Singh & Sons	From Other	16.00	NIL	On - Demand
Dazzel Confidence	From Other	16.00	NIL	On - Demand
Mr. Darshan Adani	From Other	145.00	NIL	On - Demand
Pushpa Tea Distributor	From Other	16.37	NIL	On - Demand
R.M. Dhariwal HUF	From Other	39.50	NIL	On - Demand
Sanjeev Bansal	From Other	1.77	NIL	On - Demand
Smt. Gangwal	From Other	10.00	NIL	On - Demand
Total		**1358.29**	NIL	On - Demand

Note:

The above amounts are as per the Restated Unconsolidated Summary Statement of Assets & Liabilities of Mittal Corp Ltd.

ANNEXURE - M

Details Of Current Liabilities and Provisions

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
Current Liabilities						
Sundry Creditors						
Creditors for Raw Material	3770.54	4718.15	2300.71	1157.00	1870.50	75.52
Creditors for Capital goods	47.87	44.12	88.86	38.32		22.15
Creditors for Expenses	209.79	115.43	179.92	106.10	116.07	52.13
Advance from Customers	108.93	44.10	152.04	44.35	29.54	1.20
Other Liabilities	384.89	335.47	148.17	137.12	22.40	39.04
Total Current Liabilities	**4522.02**	**5257.27**	**2869.70**	**1482.89**	**2038.51**	**190.04**
Provisions						
Provision for taxes (Net)	288.77	46.53	69.20	30.62	3.18	0.77
Fringe Benefits tax (Net)		5.10	3.42	2.57	1.05	
Other Provisions	14.88	11.25	6.77	8.25	4.87	0.62
Total Provisions	**303.65**	**62.88**	**79.39**	**41.44**	**9.10**	**1.39**
Grand Total	**4825.67**	**5320.15**	**2949.09**	**1524.33**	**2047.61**	**191.43**

Note:

The above amounts are as per the Restated Unconsolidated Summary Statement of Assets & Liabilities of Mittal Corp Ltd.

ANNEXURE - N

Statement of sundry debtors

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
Sundry Debtors						
Outstanding for a period exceeding six months						
Considered good -	260.75	84.77	51.46	9.81	2.54	1.30
Considered doubtful-	-	-	-	-	-	-
Less: provision	-	-	-	-	-	-
Other Debtors						
Considered good -	5005.08	4701.21	2582.66	1099.08	1716.00	66.37
Considered doubtful-	-	-	-	-	-	-
Less: provision	-	-	-	-	-	-
Total	**5265.83**	**4785.98**	**2634.12**	**1108.89**	**1718.54**	**67.67**
Out of above						
Due from related parties	**-**	**-**	**-**	**-**	**-**	**-**

Note:

The above amounts are as per the Restated Unconsolidated Summary Statement of Assets & Liabilities of Mittal Corp Ltd.

ANNEXURE - O

Details of Cash & Bank Balances

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
Cash In Hand	29.11	37.38	10.53	30.90	14.03	3.08
Bank Balances	-					
In Current Accounts	32.58	3.25	7.43	2.70	3.55	22.94
In Fixed Deposits & Margin Money Accounts	331.00	831.06	288.81	142.62	92.28	-
Total	**392.69**	**871.69**	**306.77**	**176.22**	**109.86**	**26.02**

Note:

The above amounts are as per the Restated Unconsolidated Summary Statement of Assets & Liabilities of Mittal Corp Ltd.

ANNEXURE - P

Details of Loan & Advances

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
(Unsecured , Considerd Good)						
Advances recoverable in cash or in kind or for value to be received *	729.76	186.38	112.34	208.03	174.59	32.64
Mat credit entitlement	-	25.86	34.25	35.32	5.28	-
Deposits with government & local authorities	174.81	215.30	82.29	78.37	48.43	27.79
-						
Income tax , TDS & FBT(Net of provisions)	8.93	9.18	5.53	59.53	3.40	0.17
Vat, Cenvat & Service Tax Receivable	150.01	295.85	152.74	124.67	44.31	9.74
Total	**1063.51**	**732.57**	**387.15**	**505.92**	**276.01**	**70.34**
Out of above						
* Due from related parties	**224.78**	**-**	**-**	**-**	**-**	**-**

Note:

The above amounts are as per the Restated Unconsolidated Summary Statement of Assets & Liabilities of Mittal Corp Ltd.

ANNEXURE - Q

Details of Investment

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
Investment (Unquoted at Cost)						
8 % National Saving Certificate VIIIth issue	1.60	1.60	1.60	1.60	-	-
Grand Total	**1.60**	**1.60**	**1.60**	**1.60**	**-**	**-**

Note:

The above amounts are as per the Restated Unconsolidated Summary Statement of Assets & Liabilities of Mittal Corp Ltd.

ANNEXURE - R

Capitalisation statement

(Rs. In Lacs.)

Capitalisation statement	Pre- Issue 30th Sept.2009	Post – Issue
Particulars		
Short- Term Debt	4983.05	
Long -Term Debt	3136.37	
Shareholders' Fund		
Equity Share capital	3265.02	
Reserves	2180.99	
Total Shareholder Funds	**5446.01**	
Long Term Debt/ Shareholder's Fund	**0.58 : 1**	

Note:

The above amounts are as per the Restated Unconsolidated Summary Statement of Assets & Liabilities of Mittal Corp Ltd.

Annexure - S

Statement of tax Shelters

(Rs. In lacs)

Particulars	For half year ended	For the financial year ended				
	30 Sept.09	2009	2008	2007	2006	2005
Profit/(Loss) before tax but after Extraordinary items as restated {A}	944.29	914.36	698.16	266.04	61.27	38.78
Tax Rate	33.99%	33.99%	33.99%	33.66%	33.66%	36.59%
Tax at notional rate on profits	320.96	310.79	237.30	89.55	20.62	14.19
Adjustments:						
Parmanent Differences {B}						
Other Adjustments (net)	0.00	(0.08)	(0.01)	0.00	58.83	(0.13)
Donations	(7.72)	(31.52)	(3.01)	(7.02)	0.00	(0.22)
Less: Deductions U/S 80G	1.26	14.94	0.00	0.00	0.00	0.00
Total Parmanent Differences {B}	**(6.47)**	**(16.66)**	**(3.02)**	**(7.02)**	**58.83**	**(0.35)**
Timing Differences {C}						
Difference between tax depreciation and book depreciation	14.04	585.78	360.72	352.54	7.89	43.37
Disallowance u/s 40(a)(ia)(net)	0.00	0.00	84.49	(77.58)	(5.82)	(1.09)
Provision for Leave Encashment/ Gratuity	(3.61)	(4.47)	(3.06)	(1.86)	(1.24)	(0.61)
Other Adjustments (net)	(0.06)	16.93	(39.04)	(0.04)	(6.90)	(0.44)
Total Timing Differences {C}	**10.37**	**598.24**	**403.11**	**273.06**	**(6.08)**	**41.23**
Net Adjustments {B+C}	**3.90**	**581.58**	**400.09**	**266.04**	**52.76**	**40.88**
Tax saving thereon	**1.33**	**197.68**	**135.99**	**89.55**	**17.76**	**14.96**
Total Adjustments {D}	**(0.27)**	**1.18**	**(0.65)**	**0.00**	**(0.26)**	**0.00**
Tax effect there of	**(0.09)**	**0.40**	**(0.22)**	**0.00**	**(0.09)**	**0.00**
Profit/(Loss) as per Income Tax Returns {E} = {A-B-C-D}	**940.66**	**331.60**	**298.72**	**0.00**	**8.77**	**(2.10)**
Brought Forward Losses adjusted {F}	0.00	0.00	(61.17)	0.00	(8.77)	0.00
Taxable Income/(Loss) {E+F}	**940.66**	**331.60**	**237.54**	**0.00**	**(0.00)**	**(2.10)**
Taxable Income /(Loss) as per MAT	944.48	910.80	701.87	267.90	55.97	39.52
Tax as per I.T. Act at Normal Rate or U/S 115 JB (MAT) which is applicable	**282.20**	**99.48**	**71.26**	**26.79**	**4.20**	**2.96**
Less: MAT Credit Entitlement	(25.86)	(8.40)	(1.08)	0.00	0.00	0.00
Add: Surcharge & Edu. & H. Edu. Cess	34.09	12.11	9.34	3.27	0.57	0.13
Add: Rounding off/ Interest	0.33	4.64	12.09	4.33	0.43	0.08
Total Tax as per return	**290.76**	**107.83**	**91.61**	**34.39**	**5.20**	**3.18**
Carry forward business loss	0.00	0.00	0.00	0.00	0.00	16.56
Carry forward depreciation loss	0.00	0.00	0.00	61.17	7.79	0.18
Total carry forward loss as per return of the year	**0.00**	**0.00**	**0.00**	**61.17**	**7.79**	**16.74**

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 financial statements included in this Draft Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page [●] of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company and unless otherwise stated, is based on our restated financial statements , which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations. Our fiscal year ends on March 31 of each year, so all references to a particular "Fiscal" are to the twelve-month period ended March 31 of that year.

For 'Our Business Overview' please refer to page [●] of this Draft Red Herring Prospectus.

MATERIAL DEVELOPMENTS AFTER SEPTEMBER 30, 2009 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

1. Changes in the secured loan of the company:

(Rs. In lacs)

Bank	Sanctioned amount	Outstanding as on	
		30-Sep-09	31-Dec-09
Term Loan			
State Bank of India (SBI)	750	647	606
	600	568	546
Oriental Bank of Commerce (OBC)	200	25	13
	900	543	505
	300	215	202
	500	159	241
Bank Of Maharashtra (BOM)	500	156	336
Bank of India (BOI)	500	Nil	Nil
Working Capital loan			
State Bank of India (SBI)			
▪ Cash Credit	2850	2398	1272
▪ LC	4300	3222	3244
▪ Bank Guarantee	200	Nil	Nil
▪ Credit exposure limit	100	Nil	Nil
Oriental Bank of Commerce (OBC)			
▪ Cash Credit	1950	1843	1977
▪ LC	1900	1785	2010
▪ Bank Guarantee	100	Nil	Nil
Bank Of Maharashtra (BOM)			
▪ Cash Credit	200	182	174
▪ LC	500	504	499
Bank of India (BOI)			
▪ Cash Credit	1000	Nil	999
▪ LC	500	Nil	Nil

In view of commercial considerations and significant benefits in terms of savings on interest rate and bank charges, the company has decided to repay the outstanding loan to SBI. The company is in the process of tying up another bank to secure funds and repay SBI. The company intends to reconstitute the consortium with OBC as the lead banker.

2. Position of Trade advances to Related Parties

(Rs. In lacs)

Related Party	As on September 30, 2009	As on December 31, 2009
1. Parks Webtech Ltd.	108.30	23.08
2. K.N. Metals Pvt. Ltd.	755.98	(71.55)
3. Labhganga Marketing Pvt. Ltd.	854.43	133.18
4. Pandit Holdings Pvt. Ltd.	109.98	10.28
5. Parks Infoway Pvt. Ltd.	6.50	7.85

FACTORS AFFECTING RESULTS OF OUR OPERATIONS

Our financial condition and results of operations are affected by following factors:-

1. **Procurement of key raw materials including iron scrap, chrome, manganese, etc**:

   Raw materials used in the manufacturing process are mainly sourced from domestic sources. The price of raw materials is an important factor in our input costs, and the fluctuations in the prices may affect our operating margins.

2. **Our ability to achieve operational efficiency and low cost of production**:

   Our cost of production is dependent on the efficiency of the operations, which can improve consumption of energy, raw materials and manpower, each of which is a significant factor influencing the cost of production, and thereby affecting our operational and financial performance.

3. **Capacity Expansion:**

   Our revenues and net profit have increased with our capacity expansions over the last several years, and we plan to expand our capacity to meet increased demand and our growth objectives. Our business is capital-intensive and investments in capacities, new technologies and processes are among the key factors that would contribute to our future growth and profitability.

   After the completion of our expansion plans, we expect to benefit from increased economies of scale and improved efficiency, which will have a positive impact on our gross margins. However, these expansions will also increase our interest and depreciation expenses.

   Further, Our Company has undertaken expansion of its production capacities based on its estimates of market demand and profitability. In the event of non-materialisation of our estimates and expected orders due to factors including adverse economic scenario, change in demand, etc., our capacities may not be fully utilised thereby adversely impacting our financial performance.

4. **Competition and pricing pressures:**

   The Company believes that the key competitive factors affecting its business include access to low cost raw materials, product quality, changes in manufacturing technology, workforce skill and productivity, cash operating costs, pricing power with large buyers, access to outside funds and degree of regulation.

   In particular, the Company faces competition from other stainless steel manufacturers, some of which have greater resources and larger production capacities. In addition, a variety of known and unknown events could have a material adverse impact on the Company's ability to compete. For example, changes in the level of marketing undertaken by competitors, governmental subsidies provided to foreign competitors, dramatic reductions in pricing policies, irrational market behaviour by competitors, increases in tariffs or the imposition of trade barriers, could all affect the ability of the Company to compete effectively. Any such event could have a material adverse impact on the Company's results of operations and financial condition.

5. **Trend in the production and consumption of kitchen articles in India**:

   Majority of our revenues are generated through multiple products which are inputs for kitchen ware manufacturing in India. Any adverse movement in the production and consumption trends in this sector will affect our operating margins and future growth.

6. **Fluctuations in interest rates and availability of credit:**

Our Company has undertaken capacity expansions to tap the growth opportunities. Availability of sufficient working capital credit is critical for carrying on our operations smoothly. Also, fluctuations in the interest rates may have an impact on cost of our borrowings.

7. **General economic and business conditions in India**:

The performance and the growth of our business are dependent on the performance of the Indian economy. India's economy could be adversely affected by a general rise in interest rates, currency exchange rates. A slowdown in the Indian economy could adversely affect our business, including our ability to implement our strategy and expand our operations. The Indian economy is currently in a state of transition and it is difficult to predict the impact of certain fundamental economic changes upon our business. Conditions outside India, such as slowdowns in the economic growth of other countries or increases in the price of oil, have an impact on the growth of the Indian economy, and government policy may change in response to such conditions. Any downturn in the macroeconomic environment in India could adversely affect our business and results of operations.

CRITICAL ACCOUNTING POLICIES

12. **Basis of accounting**:

The accompanying financial statements are consistently prepared under the historical cost convention, on the accrual basis of accounting and comply with the accounting standards issued by the Institute of Chartered Accountants of India (to the extent applicable) and in accordance with the generally accepted accounting principles, the provisions of the Companies Act, 1956.

13. **Use Of Estimates:**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

14. **Fixed Assets & Depreciation**:

Fixed Assets are stated at cost of acquisition/ construction less accumulated depreciation thereon. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Preoperative expenditure during construction period / trial run: Direct expenses as well as clearly identifiable indirect expenses incurred on the projects during the period of construction are capitalized along with the respective assets.

The Company provides pro-rata depreciation from the date on which asset is ready for its intended use. In respect of assets sold, prorata depreciation is provided up to the date on which the asset is disposed off. Depreciation is applied to all fixed assets on the straight-line basis in the manner and as per rates specified in Schedule XIV to the Companies Act, 1956 except :

c) Assets each costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

d) Improvements to leased Assets are depreciated over the initial period of lease.

15. **Inventories**:

Finished goods (including trading stock), work-in-process, semi-finished goods are valued at cost or net realizable value whichever is lower and raw materials, Stores, Spares, Fuel, Components, Loose Tools and Materials-in-transit are valued at cost. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition excluding excise duty payable on goods produced. The costs for the purpose of valuation are determined as under:

- Finished goods and Stock-in-process: Weighted Average Method.

- Raw materials and Stores & Spares : FIFO

16. **Revenue Recognition**:

e) Sales comprise of sales of goods less discounts, if any, and include excise duty. Sales is recognized when the substantial risks and rewards of ownership is transferred to the buyer.

f) Claims of immaterial nature are accounted for when no significant uncertainties are attached to their eventual receipt.

g) Interest is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

h) Purchase includes Custom duty, Clearing & Forwarding Charges, Freight Charges, Discounting Charges on LC and Relevant Bank charges net of interest on margin money received from bank

17. Investments:

Investments are classified into long-term investments and current investments. Investments that are intended to be held for one year or more are classified as long-term investments and investments that are intended to be held for less than one year are classified as current investments.

Long term investments are valued at cost. Provision for diminution in value of long term investments is made if in the opinion of management such a decline is other than temporary.

Current investments are valued at cost or market/fair value, whichever is lower.

18. Retirement Benefits:

Provident Fund:

Contribution payable to the recognized provident fund, which is a defined contribution scheme, is charged to the profit and loss account in the period in which they occur.

Gratuity:

The company has accounted for its gratuity liability based on estimates determined by the Management.

Leave Encashment:

As per the leave policy of the company the un-utilized leave at the end of the year is allowed to be encashed. Provision is made for expected cost of accumulating compensated absences as a result of unused leave entitlement which has accumulated as at the balance sheet date.

19. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

20. Income Tax:

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Current Tax:

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961.

Deferred taxation:

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; i.e. where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realized.

21. **Provision, Contingent Liability & Contingent Assets:**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements.

22. **Foreign Currency Transactions**:

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction .The gain or loss arising out of settlement / translation of the assets and liabilities at the closing rates due to exchange fluctuations is recognized as income/expenditure in the profit and loss account.

SUMMARY OF OUR RESULTS OF OPERATIONS

The overview of the financial performance of our Company based on the restated audited financial information:

PARTICULARS	half year ended Sept 30, 2009		Year ended March 31, 2009		Year ended March 31, 2008		Year ended March 31, 2007	
	Amount (in Rs Lacs)	Percentage of Total Income (%)	Amount (in Rs Lacs)	Percentage of Total Income (%)	Amount (in Rs Lacs)	Percentage of Total Income (%)	Amount (in Rs Lacs)	Percentage of Total Income (%)
Income								
Sales								
Of product manufactured	15,942.97	90.17	24,154.69	81.68	10,067.90	81.80	5,565.61	64.29
Of product traded in	2,764.34	15.63	6,315.71	21.36	3,413.65	27.73	2,899.57	33.50
Gross Sales	**18,707.31**	**105.80**	**30,470.40**	**103.03**	**13,481.55**	**109.53**	**8,465.18**	**97.79**
Less: Excise duty on sales	1,085.31	6.14	2,633.17	8.90	1,406.57	11.43	820.77	9.48
Net Sales	**17,622.00**	**99.66**	**27,837.23**	**94.13**	**12,074.98**	**98.10**	**7,644.41**	**88.31**
Other Income	15.07	0.09	336.83	1.14	202.80	1.65	47.69	0.55
Increase / (Decrease) in Inventories	44.41	0.25	1,399.05	4.73	30.75	0.25	964.48	11.14
Total Income	**17,681.48**	**100.00**	**29,573.11**	**100.00**	**12,308.53**	**100.00**	**8,656.58**	**100.00**
Expenditure								
Material Cost	13,762.34	77.83	24,513.22	82.89	9,594.80	77.95	7,299.48	84.32
Manufacturing Expenses	1,826.81	10.33	2,240.03	7.57	1,102.30	8.96	602.49	6.96
Employees Remuneration & Benefits	156.11	0.88	242.11	0.82	75.19	0.61	42.82	0.49
Administration and General Expenses	147.49	0.83	225.00	0.76	132.55	1.08	98.99	1.14
Selling & Distribution Expenses	219.20	1.24	332.71	1.13	224.11	1.82	137.85	1.59
Total Expenditure	**16,111.95**	**91.12**	**27,553.07**	**93.17**	**11,128.95**	**90.42**	**8,181.63**	**94.51**

PARTICULARS	half year ended Sept 30, 2009		Year ended March 31, 2009		Year ended March 31, 2008		Year ended March 31, 2007	
	Amount (in Rs Lacs)	Percentage of Total Income (%)	Amount (in Rs Lacs)	Percentage of Total Income (%)	Amount (in Rs Lacs)	Percentage of Total Income (%)	Amount (in Rs Lacs)	Percentage of Total Income (%)
EBITDA	**1,569.53**	**8.88**	**2,020.04**	**6.83**	**1,179.58**	**9.58**	**474.95**	**5.49**
Depreciation	248.38	1.40	423.00	1.43	152.41	1.24	75.54	0.87
EBIT	**1,321.15**	**7.47**	**1,597.04**	**5.40**	**1,027.17**	**8.35**	**399.41**	**4.61**
Interest Expenses	376.86	2.13	682.68	2.31	329.01	2.67	133.37	1.54
PBT	**944.29**	**5.34**	**914.36**	**3.09**	**698.16**	**5.67**	**266.04**	**3.07**
Income Tax	(290.76)	(1.64)	(107.83)	(0.36)	(91.61)	(0.74)	(34.39)	(0.40)
Mat Credit entitlement	(25.86)	(0.15)	(8.40)	(0.03)	(1.08)	(0.01)	30.06	0.35
Fringe Benefit Tax	-	-	(5.10)	(0.02)	(3.42)	(0.03)	(2.57)	(0.03)
Tax effect on Adjustments	(0.09)	(0.00)	0.40	0.00	(0.22)	(0.00)	-	-
Deferred Tax (Liability) & Assets	0.01	0.00	(56.37)	(0.19)	(70.44)	(0.57)	(18.54)	(0.21)
PAT before extraordinary items	**627.59**	**3.55**	**737.06**	**2.49**	**531.39**	**4.32**	**240.60**	**2.78**
Extraordinary Items	-	-	-	-	-	-	-	-
PAT after extraordinary items	**627.59**	**3.55**	**737.06**	**2.49**	**531.39**	**4.32**	**240.60**	**2.78**

DISCUSSION ON RESULTS FOR HALF YEAR ENDED SEPTEMBER 30, 2009

Sales

Sales from Manufacturing Activity

For the half year ended September 30, 2009, our total sales from products manufactured by us were Rs. 15,942.97 lacs. For the half year ended September 30, 2009, the Company has reported a production of 29,974 MT of billets and 27,705 MT of SS Flats. For the half year ended September 30, 2009, the entire manufacturing sales were sales of SS Flats.

Sales from Trading Activity

For the half year ended September 30, 2009, our total sales from trading activity were Rs. 2,764.34 lacs. This accounts to 14.78% of the Total Gross Sales. The Company traded in 6,088 MT of various steel products including alloys.

Excise Duty

The excise duty rate applicable for half year ended September 30, 2009 to our Company was 8%.

Expenditure

Material Cost

The cost of raw material consumed for the period ended September 30, 2009 was Rs. 13,762.34 lacs. This works out to 77.83% of the total income for the period. The raw material purchased for trading activity included in above, amounts to Rs 2,499.19 lacs. The raw material cost has decreased during the half year ended September 30, 2009 as compared to the year ended March 31, 2009 on account of stable raw material prices. FY 2009 experienced wild fluctuations in raw material prices.

Manufacturing Expenses

The manufacturing expenses, which mainly consist of expenses on power & fuel and stores, spares & consumables were Rs. 1,826.81 lacs for the half year ended September 30, 2009. This works out to 10.33% of the total income for the period.

Other Expenses

The employee costs, administration and general expenses and the selling and distribution expenses for half year ended September 30, 2009 were Rs 156.11 lacs, Rs 147.49 lacs and Rs 219.20 lacs respectively. The three put together account to 2.96% of the total income.

Earnings before Interest, Tax and Depreciation and Amortization

For the period half year ended September 30, 2009, our Company achieved an EBITDA of Rs. 1,569.53 lacs translating into an EBITDA margin of 8.88 % of the total income. The increase in margin can be attributed to the stability in raw material and finished goods price as compared to year ended March 31, 2009.

Depreciation

The depreciation expense as a percentage to total income stood at 1.40%. The gross block increased from Rs 5,646.17 lacs in FY 2009 to Rs 5,689.64 lacs as at the half year ended September 30, 2009.

Interest Expenses

The interest expense for the period ended September 30, 2009 stood at Rs.376.86 lacs, i.e. 2.13% of the total income. The secured term loans for the period stood at Rs 2,314.20 lacs, up from Rs 2,214.69 in FY 2009. The working capital loans stood at Rs 4,423.20 lacs for the half year ended September 30, 2009, up from Rs 3,873.37 lacs in FY 2009. On overall basis interest cost have come down as compared to last year due to decrease in PLR since June 2009.

Profit before Tax

Profit before tax during half year ended September 30, 2009 was Rs 944.29 lacs which accounts to 5.34% of the total income. The same has increased to 5.34% as against 3.09% for year ended 31st March 2009. This is on account of relative stability in prices of raw material and finished goods which otherwise were very volatile for year ended March 31, 2009 resulting into lower PBT margin.

Provision for Tax

The provision for tax liabilities was Rs. 316.70 lacs for the half year ended September 30, 2009. The primary components of our tax liabilities for the half year ended September 30, 2009 were current tax net of MAT Credit and deferred tax. The tax provisions have increased due to applicability of regular tax rate against MAT rate for the year ended March 31, 2009.

Profit after Tax

As a result of the factors set forth above our Company's net profit after extraordinary items stood at Rs. 627.59 Lacs which is 3.55% of the total income. Our Company did not have any extraordinary items for the period.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FY 2009 WITH FY 2008

Sales

Sales from Manufacturing Activity

Our sales from manufacturing activity increased by 139.92% to Rs 24,154.69 lacs in FY 2009 from Rs 10,067.90 lacs in FY 2008. This is primarily due to increase in our capacity from 60,000 TPA to 90,000 TPA in August 2008. We manufactured 46,532 MT of SS/MS Billets and 39,242 MT of SS Flats in FY 2009 as compared to 24,192 MT of SS/MS Billets and 2,123 MT of SS Flats in FY 2008. The increase in value of sales can be attributed to increase in average selling price from FY 2008 to FY 2009.

Sales from Trading Activity

The sales from trading activity increased to Rs. 6,315.71 lacs in FY 2009 as compared to Rs. 3,413.65 lacs in FY 2008. This accounts to 20.73% of the Total Gross Sales.

Excise Duty

The excise duty rates applicable to our Company during the year are as follows -

- from March 1, 2008 to Dec 10, 2008 – 14%
- from Dec 11, 2008 to Feb 23, 2009 – 10%
- Feb 24, 2009 onwards – 8%

On account of the above changes, over all percentage of excise duty as a percentage of total income for our Company has decreased to 8.9% in FY 2009 as compared to 11.43% in FY 2008.

Expenditure

Material Cost

The cost of raw material consumed for FY 2009 was Rs. 24,513.22 lacs. This is an increase of 155.48% over the corresponding figure for the previous year. The raw material cost as a percentage of total income has increased from 77.95 % in FY 2008 to 82.89 % in FY 2009. Wild fluctuations in metal prices were experienced due to the economic slowdown across the globe.

The raw material purchased for trading activity amounts to Rs 6,117.86 lacs for FY 2009 against Rs 3,221.28 lacs for FY 2008.

Manufacturing Expenses

The manufacturing expenses for FY 2009 were Rs 2,240.03 lacs. This is an increase of 103.21% over the manufacturing expenses of Rs 1,102.30 incurred in FY 2008. This is primarily on account of the increase in the production in FY 2009 as compared to FY 2008. The manufacturing expenses as a percentage of the total income work out to 7.57 % in FY 2009 as compared to 8.96 % of the total income for FY 2008.

Other Expenses

The employee costs, administration and general expenses and the selling and distribution expenses for FY 2009 were Rs 242.11 lacs, Rs 225.00 lacs and Rs 332.71 lacs respectively against Rs 75.19 lacs, Rs 132.55 lacs and Rs 224.11 lacs respectively for FY 2008. This is an increase of 222%, 69.75% and 48.46% respectively over the corresponding figures for FY 2008. The increase in employee costs was primarily due to the increase in the number of employees across various levels and departments in line with the expansion plans of our Company. Together, these expenses work out to 2.70% of the total income for FY 2009 as against 3.51 % of the total income in FY 2008. In the year ended March 2009 there was a salary increase of 10-15%.

Earnings before Interest, Tax and Depreciation and Amortization

For FY 2009, our Company achieved an EBITDA Margin of 6.83 % of the total income as against an EBITDA Margin of 9.58% as a percentage of total income for FY 2008. This was mainly on account of increase in the material cost.

Depreciation

Our depreciation expense increased by 177.54% to Rs. 423.00 lacs in the FY 2009 from Rs. 152.41 lacs in the FY 2008. The depreciation expense as a percentage to total income stood at 1.43% in FY 2009 as against 1.24% of the total income in FY 2008. The increase is due to the addition of capital assets as per the expansion plans of our Company. The gross block increased to Rs. 5,646.17 lacs in FY 2009 from Rs. 4,326.31 lacs in FY 2008. Due to completion of rolling mill plant and oxygen gas plant in February and March 2008 respectively, full year impact of depreciation was only visible in the FY 2009.

Interest Expenses

Our interest and financial charges increased to Rs.682.68 lacs in the FY 2009 from Rs. 329.01 lacs in the FY 2008. This is primarily due to increase in working capital limits and term loan in FY2009. Our working capital loan increased to Rs. 3,873.37 lacs in FY 2009 from Rs. 1,776.49 in FY 2008 and the term loans increased to 2,214.69 lacs from Rs 1,929.30 lacs over the same period. The interest expense as a percentage of total income stood at 2.31% for FY 2009.

Profit before tax

Profit before tax for FY 2009 was Rs 914.36 lacs as against Rs 698.16 lacs for FY 2008. The profit before tax as a percentage of total income fell to 3.09% in FY 2009 from 5.67% in FY 2008. Decrease in profit before tax margin was mainly on account of severe price increase in raw material, interest cost, etc.

Provision for tax

The total provision for tax liabilities which mainly comprise of current tax net of MAT credit, FBT, and deferred tax was Rs. 177.30 lacs for the FY 2009 as against Rs 166.77 lacs in FY 2008. The current year tax provision increased by 17.71 % to Rs. 107.83 lacs in the FY 2009 from Rs. 91.61 lacs in the FY 2008 primarily due to increase in our profit before tax.

Profit after tax

As a result of the factors set forth above our Company's net profit after extraordinary items stood at Rs. 737.06 lacs in FY 2009 as against Rs 531.39 lacs in FY 2008 which is an increase of 38.70 %. The profit after tax as a percentage of total income stood at 2.49 % in FY 2009. Our Company did not have any extraordinary items for the period.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FY 2008 WITH FY 2007

Sales

Sales from Manufacturing Activity

Our sales from manufacturing activity increased by 80.89 % to Rs 10,067.90 lacs in FY 2008 from Rs 5,565.61 lacs in FY 2007. The increase was primarily due to full year production at a capacity of 60,000 TPA in FY 2008 as compared to last year's weighted average capacity of 39,000. We manufactured 24,191.92 MT of SS/MS Billets and 2,123 MT of SS Flats in FY 2008 as compared to 16,755.22 MT of SS/MS Billets in FY 2007. The increase in value of sales can be further attributed to increase in selling prices.

Sales from Trading Activity

The sales from trading activity increased to Rs. 3,413.65 lacs in FY 2008 as compared to Rs. 2,899.57 lacs in FY 2007. The Company traded in various steel products including ferro alloys. Sales from trading activity as a percentage of total gross sales has fell from 34.25 % in FY 2007 to 25.32% in FY 2008 as a result of increased focus on manufacturing activity due to the increased production capacity.

Excise Duty

Excise duty rate applicable to our Company was 16% during upto February 2008. The rate was revised to 14% w.e.f March 1, 2008.

Expenditure

Material Cost

The cost of raw material consumed for FY 2008 was Rs. 9,594.80 lacs. This is an increase of 31.44% over the corresponding figure for the previous year. This was primarily on account of the increase in raw material consumption subsequent to the increase in production. However, the raw material cost as a percentage of total income fell from 84.32% in FY 2007 to 77.95% in FY 2008.

The raw material purchased for trading activity amounts to Rs 3,221.28 lacs for FY 2008 against Rs 2,644.53 lacs for FY 2007.

Manufacturing Expenses

The manufacturing expenses for FY 2008 were Rs 1,102.30 lacs. This is an increase of 82.96% over the manufacturing expenses of Rs 602.49 incurred in FY 2007. This is primarily on account of the increase in the production in FY 2008 as compared to FY 2007. The manufacturing expenses as a percentage of the total income work out to 8.96 % for the period.

Other Expenses

The employee costs, administration and general expenses and the selling and distribution expenses for FY 2008 were Rs 75.19 lacs, Rs 132.55 lacs and Rs 224.11 lacs respectively against Rs 42.82 lacs, Rs 98.99 lacs and Rs 137.85 lacs respectively for FY 2007. This is an increase of 75.60 %, 33.90 % and 62.58 % respectively over the corresponding figures for FY 2007. The increase in employee costs was primarily due to the increase in headcount of employees. Together, these expenses work out to 3.51% of the total income for FY 2008 against 3.23% of the total income for FY 2007.

Earnings before Interest, Tax and Depreciation and Amortization

For FY 2008, our Company achieved an EBITDA Margin of 9.58 % of the total income as against an EBITDA Margin of 5.49% as a percentage of total income for FY 2007. EBITDA margin increased on account of increase in sales backed by a reduction in cost of raw materials.

Depreciation

Our depreciation expense increased to Rs. 152.41 lacs in the FY 2008 from Rs. 75.54 lacs in the FY 2007. The depreciation expense as a percentage to total income stood at 1.24% in FY 2008 as against 0.87% of the total income in FY 2007. The increase is due to addition of capital assets. The gross block increased to Rs. 4,326.31 lacs in FY 2008 from Rs 2,556.12 lacs in FY 2007.

Interest Expenses

Our Interest and financial charges increased by 146.69 % to Rs 329.01 lacs in the FY 2008 from Rs 133.37 lacs in the FY 2007. This is primarily due to increase working capital limits and term loan in FY 2008.Our Secured loans increased to Rs. 3,741.60 lacs in FY 2008 from Rs 2,427.56 in FY 2007. The interest expense as a percentage of total income stood at 2.67% for FY 2008.

Profit before tax

Profit before tax for FY 2008 was Rs 698.16 lacs as against Rs 266.04 lacs for FY 2007. This is a jump of 162.42% on a year-on-year basis on account of increase in business volume and reduction in cost of raw materials.

Provision for tax

The total provision for tax liabilities which mainly comprise of current tax net of MAT credit, FBT and deferred tax was Rs. 166.77 lacs for the FY 2008 as against Rs 25.44 lacs in FY 2007. The current year tax provision increased by 166.40 % to Rs. 91.61 lacs in the FY 2008 from Rs. 34.39 lacs in the FY 2007 primarily due to increase in our profit before tax.

Profit after tax

As a result of the factors set forth above our Company's net profit stood at Rs. 531.39 lacs in FY 2008 as against Rs 240.60 lacs in FY 2007 which is an increase of 120.86 %. The Profit after tax as a percentage of total income stood at 2.78 % in FY 2008. Our Company did not have any extraordinary items for the period.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows *(in Rs Lacs)*

Particulars	Period ended September 30, 2009	Year ended March 31, 2009	Year ended March 31, 2008	Year ended March 31, 2007
Cash Inflow / (Outflow) from				
Operating activities	(54.26)	(1,530.71)	(69.46)	(1,431.03)
Investing activities	(568.88)	(1,525.89)	(1,747.71)	(1,181.33)
Financial activities	644.20	3,079.27	1,801.53	2,628.38
Net cash surplus / (deficit)	21.06	22.67	(15.64)	16.02

Cash Flows from Operating Activities

Net cash used in operating activities in the period ended September 30, 2009 was Rs. 54.26 lacs and our operating profit before working capital changes was Rs. 1,569.65 lacs. The difference was attributable to an increase in working capital of Rs. 1,544.45 lacs. There was a significant increase in the inventories and debtors and a corresponding decrease in the current liabilities and provisions. Rs 79.46 lacs was the tax paid during the period.

Net cash used in operating activities in FY 2009 was Rs. 1,530.71 lacs and our operating profit before working capital changes was Rs. 2,020.10 lacs. The difference was attributable to an increase in working capital due to significant increase in sales over the previous year. The working capital increased by Rs. 3,408.89 lacs. There was a significant increase in the inventories, debtors and current liabilities and provisions. Tax paid during the period was Rs 141.92 lacs.

Net cash used in operating activities in FY 2008 was Rs. 69.46 lacs and our operating profit before working capital changes was Rs. 1,179.64 lacs. The difference was attributable to an increase in working capital due to significant increase in sales over the previous year. The working capital increased by Rs. 1,187.68 lacs. There was a significant increase in the inventories, debtors and current liabilities and provisions. Tax paid during the period was Rs 61.42 lacs.

Net cash used in operating activities in FY 2007 was Rs. 1,431.03 lacs and our operating profit before working capital changes was Rs. 475.01 lacs. The difference was attributable to an increase in working capital due to significant increase in sales over the previous year. The working capital increased by Rs. 1,929.62 lacs. There was a significant increase in the inventories and debtors and a corresponding decrease in the current liabilities and provisions.

Cash Flows from Investing Activities

In the period ended September 30, 2009, our net cash used in investing activities was Rs. 568.88 lacs. This was attributable to purchase of fixed assets including oxygen gas plant, cranes and other capital advance.

For FY 2009, our net cash used in investing activities was Rs. 1,525.89 lacs. This was attributable to purchase of fixed assets including a 20 ton induction furnace, coal gasifier, gas tanks, transformers, power saving equipments and expansion of building.

For FY 2008, our net cash used in investing activities was Rs. 1,747.71 lacs. This was attributable to purchase of fixed assets including an in house rolling mill plant & an oxygen gas plant.

For FY 2007, our net cash used in investing activities was Rs. 1,181.33 lacs. This was attributable to purchase of fixed assets including a 15 ton furnace, expansion of building, etc for the enhancement of manufacturing capacity from 18,000 TPA to 60,000 TPA.

Cash Flows from Financing Activities

In the period ended September 30, 2009, our net cash generated from financing activities was Rs. 644.20 lacs. These cash flows were as a result of long term borrowings, net of interest payouts of Rs 376.86 lacs.

In FY 2009, our net cash inflow from financing activities was Rs 3,079.27 lacs. This was primarily due to Rs. 2,521.63 lacs in proceeds of long term borrowings and share application monies received. The interest outflow for the period was Rs 682.68 lacs.

In FY 2008, our net cash inflow from financing activities was Rs. 1,801.53 lacs. These cash flows were as a result of long term borrowings, net of interest payouts of Rs 329.01 lacs.

In fiscal 2007, our net cash inflow from financing activities was Rs. 2,628.38 lacs. This was primarily due to Rs. 2,038.50 lacs in proceeds of long term borrowings and share application monies received. The interest outflow for the period was Rs 133.37 lacs.

Capital Expenditures (Rs. In Lacs)

Particulars	Nine months ended 31-Dec-2009		Proposed Expenditure for Qtr Mar '10	Total
	Unit I	Unit II		
Land & Building & Site Development	173.29	61.41	101.71	336.41

Particulars	Nine months ended 31-Dec-2009		Proposed Expenditure for Qtr Mar '10	Total
	Unit I	Unit II		
Plant & Machinery	703.23	-	221.77	925.00
Miscellaneous Assets	157.08	45.12	192.92[1]	395.12
Total	1,033.60	106.53	516.40	1,656.53

Note

1. The amount of Rs. 192.92 lacs includes Rs. 142.92 lacs that are proposed to be incurred for Unit I, and Rs. 50 lacs towards Unit II.

Contractual Obligations and Commitments

The following table summarizes our payment obligations and commitments as of September 30, 2009:

	Payment due by period end			
	Total	Not longer than 1 year	1 to 5 years	> 5 years
Long-term bank and other loans	2906.5	542.1	2189.4	175
Finance lease obligations	23.53	17.55	5.98	•
Total	2930.03	559.65	2195.38	175

Quantitative and Qualitative Disclosure about Market Risk

- ***Interest Rate Risk***

  We are exposed to market rate risk due to changes in interest rates on our credit facilities that we have entered into. As at September 30, 2009, we had Rs. 67.66 lacs of outstanding indebtedness, which exposed us to market risk as a result of changes in interest rates. We undertake debt obligations to support our working capital needs and capital expenditure. Upward fluctuations in interest rates increase the cost of debt and interest cost of outstanding variable rate borrowings. We do not currently use any derivative instruments to modify the nature of our debt so as to manage our interest rate risk.

- ***Commodity Risk***

  We are exposed to fluctuations in the price, availability and quality of the primary raw materials that we require. These include chrome, manganese, mild steel scrap etc. We are also exposed to the market fluctuations in the selling price of power.

- ***Foreign Exchange Risk***

  Our Company is exposed to foreign exchange rate risk mainly on account of the import of shredded scrap. We currently do not hedge against this foreign currency exchange rate risk.

Information required as per Item (2)(IX)(E)(5) of Part A of Schedule VIII to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. **Unusual or infrequent events or transactions**

   Except as described in the Draft Red Herring Prospectus, to our knowledge there have been no events or transactions over the course of the preceding year, which may be described as "unusual" or "infrequent".

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations:**

   With an overall upsurge in the Indian economy, the demand of stainless steel has increased. This increase has resulted into demand of stainless steel products from various sectors and the company is suitably placed to benefit out of this situation. The increased initiative of the government in the infrastructure development has also led to high requirement of stainless steel products.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the chapters "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in the Draft Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

4. Future changes in relationship between costs and income

Other than as described in the chapters "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in the Draft Red Herring Prospectus, to our knowledge there are no known factors which will have a material adverse impact on our operation and finances.

5. New Product or Business Segment

Other than as described in the section titled "Our Business" beginning on page 111 of this Draft Prospectus, to our Company's knowledge, there are no new products or business segments.

6. Status of any publicly announced new products or business segment

Other than as described in this Draft Red Herring Prospectus, we do not have any new products or business segments.

7. Seasonality of Business

Steel industry not being a seasonal industry, no such impact can be there on company's revenues

8. Any significant dependence on a single or few suppliers or customers

The Customer base of our Company is very strong as it doesn't deal with single customer or single supplier. Our Company has very good customer base with whom our Company is dealing for quite a long time and our Company has very cordial relationship with all customers and suppliers.

9. Competitive Conditions

We may face stiff competition from existing players in stainless steel industry in India For more details, please refer to the discussions of our competition in the chapters "Risk Factors" and "Our Business" beginning on pages [●] and [●], respectively, in the Draft Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

Set forth below is a summary of the aggregate borrowings of the Company as of 31st December, 2009:

Nature of Borrowing	Amount (*in Rs.*)
Secured borrowings	68.88 crores
Unsecured borrowings	15.84 crores
Bank guarantees	NIL

Set forth below is a summary of the secured borrowings and guarantees of the Company as of 31st December, 2009:

Name of the Lender	Facility / Loan Documentation	Amount Sanctioned	Amount Outstanding as on Dec 31, 2009	Interest Rate	Repayment Schedule / Validity	Security
Term Loan facilities						
SBI led consortium	**Joint Agreement for Term Loans dated Sep 2, 2009**	**Rs. 37.5 crores**				**Primary** ▪ First pari-passu charge by equitable mortgage and hypothecation on entire fixed assets, present and future, situated on Plot No. 159, Sector III, Industrial Area, Pithampur District, Dhar, Madhya Pradesh ▪ Pledge of 30% shares of the Company of value Rs. 2.54 crores on pari-passu basis ▪ Pledge of fixed deposit receipts of Rs. 0.51 crores ▪ Equitable mortgage by deposit of title deeds of plots held by certain individuals* ▪ Personal guarantees given by Karan Mittal, Dinesh Agrawal, Adhir Agrawal, Arvind Bhargava, Mahesh Agrawal, Puranmal Agrawal, Rachna Bansal; ▪ Corporate guarantee of Mittal Enterprises Private Limited **Collateral**

Name of the Lender	Facility / Loan Documentation	Amount Sanctioned	Amount Outstanding as on Dec 31, 2009	Interest Rate	Repayment Schedule / Validity	Security
						▪ Second charge by way of hypothecation on all current assets of the Company
SBI		▪ Rs. 7.50 crores; ▪ Rs. 6 crores	6.06 crores 5.46 crores	▪ At 0.80 above SBAR with monthly rests and reset option after every 2 years ▪ At 0.75 above SBAR with monthly rests and reset option after every 2 years	▪ Quarterly Installment of Rs0.375 crore each starting December,2008, end Sep,2013. ▪ Quarterly Installment (Balloning) starting Arpril, 2009, end Oct, 2013.	
OBC		▪ Rs. 2 crores; ▪ Rs. 9 crores; ▪ Rs. 3 crores; ▪ Rs. 5 crores	0.13 crores 5.05 crores 2.02crores 2.41 crores	▪ At PLR with quarterly rests; ▪ At PLR with monthly rests; ▪ At PLR with monthly rests; ▪ At PLR – 0.50% with monthly rests. Interest to be reset at yearly intervals, subject to ROI not being lower than that of SBI.	▪ Quarterly Intallment of Rs. 0.125 crore each. Starting April2006, end Jan, 2010. ▪ Monthly Installment of Rs. 0.125 crore each starting from April 2007, End March 2013. ▪ Monthly Installment of Rs. 0.0455 crore each starting from April 2008, End Sept. 2013. ▪ After moratorium of 9 months, but not later than May 2010. ▪ Repayment in 20 quarterly instalments.	
BoM		Rs. 5 crores	3.35 crores	▪ At BPLR, i.e., presently at 12.25%	▪ After moratorium of 9 months, but not later than May 2010. ▪ Repayment in 20 quarterly instalments.	

Name of the Lender	Facility / Loan Documentation	Amount Sanctioned	Amount Outstanding as on Dec 31, 2009	Interest Rate	Repayment Schedule / Validity	Security
B) BoI	Sanction letter dated September 12, 2009	▪ Rs. 5 crores	▪ NIL	▪ At 0.75% above BPLR, presently at 12.75%	▪	▪ Second pari-passu charge by equitable mortgage and hypothecation on entire fixed assets, present and future, situated on Plot No. 159, Sector III, Industrial Area, Pithampur District, Dhar, Madhya Pradesh ▪ Pledge of shares of the Company of value Rs. 2.54 crores on pari-passu basis ▪ Pledge of fixed deposit receipts of Rs. 0.51 crores ▪ Equitable mortgage by deposit of title deeds of plots held by certain individuals* ▪ Hypothecation charge on work in progress, consumable items, finished goods and book debts of the Company ▪ Personal guarantees given by Karan Mittal, Dinesh Agrawal, Adhir Agrawal, Arvind Bhargava, Mahesh Agrawal, Puranmal Agrawal, Rachna Bansal; ▪ Corporate guarantee of Mittal Enterprises Private Limited
Note: SBI has issued letter to part with pari passu charge in favour of Bank of India for the amounts paid/adjusted.						
C) IDBI*	Sanction letter dated December 30, 2009	▪ Rs. 7 crores *	▪ NIL	▪ At BPLR – 1%, presently at 12.75%	▪ Repayment in 15 quarterly instalments.	**Primary** ▪ First pari-passu charge by mortgage and hypothecation on entire fixed assets, present and future, situated on Plot No. 159, Sector III, Industrial Area, Pithampur District,

Name of the Lender	Facility / Loan Documentation	Amount Sanctioned	Amount Outstanding as on Dec 31, 2009	Interest Rate	Repayment Schedule / Validity	Security
						Dhar, Madhya Pradesh **Collateral** ▪ Pledge of shares of the Company of value Rs. 2.54 crores on pari-passu basis ▪ Pledge of fixed deposit receipts of Rs. 0.50 crores ▪ Equitable mortgage by deposit of title deeds of plots held by certain individuals* ▪ Personal guarantees given by Karan Mittal, Dinesh Agrawal, Adhir Agrawal, Arvind Bhargava, Mahesh Agrawal, Puranmal Agrawal, Rachna Bansal; ▪ Corporate guarantee of Mittal Enterprises Private Limited
* Loan facility from IDBI Bank was sanctioned during the month December, but drawdown of this facility has commenced subsequent to the period under review. **Note:** SBI has issued letter to part with pari passu charge in favour of IDBI Bank for the amounts paid/adjusted. **Working Capital facilities**						
SBI led consortium	**Working Capital Consortium Agreement dated September 2, 2009**	▪ **Rs. 121 crores**				**Primary** ▪ First charge by way of hypothecation on all current assets of the Company **Collateral** ▪ Second charge on all fixed assets of the Company (for details, please refer to the primary security for the term loan facilities)
SBI		▪ Rs. 28.5 crores (Cash Credit); ▪ Rs. 43 crores (LC limit); ▪ Rs. 2	CC – Rs. 12.72 crores LC – Rs. 32.44 crores	▪ At SBAR per annum with monthly rests	▪ One year	

Name of the Lender	Facility / Loan Documentation	Amount Sanctioned	Amount Outstanding as on Dec 31, 2009	Interest Rate	Repayment Schedule / Validity	Security
		crores (Bank Guarantee); ▪ Rs. 1 crore (credit exposure limit).				
OBC		▪ Rs. 19.50 crores (Cash Credit); ▪ Rs. 19 crores (LC limit); ▪ Rs. 1 crore (Bank Guarantee)	CC – Rs. 19.77 crores LC – Rs. 20.10 crores	▪ At PLR – 1% with monthly rests, subject to minimum SBI rate	▪ One year	
BOM		▪ Rs. 2 crores (Cash Credit); ▪ Rs. 5 crores (LC Limit)	CC – Rs. 1.74 crores LC – Rs. 4.99 crores	▪ AT BPLR, presently 12.25%	▪ One year	
BOI		▪ Rs. 10.00 crores (Cash Credit) ▪ Rs. 5.00 crores (LC limit)	CC – Rs. 9.99 crores LC - NIL	▪ At BPLR presently 12.00%	▪	Hypothecation charge, work in progress, consumable items and finished goods, book debts on parri-passu basis

Note: SBI has issued letter to part with pari passu charge in favour of Bank of India for the amounts paid/adjusted.

* Equitable mortgage by deposit of title deeds

Title holder	Plot
Karan Mittal; and Arvind Kumar Bhargava	Plot No. 6, part of Khasra No. 157,163/2, Gram Pipliya Rao, District Indore
Rachna Bansal; and Puranmal Agrawal	Plot No. 1, part of Khasra No. 157,163/2, Gram Pipliya Rao, District Indore
Mahesh Agrawal; and Mittal Enterprises Private Limited	Plot No. 7, part of Khasra No. 157,163/2, Gram Pipliya Rao, District Indore

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, and there are no defaults, non payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by the Company, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of the Company and no disciplinary action has been taken by SEBI or any stock exchanges against the Company, its Promoters or Directors.

Litigation filed against the Company

1. In the year 2008, R.N Dhariwal (HUF) instituted a civil suit bearing No 340/2008 against the Company and Mr. Karan Mittal before the Court of Civil Judge, Pune. The suit has been filed for recovery of Rs 6,663,348 from the Company, which the plaintiff has alleged, was provided to the Company as financial assistance. The matter is currently pending before the Court. Next date of hearing is February 22, 2010.

2. In the year 2008, Creative Plastics filed a civil suit bearing No 341/2008 against the Company and Mr. Karan Mittal before the Court of Civil Judge, Pune. The suit has been filed for recovery of Rs 283,685, which the plaintiff has alleged, is due from the Company against goods supplied to it. The matter is currently pending before the Court Next date of hearing is February 22, 2010.

3. In the year 2008, Dhariwal Industries Limited, filed a civil suit bearing No 342/2008 against the Company and Mr Karan Mittal before the Court of Civil Judge, Pune. The suit has been filed for recovery of Rs 2,988,647 which the plaintiff has alleged, is due from the Company against goods supplied to it and Rs 500,000 as a loan amount given to the Company/ The plaintiff has prayed for recovery of the above amount alongwith interest. The matter is currently pending before the Court. Next date of hearing is February 22, 2010.

Contingent Liabilities as on 30 September 2009

(Rs. In Lacs.)

Particulars	Half Year Ended As at Sept. 30, 2009	As at 31st March				
		2009	2008	2007	2006	2005
Inland Letters of Credit Outstanding	5509.93	5247.78	1922.73	851.76	194.55	-
Bank Guarantees Outstanding	-	40.37	-	-	-	-
Income Tax matters (excluding interest, if any)	14.51	14.51	-	-	-	-

**Income tax appeal pending before CIT (appeal) where an amount of Rs. 14.51 lacs is due out of which advance payment made of Rs. 7.50 lacs*

Litigation filed against our Directors

Notice of demand from the Income Tax Authorities against Mr. Karan Mittal, our individual Promoter

The Assistant Commissioner of Income Tax, Indore ("**ACIT**"), has served a notice of demand of Rs 31,25,730 on Mr. Karan Mittal ("**Assessee**"), our individual Promoter. The said notice of demand was served in relation to an assessment order dated December 30, 2009 pertaining to the Assessees' income tax returns for the A.Y 2007-08 ("**Order**").

In the Order, the ACIT observed that the Assessee had received unsecured loans aggregating to Rs 68,80,000 from certain companies. In order to determine the identity, creditworthiness and genuineness of the unsecured loan depositors, the Assessee was asked to furnish evidence regarding the same. The Assessee responded by furnishing details and addresses of the companies from whom it had received the unsecured loans. The ACIT issued notices under section 133(6) of the Income Tax Act, 1961 ("**IT Act**") to the said companies. However, all the notices returned unserved with remark "*not found*". Thereupon, similar notices were also issued to SBI Indore, Bank of Rajasthan and UTI Bank Ltd to furnish copies of bank account statements of the said companies. In the Order, the ACIT has observed that on perusal of bank statements of Parks Webtech and Parks Infoway, huge cash deposits were in coming in cash and going through cheques. The ACIT also directed the Asst Director of Income Tax (Investigation) ("**ADIT**") to conduct a check on the creditworthiness, identity and genuineness of these companies. Thereupon, the ADIT has submitted his report that the existence of some of these companies could be doubtful and it appeared that such companies were mere entry providers. The ACIT has further observed that such companies were used as conduit companies for routing unaccounted money into business, in the garb of unsecured loans.

The ACIT has held that since the Assessee failed to provide the identity, genuineness and creditworthiness of the unsecured loan depositors, the unsecured loans of Rs 68,80,000 received by the Assessee from the other companies have to be treated as unexplained cash credits and hence as the income of the Assessee. Accordingly, on account of concealment of particulars of income or furnishing inaccurate particulars of income, penalty proceedings under Section 271(1)(c) of the IT Act have been initiated.

Mr. Karan Mittal has filed an appeal before the Commissioner of Income Tax (Appeals) on January 22, 2010 contending that the additions made are patently wrong and illegal. The matter is currently pending.

Save and except the litigation mentioned above and under the heading "**Litigation filed against the Company**", wherein Mr. Karan Mittal, our Managing Director is a party, there is no other litigation pending against our Directors.

Litigation filed by the Company

1. The Company has filed a civil suit bearing No 23B/2009 (6th ADJ) against M/s Rama Impex, a proprietorship firm, before the Hon'ble Judge, District Court, Indore which is pending. The suit was filed for recovery of Rs 300,000 which was due from the amount of Rs 500,000 paid by the Company to M/s Rama Impex for purchase of old and used MS Plates which were not delivered to the Company. Summons has been served to the concerned party. Next date of hearing is March 02, 2010.

2. The Company had filed a civil suit bearing No 1B/2009 (3rd ADJ) against Prabhat Heavy Forge Private Limited, a company dealing in manufacture of iron/steel rolls, before the Hon'ble Judge, District Court, Indore which is pending. The suit was filed for recovery of Rs 5,597,224 which includes payment of Rs. 2,767,224/- made by the Company to Prabhat Heavy Forge Private Limited for supply of 17 rolls to be used in rolling plant of the Company which were defective and Rs. 2,000,000/- against the goods damaged due to substandard rolls and Rs. 800,000/- against time lost and loss of productivity due to damaged goods and Rs. 30,000/- towards freight charges. Summons has been served to the concerned party. Next date of hearing is March 02, 2010.

Litigation filed against our Promoters

Save and except the litigation mentioned under the heading "**Litigation filed against the Director**" and "**Litigation filed against the Company**", wherein Mr. Karan Mittal, our individual promoter is a party, there is no other litigation pending against our promoters.

Litigation filed against Group Companies

NIL

Amounts owed to small scale undertakings, as on March 31, 2009 exceeding Rs. 100,000, which is outstanding for more than 30 days

NIL

Material Developments

In the opinion of the Board, other than as disclosed in the Notes to our Financial Statements in the section "Financial Statements" on page no. 88 and in the section "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page no. 89 of this Draft Red Herring Prospectus, there has not arisen, since the date of the last financial statements set out herein, any circumstance that materially or adversely affects our profitability taken as a whole or the value of our consolidated assets or our ability to pay our material liabilities over the next 12 months.

GOVERNMENT APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

I. APPROVALS FOR THE ISSUE

Corporate Approvals

Our Board has, pursuant to resolutions passed at its meeting held on December 4, 2009 authorised the Issue, subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act.

Our shareholders have pursuant to a resolution dated December 28, 2009 under Section 81(1A) of the Companies Act, authorised the Issue.

Approval from the Stock Exchanges

In-principle approval from the National Stock Exchange of India Limited dated [•].

In-principle approval from the Bombay Stock Exchange Limited dated [•].

II. INCORPORATION DETAILS

1. Company Registration Number: 2929 of 1985;

2. Corporate Identity Number: U27106MH1985PLC169768;

3. Certificate of Incorporation dated July 5, 1985 issued to the Company by the Registrar of Companies, Madhya Pradesh at Gwalior;

4. Fresh Certificate of Incorporation dated August 28, 1995 issued, consequent to the change of name from “Jewel Steels Limited” to “Jewel Seamless Limited”, by the Registrar of Companies, Madhya Pradesh at Gwalior;

5. Fresh Certificate of Incorporation dated September 16, 2008 issued, consequent to change of name from “Jewel Seamless Limited” to “Jewels Seamless Limited”, by the Registrar of Companies, Maharashtra at Mumbai;

6. Fresh Certificate of Incorporation dated December 16, 2008 issued, consequent to the change of name from “Jewels Seamless Limited” to “Mittal Corp Limited”, by the Registrar of Companies, Maharashtra at Mumbai;

7. Certificate for Commencement of Business dated September 10, 1985 by the Registrar of Companies, Madhya Pradesh at Gwalior;

8. Certificate of Registration dated April 9, 2007 issued, for change of registered office from state of Madhya Pradesh to state of Maharashtra, by Registrar of Companies, Maharashtra at Mumbai;

9. PAN card bearing No. AABCJ1303P issued on December 20, 2004 issued by the Income Tax Department;

10. TAN No.: BPLJ00928E dated August 25, 2004 issued by the Income Tax Department;

III. **APPROVALS TO CARRY ON OUR BUSINESS**

11. License no bearing No 90124469 dated January 12, 2008 issued by the office of Municipal Corporation, Indore for wholesale trading;

12. Certificate of Registration bearing No 90124469, dated January 12, 2008 issued by the Authorizing Officer, Municipal Corporation, Indore under Rule 3(3) of the Shops and Establishment Act, 1958 for the establishment located at Abhay Prashal, Race Course Road, Indore;

13. License bearing No 136/12630/DHR/2M(i), dated February 1, 2010, to work a factory issued by the Joint Chief Inspector of Factories, Madhya Pradesh under M.P Factories Rules 1962, for Unit I, employing not more than 250 workers and having installed motive power above 5000 horse power;

14. Certificate of Registration bearing number MP TRIFAC/IIPAS-04/REG/120/2007/414, dated April 19, 2007, issued by the Managing Director, M.P Trade & Investment Facilitation Corporation Limited, Bhopal under Madhya Pradesh Udyog Nivesh Samvardhan Sahayata Yojana 2004, for Unit I for a installed capacity of 60,000 TPA;

15. Approval for supply of additional power to the extent of 1200 KVA over and above 5100 KVA at 33 KV vide Letter No CE/IR/COM/HT/F.No.84/19026 dated December 19, 2008 issued by the Chief Engineer[IR], M.P.P.K.V.V, Indore. The approval is subject to the conditions mentioned in the approval letter;

16. Approval for storage of Furnace Oils or Petroleum Class 'C' bearing number A/P/CB/MP/15/123(P218906) dated August 20, 2008 given by the Deputy Chief Controller of Explosives, Petroleum and Explosives Safety Organization (PESO), Ministry of Commerce and Industry;

17. IEM Acknowledgement issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India bearing No. 3339/SIA/IMO/2009 on December 21, 2009 acknowledging production capacity of 120,000 TPA in manufacture of iron and steel in primary/semi finished forms in mini steel plants including rolling of iron and steel scrap at Unit I;

18. IEM Acknowledgement issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India bearing No. 2349/SIA/IMO/2008 on 21 May 2009 acknowledging production capacity of 800 CMH/CUM in manufacture of industrial gases at Unit I;

19. IEM Acknowledgement issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India bearing No. 1658/SIA/IMO/2008 on 3 June 2008 acknowledging production capacity of 360,000 MT in manufacture of steel melting with hot rolled plates and coils of mild steel and stainless steel at industrial gases at Unit II;

20. Certificate of Registration bearing No 23781003729, dated February 7, 2005, issued by the Commissioner of Sales Tax Authority under the Central Sales Tax (Registration and Turnover) Rules, 1957 for Unit I;

21. Certificate of Registration bearing No 24575104496, dated December 15, 2006, issued by the Commissioner of Sales Tax Authority under the Central Sales Tax (Registration and Turnover) Rules, 1957 for Unit I and for Branch office at, Ahmedabad;

22. Certificate of Registration bearing No MH01C532192, dated August 4, 2009, issued by the Sales Tax Officer, Mumbai under Central Sales Tax Rules, 1957 under the Central Sales Tax Act, 1956, for non-ferrous metals valid from January 6, 2008;

23. Value Added Tax Registration Certificate bearing No 08132656341 valid w.e.f July 12, 2006, dated August 22, 2006 and amended on February 9, 2008 issued by the Authorizing Officer, Commercial Tax Department, Jodhpur, Rajasthan;

24. Value Added Tax Registration Certificate w.e.f December 15, 2006, dated December 22, 2006 issued by the Commercial Tax Department, Ahmedabad, Gujarat. The VAT Registration number is 24075104496;

25. Value Added Tax Registration Certificate bearing No MH01V742977, dated July 31, 2009 w.e.f January 6, 2006 issued by the January 6, 2006 under Section 16 of the Maharashtra Value Added Tax Act, 2002;

26. Central Excise Registration Certificate dated December 30, 2002, issued by the Assistant Commissioner of Central Excise, certifying that the Company's premises at Plot No. 159, Sector 3, Pithampur, Dhar, Madhya Pradesh, is registered for manufacturing of excisable goods. The Central Excise Registration No is AABCJ1303PXM001;

27. Certificate of Registration (Service Tax Code) bearing No CJ1303PST001, dated June 26, 2007, issued by the Superintendent (Service Tax), Customs and Central Excise Division, Pithampur, Madhya Pradesh for taxable categories of "transport of goods by road" and "business auxiliary services";

28. The company has obtained certificate of eligibility for exemption of entry tax dated June 20, 2008 bearing No. 02/2008-09 issued by the General Manager, District Trade Industries Centre, Pithampur issued under Commercial Tax Department, Govt. of Madhya Pradesh Central notification No.A-68-2004-I-V(21) dt 04.04.2005 for raw material, incidental goods and packing materials.

29. Certificate under the Employees Provident Fund bearing No MP/IN/1716.6PK/269 dated January 30, 2004;

30. Certificate of Registration bearing No 51/PTR/2005 dated June 30, 2005 issued by the Registering Officer, Madhya Pradesh under the Contract Labour (Regulation & Abolition) Act, 1970 for having labour on contract at Unit I.

31. Renewed consent (Letter No 11112/TS/MPPCB/2009) dated December 24, 2009, issued by the Madhya Pradesh Pollution Control Board under Air (Prevention and Control of Pollution) Act, 1981 for a production capacity of 36,000 MT/year for a period of one year from December 1, 2009 to November 30, 2009;

32. Renewed consent (Letter No 11110/TS/MPPCB/2009) dated December 24, 2009, issued by the Madhya Pradesh Pollution Control Board under Water (Prevention and Control of Pollution) Act, 1974 for a production capacity of 36,000 MT/year for a period of one year from December 1, 2009 to November 30, 2010;

Import-Export

33. Certificate of Importer-Exporter Code (IEC) bearing No. 1104005158, dated November 19, 2004, issued by the Foreign Trade Development Officer, O/o Joint Director General of Foreign Trade, Ministry of Commerce, for the establishment located at Abhay Prashal, Race Course Road, Indore;

IV. LICENSES APPLIED FOR AND PENDING APPROVAL

34. The Company has vide its letter dated November 23, 2009 applied for renewal of the license bearing No BPL/MD/55:L-8983514, dated October 3, 2009 issued by the Bureau of Indian Standards which was valid till November 23, 2009;

35. The Company has vide its application dated January 10, 2009 addressed to Joint Chief Controller of Explosives requested for renewal of License No S/HO/MP/03/156 (S28277) dated December 18, 2006 for storage of liquid oxygen, liquid nitrogen and liquid argon storage at Unit I;

36. The Company has made an application for amendment (DVAT) vide Receipt No 08092019940000 dated January 12, 2009, to the Office of Value Added Tax Officer, Department

of Trade and Taxes, Government of NCT of Delhi;

37. The Company has applied for renewal of Certificate of Eligibility for Exemption of Entry Tax dated June 20, 2008 bearing No 02/2008-09 issued by the General Manager, District Trade and Industries Centre, Pithampur under Commercial Tax Department, Government of Madhya Pradesh for raw materials, incidental goods and packing materials on November 8, 2008 for additional production capacity of 60,000 TPA;

38. The Company has applied for renewal of consent (Letter No 11112/TS/MPPCB/2009) dated December 24, 2009, issued by the Madhya Pradesh Pollution Control Board under Air (Prevention and Control of Pollution) Act, 1981 for increase in production capacity from 36,000 TPA to 1,00,000 TPA on March 2, 2009;

39. The Company has applied for renewal of consent (Letter No 11110/TS/MPPCB/2009) dated December 24, 2009 issued by the Madhya Pradesh Pollution Control Board under Water (Prevention and Control of Pollution) Act, 1974 for increase in production capacity from 36,000 TPA tp 1,00,000 TPS on Mach 2, 2009; and

40. The Company has applied to Moody ICL Certifications for certificate of registration for ISO 9001-2000 and for ISO 14000.2004 on August 8, 2009.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorized by a resolution of our Board dated December 04, 2009 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 December 28, 2009.

We have received in-principle approvals from the BSE and the NSE for the listing of our Equity Shares pursuant to letters dated [●] and [●], respectively.

The Board pursuant to its resolution dated October 22, 2009 has authorized a committee of its Members referred to as the Offering Committee to take decisions on behalf of the Board in relation to the Issue. The Offering Committee has approved and authorized the Draft Red Herring Prospectus pursuant to its resolution dated February 17, 2010.

Prohibition by SEBI, RBI or governmental authorities

We confirm that neither – (i) the Company, Promoters, Promoter Group, Directors and Karan Mittal, our Promoter, who is also the natural person behind Labh Ganga and Pandit Holding, our corporate Promoters; nor (ii) companies with which any of the Promoter, the Directors, persons in control of the Company or any natural person behind the Promoter are or were associated, as a promoter, director or person in control are debarred or have been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority.

Our Directors are not in any manner associated with the securities market and there has been no action taken by the SEBI against the Directors or any entity our Directors are involved in as promoters or directors.

None of the Company, the Subsidiary, the Directors, the directors of the Subsidiary, the Promoters, the Promoter Group entities and the companies in which the Directors are associated as directors, has been declared as a wilful defaulter by the RBI or any other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 26 (1) of the SEBI Regulations as explained under, with the eligibility criteria calculated in accordance with unconsolidated financial statements under Indian Accounting Standards:

1. The Company has net tangible assets of at least Rs. 300 lacs in each of the preceding three full years of which not more than 50% is held in monetary assets;

2. The Company has a track record of distributable profits in accordance with Section 205 of Companies Act, for at least three of the immediately preceding five years;

3. The Company has a net worth of at least Rs. 100 lacs in each of the three preceding full years;

4. Pre-issue net worth of the company as per the restated financials as on 31st March 2009 is Rs. 3,138.50 lacs and 5 times of Pre-issue net worth is Rs. 15,692.50 lacs. The proposed issue size will be compliant with clause 26 (1) (d) of SEBI (ICDR) Regulations, 2009.

5. The company has changed its name within the last one year on December 16, 2008. However, the change in name does not indicate any revenue earned.

Further, we undertake that the number of Allottees in the Issue shall be least 1,000. If such money is not repaid within eight days after our Company becomes liable to repay it (i.e., from the date of refusal or within 15 days from the date of Bid Closing Date, whichever is earlier), then our Company shall, on and from expiry of eight days, be liable to repay the money, with interest at the rate of 15% *per annum* on application money, as prescribed under Section 73 of the Companies Act.

The Company's net tangible assets, monetary assets, net profit and net worth derived from our Audit Report for the last five fiscals from FY 2005 to FY 2009 are set forth below:

(Rs. in lacs)

	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009
Net Tangible Assets (1)	1024.41	1423.00	3241.43	5419.62	7734.64
Monetary Assets (2)	26.02	109.86	176.22	306.77	871.69
Monetary assets as a percentage (%) of Net tangible assets	2.54	7.72	5.44	5.66	11.27
Net Profits, as restated	35.80	17.66	240.60	531.39	737.06
Net Worth, as restated	591.92	720.97	1008.63	2390.08	3138.50

(1) Net tangible assets is defined as the sum of fixed assets (including capital work in progress and capital advances and excluding intangible assets and revaluation reserves), investments, current assets less current liabilities and provisions (including working capital loans).

(2) Monetary assets include cash in hand and bank balance. Detailed figures are given in the Auditor's Report dated [•] 2009.

Compliance with Part A of Schedule VIII of the ICDR Regulations

The Company is in compliance with the provisions specified in Part A of Schedule VIII of the ICDR Regulations.

Disclaimer Clause

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING SBI CAPITAL MARKETS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AS IN FORCE FOR THE TIME BEING. AS THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING 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 BOOK RUNNING LEAD MANAGER, SBI CAPITAL MARKETS LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•], 2009 WHICH READS AS FOLLOWS:

"WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER 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, 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, REGULATIONS, INSTRUCTIONS, ETC. ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

   (c) THE DISCLOSURES MADE IN 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 (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS).

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE.

5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES 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 REGULATION 33 OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.

7. WE UNDERTAKE THAT REGULATION 32 OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT ALL PROMOTER'S 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 PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE- NOT APPLICABLE.

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER

CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE AS THE OFFER SIZE IS MORE THAN 10 CRORES, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, 1956, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT FORM ONLY.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN 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.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

The filing of the Draft Red Herring Prospectus does not, however, absolve the company from any liabilities under sections 63 or section 68 of the Companies Act or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed issue. SEBI further reserves the right to take up at any point of time, with the BRLM, any irregularities or lapses in the draft red herring prospectus**.**

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Disclaimer from the Company and the Book Runner Lead Manager

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our web site www.mittalcorp.net, would be doing so at his or her own risk.

Caution

The BRLM accepts no responsibility, save to the limited extent as provided in the agreement entered into between the BRLM and our Company on January 6, 2010 and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Neither our Company, nor the BRLM or the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Group Entities and our respective affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Group Entities, affiliates or associates for which they have received, and may in future receive, compensation.

Investors that Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge, or transfer the Equity Shares of the Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares in the Issue.

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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds) and to FIIs, eligible NRIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions). This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, "US persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States to non-US persons in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required agrees that such Bidder will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Each person in a Member State of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State) who receives any communication in respect of, or who acquires any Equity Shares under, the offers contemplated in this Draft Red Herring Prospectus will be deemed to have represented, warranted and agreed to and with each Underwriters and the Company that:

1. it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and

2. in the case of any Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Equity Shares acquired by it in the placement have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Underwriters have been given to the offer or resale; or (ii) where Equity Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Equity Shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The Disclaimer Clause as intimated by NSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Filing

A copy of this Draft Red Herring Prospectus had been filed with SEBI at Corporation Finance Department, Corporation Finance Department, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 60B of the Companies Act, would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC at the Office of the Registrar of Companies, Maharashtra at Mumbai, Office of the Registrar of Companies, Maharashtra at Mumbai situated at 100, Everest, Marine Drive, Mumbai 400 002 Maharashtra, India.

Listing

Applications have been made to the BSE and NSE for permission to deal in and for an official quotation of our Equity Shares. [•] will be the Designated Stock Exchange with which the Basis of Allotment will be finalized.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company become liable to repay it, i.e. from the date of refusal or within 70 days from the Bid/Issue Closing Date, whichever is earlier, then the Company, and every Director of the Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of up to 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 7 working days of finalisation of the Basis of Allotment for the Issue.

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) the Directors, the Company Secretary and Compliance Officer, the Auditors, Bankers to the Company and Legal Advisors to the Issue; and (b) Book Running Lead Manager to the Issue, and Syndicate Members, Escrow Collection Bank(s) and Registrar to the Issue, to act in their respective capacities, have been obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 60 and 60B of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, Mahendra Badjatya & Co., Chartered Accountants, have given their written consent to the inclusion of their financial report as well as report in relation to tax benefits accruing to our Company and its members in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

We will ensure to obtain written consent from the IPO grading agency to be engaged by us for the purpose of obtaining IPO grading in respect of this Issue, as experts to the Issue and inclusion of their report in the form and context in which they will appear in the Red Herring Prospectus and that such consents and reports shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus for registration with the RoC.

Expert Opinion

Except the report of [•] in respect of IPO grading of this Issue, we have not obtained any expert opinions.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately Rs. [•]. The expenses of this Issue include, among others, underwriting and management fees, SCSB's commission/ fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. All expenses with respect to the Issue would be paid by our Company.

The estimated Issue expenses are as under: *(In Rs)*

Activity	Expenses*	Percentage of the Issue Expenses*	Percentage of the Issue Size*
Fees to be paid to the Book Running Lead Manager	[•]	[•]	[•]
Fees to be paid to the Registrar to the Issue	[•]	[•]	[•]
Fees to be paid to the domestic and international legal advisors to the Issue	[•]	[•]	[•]
Fees paid to Bankers to the Issue	[•]	[•]	[•]
IPO Grading	[•]	[•]	[•]
Underwriting commission (including commission to SCSBs for ASBA Applications)	[•]	[•]	[•]
Advertising and Marketing expenses	[•]	[•]	[•]
Printing, stationery and distribution expenses	[•]	[•]	[•]
Others (SEBI filing fee, listing fee, etc.)	[•]	[•]	[•]
Total estimated Issue expenses	[•]	[•]	[•]

** Will be incorporated after finalisation of Issue Price.*

Fees Payable to the BRLM and the Syndicate Members

The total fees payable to the Book Running Lead Manager will be as per the engagement letter dated January 06, 2010 with the BRLM issued by our Company, a copy of which is available for inspection at our Registered Office. The fees to be paid to the Syndicate Members shall be mentioned in the Syndicate Agreement.

Fees Payable to the Registrar to the Issue

The fees payable by us to the Registrar to the Issue for processing of application, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as the per the memorandum of understanding between us and the Registrar to the Issue dated December 12, 2009.

The Registrar to the Issue will be reimbursed for all out of pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/speed post/under certificate of posting.

IPO Grading

This Issue has been graded by [•] and has been assigned a grade of IPO Grade [•] indicating [•], through its letter dated [•].

The rationale furnished by the grading agency for its grading will be available for inspection and will be provided to the Designated Stock Exchange and updated at the time of filing the Red Herring Prospectus with the RoC.

Disclaimer of IPO Grading Agency - [•]

Underwriting commission, brokerage and selling commission on Previous Issues

Since this is the initial public offer of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our

Equity Shares since our inception.

Previous Rights and Public Issues

Our Company has not made any public issue (including any rights issues to the public) since its inception.

Previous issues of Equity Shares otherwise than for cash

Except as stated in the section titled "Capital Structure" on page no. 18 of this Draft Red Herring Prospectus, the Company has not made any previous issues of Equity Shares for consideration otherwise than for cash.

Commission or brokerage on previous issues

This being the first public issue of Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares since our Company's incorporation.

Companies under the Same Management

None of our Group entities as listed in the chapter titled "Our Promoter and Promoter Group" as mentioned on page no. [•] of this Draft Red Herring Prospectus has made any public issue (including any rights issues to the public) during the last three years.

Promise v/s performance

Neither our Company nor any of our Group entities have made any previous rights or public issues.

Outstanding Debentures or Bond Issues or Preference Shares

Our Company has no outstanding debentures or bonds or redeemable preference shares or other such instruments as of the date of this Draft Red Herring Prospectus.

Stock Market Data for our Equity Shares

This being an initial public issue of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least one year from the last date of despatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB or the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the ASBA Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by the Company

Our Company and / or the Registrar to the Issue and / or the SCSB in case of ASBA Bidders shall redress routine investor grievances within seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have also appointed Ms. Pooja Bansal, Company Secretary of our Company as the Compliance Officer for this Issue and she may be contacted in case of any pre-Issue or post Issue related problems, at the following address:

Mittal Corp Limited
315, Jolly Bhawan No. 1,
10 New Marine Lines,
Mumbai 400 020
India
Tel: + 91 22 2200 7526
Fax: + 91 22 2207 2752
Email: investors@mittalcorp.net
Website: www.mittalcorp.net

Disposal of investor grievances by listed companies under the same management as the Company

None of our Group entities are listed,

Change in Auditors

There has been no change in our Auditors since the last five years. However, our Company has appointed M/s Haribhakti & Co., Chartered Accountants, Mumbai as joint auditors with M/s Mahendra Badjatya & Co., Chartered Accountants, Indore, on October 21, 2009 for the current year.

Capitalization of Reserves or Profits

Our Company has not capitalized our reserves or profits since its inception, except as stated in the section titled “Capital Structure” on page no. 18 of this Draft Red Herring Prospectus.

Revaluation of Assets

We have not revalued our assets since inception.

SECTION VII: ISSUE INFORMATION

ISSUE STRUCTURE

The Issue of [●] Equity Shares for cash at a price of Rs. [●] per Equity Share (including share premium of Rs. [●] per Equity Share) aggregating upto Rs. 1,00,00 lakhs is being made through 100% Book Building process. The Issue will constitute [●]% of the post Issue paid up capital of the Company.

The Company is considering a Pre-IPO Placement of Equity Shares with various investors ("Pre-IPO Placement"). The Pre-IPO Placement is at the discretion of the Company. The Company will complete the issuance and allotment of Equity Shares pursuant to the Pre-IPO Placement prior to the filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Issue of 25% of the post Issue paid-up capital.

The Issue is being made through the 100% Book Building Process.

	QIBs#	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	Not more than [●] Equity Shares or Issue less allocation to Non-Institutional Bidders and Retail Individual Bidders (of which [●] shall be reserved for Mutual Funds)	Not less than [●] Equity Shares	Not less than [●] Equity Shares
Percentage of Issue Size available for allotment/allocation	Not more than 50% of the Issue (of which 5% (excluding the Anchor Investor Portion) shall be reserved for Mutual Funds for allocation on proportionate basis. 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 in the Mutual Fund reservation will be available to QIBs)	Not less than 15% of Issue*	Not less than 35% of the Issue*
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate as follows: (a) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate
Minimum Bid	Such number of Equity	Such number of	[●] Equity Shares

	QIBs#	Non-Institutional Bidders	Retail Individual Bidders
	Shares that the Bid Amount exceeds Rs. 100,000.	Equity Shares that the Bid Amount exceeds Rs. 100,000.	
Maximum Bid	Such number of Equity Shares not exceeding the Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the Issue subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid Lot	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.
Allotment Lot	[•] Equity Shares and in multiples of 1 Equity Share thereafter	[•] Equity Shares and in multiples of 1 Equity Share thereafter	[•] Equity Shares and in multiples of 1 Equity Share thereafter
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply **	Public financial institutions as specified in Section 4A of the Companies Act, FIIs and sub-account (other than a sub-account which is a foreign corporate or foreign individual) 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 and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million, pension funds with minimum corpus of Rs. 250 million in accordance with	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies and trusts	Individuals (including HUFs in the name of the *karta* and Eligible NRIs) applying for Equity Shares such that the Bid Amount per individual Bidder does not exceed Rs.100,000 in value.

	QIBs#	Non-Institutional Bidders	Retail Individual Bidders
	applicable law and National Investment Fund and and insurance funds set up and managed by the army, navy, or air force of the Union of India.		
Terms of Payment	QIB Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Members***	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Members##	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Members ##
Margin Amount	At least 10% of Bid Amount	Full Bid Amount on bidding	Full Bid Amount on bidding

The Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI Regulation. One-third of the Anchor Investor Portion shall be reserved for domestic mutual funds, subject to valid Bids being received from domestic mutual funds at or above the price at which allocation is being done to Anchor Investors. Anchor Investor Margin Amount shall be payable at the time of submission of the application form by the Anchor Investor. For further details, please see "Issue Procedure" on page [●] this Draft Red Herring Prospectus.

In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.

* *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in QIBs, Non-Institutional and Retail Individual categories would be allowed to be met with spillover inter-se from any other categories, at the sole discretion of our Company, Book Running Lead Manager and subject to applicable provisions of SEBI Regulations.*

** *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 are in the same sequence in which they appear in the Bid cum Application Form.*

**** *After the Bid/Issue Closing Date, depending on the level of subscription, additional Margin Amount, if any, may be called for from the QIB Bidders.*

The number of prospective Allottees of Equity Shares in this Issue shall not be less than 1,000.

Withdrawal of the Issue

The Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at any time including after the Bid/Issue Closing Date but before the Board meeting for Allotment. In such an event the Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published within two days of the closure of the Issue, providing reasons for not proceeding with the Issue. The Company shall also promptly inform the Stock Exchanges on which the Equity Shares were proposed to be listed and SCSBs. The Stock Exchanges shall also be informed promptly. Notwithstanding the foregoing, the Issue is also subject to obtaining – (i) the final listing and trading approvals of the Stock Exchanges, which the Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bidding/Issue Programme*

BID/ISSUE OPENS ON	**[●], 2009**
BID/ISSUE CLOSES ON	**[●], 2009**

*The Company may consider participation by Anchor Investors in terms of the SEBI (ICDR) Regulations. The Anchor Investor Bid / Issue Period shall be one day prior to the Bid/ Issue Opening Date.

Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 3.00 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid/Issue Closing Date, Bids (excluding the ASBA Bidders) shall be uploaded until:

(i) 4.00 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders; and

(ii) until 5.00 p.m. or such extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders.

It is clarified that Bids not uploaded in the book, would be rejected. Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing date, the bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than the times mentioned above on the Bid/Issue Closing Date. All times are Indian Standard Time. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in pubic offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. If such Bids are not uploaded, the Issuer, BRLM and Syndicate members will not be responsible. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holidays).

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

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical or electronic Bid cum Application Form submitted through the ASBA process, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

The Company, in consultation with the BRLM reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI (ICDR) Regulations provided that the Cap Price is less than or equal to 120% of the Floor Price. 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 revision in the Price Band, the Issue Period will be extended for three additional working days after revision of Price Band subject to the Bidding Period/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding Period/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the web site of the BRLM and at the terminals of the Syndicate.

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles, conditions of RBI approval, if any, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, Stock Exchanges, Registrar of Companies, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of our Memorandum and Articles and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of allotment. For further details, please see "Main Provisions of the Articles of Association" on page no. 219 of this Draft Red Herring Prospectus.

Mode of Payment of Dividend

We shall pay dividends to our shareholders as per the provisions of the Companies Act.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. [•] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares. The Anchor Investor Issue Price is Rs. [●] per Equity Share.

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive notices and attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement executed with the Stock Exchanges, and our Company's Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of Our Articles of Association" on page no. 219 of this Draft Red Herring Prospectus.

Compliance with SEBI Regulations

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

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI (ICDR) Regulations, the trading of our Equity Shares shall only be in dematerialised form. Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of one (1) Equity Share subject to a minimum allotment of [●] Equity Shares. For details of allocation and allotment, please refer to the section titled 'Issue Procedure' beginning on page [●] of this Draft Red Herring Prospectus.

Joint Holders

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

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 the 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 Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the 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 form, there is no need to make a separate nomination with us. Nominations registered with respective depository participant of the applicant would prevail. If the investors require to change their nomination, they are requested to inform their respective depository participant.

Period of operation of subscription list of public issue*

BID/ISSUE OPENS ON	**[●], 2010**
BID/ISSUE CLOSES ON	**[●], 2010**

*The Company may consider participation by Anchor Investors in terms of the SEBI (ICDR) Regulations. The Anchor Investor Bid / Issue Period shall be one day prior to the Bid/ Issue Opening Date.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Issue, including devolvement of Underwriters within 60 days from the date of closure of the Issue, the Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after the Company becomes liable to pay the amount, the Company shall pay interest as prescribed under Section 73 of the Companies Act.

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

Arrangement for disposal of odd lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of shares

There are no restrictions on transfers and transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles of Association. See "Main Provisions of our Articles of Association" on page no. 219 of this Draft Red Herring Prospectus.

Option to Receive Securities in Dematerialised Form

Investors should note that allotment of Equity Shares to all successful Bidders will only be in the 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.

ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein not more than 50% of the Issue shall be available for allocation to Qualified Institutional Buyers on a proportionate basis out of which, 5% (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allotment on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. Further, not less than 15% of the Issue would be available for allocation to Non-Institutional Bidders and not less than 35% of the Issue would be available for allocation to Retail Individual Bidders on a proportionate basis, subject to valid bids being received from them at or above the Issue Price.

In addition to the conditions laid down under Regulation 26(1) of the SEBI Regulations, the number of prospective Allottees of Equity Shares in this Issue shall not be less than 1,000.

Bidders are required to submit their Bids through the Syndicate. Further, QIB Bids can be submitted only through the BRLM. In case of QIB Bidders, the Company in consultation with the BRLM 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 and Retail Individual Bidders, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that allotment of Equity Shares to all successful Bidders will only be in the 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.

Single bid from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

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 the 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 allocation of Equity Shares, dispatch of the CAN, 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 authorised our Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

Supplementary process of applying in public issues through Bid cum Applications Supported by Blocked Amount for certain eligible Retail Individual Investors, who qualify as ASBA Investors

ASBA Bidders shall submit an ASBA Bid cum Application Form either in physical or electronic form to the SCSB authorising blocking funds that are available in the bank account specified in the ASBA Bid cum Application Form used by ASBA Bidders. The ASBA Bidders shall have the option to make a maximum of three Bids in the ASBA Bid cum Application Form. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form by ASBA Bidders to the SCSB, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the ASBA Bid cum Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed colour of the Bid cum Application Form for various categories, is as follows:

Category	Colour of Bid cum Application Form

Category	Colour of Bid cum Application Form
Indian public and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents, Eligible NRIs, FVCIs, FIIs etc applying on a repatriation basis	Blue
ASBA Bidder	Green

In accordance with the SEBI (ICDR) Regulations, all Bidders except QIBs can participate by way of ASBA process.

In accordance with SEBI (ICDR) Regulations, only eligible QIBs can participate in the Anchor Investor Portion.

Who can Bid?

- Persons eligible to invest under all applicable laws, rules, regulations and guidelines.

- Indian nationals resident in India who are majors, or in the names of their minor children as natural/legal guardians in single or joint names (not more than three);

- 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;

- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in the equity shares;

- Mutual Funds registered with SEBI;

- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this issue;

- Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI (ICDR) Regulations and regulations, as applicable);

- FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI.

- Venture Capital Funds registered with SEBI;

- Foreign Venture Capital Investors registered with SEBI;

- State Industrial Development Corporations;

- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts/societies and who are authorised under their constitution to hold and invest in equity shares;

- Scientific and/or Industrial Research Organisations authorised to invest in equity shares;

- Insurance Companies registered with Insurance Regulatory and Development Authority, India;

- A permitted by the applicable laws, Provident Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;

- Pension Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;

- Multilateral and Bilateral Development Financial Institutions;

- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and

- Insurance funds set up and managed by the army, navy or air force of the Union of India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Participation by Associates of BRLM and Syndicate Members

The BRLM and Syndicate Members shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and Syndicate Members may subscribe to or purchase Equity Shares in the Issue, where the allocation is on a proportionate basis.

Bids by Mutual Funds

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 in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand is greater than [•] Equity Shares (to be adjusted for Anchor Investor Portion, if applicable), allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion.

One-third of the Anchor Investor Portion shall be reserved for domestic mutual funds, subject to valid bids being received from domestic mutual funds at or above the price at which allocation is being done to Anchor Investors.

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.

Under the SEBI Regulations 5% of the QIB portion (to be adjusted for Anchor Investor Portion, if applicable) i.e. [•] Equity Shares has been specifically reserved for Mutual Funds.

Bids by Eligible NRIs

Bid cum Application Forms have been made available for Eligible NRIs at our Registered Office, Syndicate Members and the Registrar to the Issue.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Bid cum Application Form meant for Resident Indians and shall not use the Bid cum Application Form for reserved categories.

Eligible NRIs may also use the ASBA facility to make an Application by using ASBA Bid Cum Application Form white with pink border in colour).

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue issued capital. In respect of an FII investing in our Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. As of now, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. With the approval of the Board of Directors and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the Company for adoption.

A sub account of a FII which is a foreign corporate or foreign individual shall not be considered to be a Qualified Institutional Buyer, as defined under the SEBI Regulations, for this Issue.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII or its sub account 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 in 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 or sub-account 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.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI registered 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, whilst the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer. Further, FVCIs investing in this Issue should confirm that no approvals from the appropriate regulatory authorities are required to be obtained by the concerned FVCI.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

Maximum and Minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Share thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed 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 of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.

(b) **For Other Bidders (Non-Institutional Bidders and QIBs):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [•] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them under applicable laws. **Under existing SEBI (ICDR) Regulations, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay QIB Margin upon submission of Bid.**

(c) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100 million and in multiples of [●] Equity Shares thereafter. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids. A Bid under the Anchor Investor Portion cannot be submitted for more than 30% of the QIB Portion. **Anchor Investor cannot withdraw their Bids after the Anchor Investor / Bid Issue Period.**

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 the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off'.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Information for the Bidders:

(a) Our Company will file the Red Herring Prospectus with SEBI.

(b) Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/Issue Opening Date.

(c) The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors.

(d) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/ or the Bid cum Application Form can obtain the same from our Registered Office or from any of the members of the Syndicate.

(e) Eligible investors who are interested in subscribing for the Equity Shares should approach any of the BRLM or Syndicate Members or their authorized agent(s) to register their Bids.

(f) The BRLM or the syndicate members shall accept Bids from the Bidder during the Bidding Period hereof. Provided that BRLM shall accept the Bids from the Anchor Investors only on the Anchor Investor Bidding Date.

(g) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of the members of the Syndicate. Bid cum Application Forms, which do not bear the stamp of the members of the Syndicate, will be rejected.

Method and Process of Bidding

(a) Our Company and the BRLM shall declare the Bid/Issue Opening Date and the Bid/Issue Closing Date at the time of filing the Red Herring Prospectus with RoC and also publish the same in three widely circulated newspapers (one each in English, Hindi and a regional daily with widespread circulation). This advertisement, subject to the provisions of Section 66 of the Companies Act shall be in the format prescribed in Schedule XIII–A of the SEBI (ICDR) Regulations. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company, in consultation with the BRLM, and advertised in two national newspapers (one each in English and Hindi) and in one local newspaper with wide circulation at least two working days prior to the Bid/Issue Opening Date. The Members of the Syndicate shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.

(b) The Bidding/Issue Period shall be for a minimum of three working days and not exceeding ten working days. The Bid/ Issue Period maybe extended, if required, by an additional three working days, subject to the total Bid/Issue Period not exceeding 10 working days. In case the Price Band is revised, the revised Price Band and the Bidding Period will be published in three national newspapers (one each in

English and Hindi) and one regional newspaper with wide circulation and also by indicating the change on the website of the BRLM and at the terminals of the members of the Syndicate.

(c) During the Bid/Issue Period, eligible investors who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or their authorised agents to register their Bid.

(d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "**Bids at Different Price Levels**" on page no. 181 of this Draft Red Herring Prospectus) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be considered as multiple Bids. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

(e) The Bidder cannot Bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate. 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 allocation or allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph titled "**Build up of the Book and Revision of Bids**" on page no. 185 of this Draft Red Herring Prospectus.

(f) 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 up to three TRSs for each Bid cum Application Form.

(g) During the Bidding/Issue Period, Bidders may approach the members of the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients / investors who place orders through them and shall have the right to vet the Bids, subject to the terms of the Syndicate Agreement and the Red Herring Prospectus.

(h) BRLM shall accept Bids from the Anchor Investors during the Anchor Investors during the Anchor Investor Bid / Issue Period i.e. one day prior to the Bid / Issue Opening Date. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple bids.

(i) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "Terms of Payment and Payment into the Escrow Accounts" on page no. [•].

Bids at Different Price Levels

(a) The Price Band has been fixed at Rs. [•] to Rs. [•] per Equity Share, Rs. [•] being the Floor Price Bank and Rs. [•] being the Cap Price. The Bidders can bid at any price with in the Price Band, in multiples of Re. [•]. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company in consultation with the BRLM and advertised in two national newspapers (one each in English and Hindi) and in one local newspaper with wide circulation at least two working days prior to the Bid/Issue Opening Date.

(b) Our Company, in consultation with the BRLM, reserves the right to revise the Price Band, during the Bid/Issue Period in accordance with SEBI (ICDR) Regulations. The cap on the Price Band should not be more than 20% of the Floor Price. 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 decided by the Company in consultation with the BRLM and advertised in two national news papers (one each in English and Hindi) and in one regional newspaper with wide circulation at least two working days prior to the Bid/Issue Opening Date.

(c) In case of a revision of the Price Band, the Bidding Period shall be extended, if required, for three additional working days, subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two widely circulated national newspapers (one each in English and Hindi) and one widely circulated local newspaper and also by indicating the change on the website of the BRLM and at the terminals of the members of the Syndicate.

(d) Our Company, in consultation with the BRLM can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Bidders.

(e) The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders does not exceed Rs. 100,000 may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids shall be rejected.

(f) Retail Individual Bidders who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-Off Price shall submit the Bid cum Application Form along with a cheque/demand for the Bid Amount based on the cap of the Price Band with the members of the Syndicate. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at Cut-off Price, they shall receive the refund of the excess amounts from the respective Refund Account in a manner described under the paragraph "Payment of Refund".

(g) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid, or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed Rs. 100,000 if the Bidder wants to continue to Bid at Cut-off Price), with the Syndicate Member 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 Portion in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to the revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that the no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

(h) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the respective Escrow Account/refund account(s). In any event, the Company, in consultation with the BRLM shall decide the minimum number of Equity Shares for each Bid to ensure that the event of any revision in the Price Bank, whether upwards or downwards, the minimum application size shall remain [●] Equity Shares irrespective of whether the Bid Amount payable on such minimum application value is not in the range of Rs. 5,000 to Rs. 7,000.

(i) In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain [●] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of Rs. 5,000 to Rs. 7,000.

(h) During the Bidding/ Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

(i) Revisions can be made in both the desired number of Equity Shares and the Bid Amount 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 revised, in the Revision Form. The members of the Syndicate will not accept incomplete or inaccurate Revision Forms.

(j) 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 had placed the original Bid.

(k) Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

(l) 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 QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft for the incremental amount in the QIB Margin Amount, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

(m) 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.**

Bids and revisions of Bids must be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable (White colour for Resident Indians, Blue colour for Non-Residents including NRIs, FIIs and FVCIs applying on repatriation basis and Green for ASBA Bidders).

(b) 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.

(c) For Retail Individual Bidders, the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum Bid Amount of Rs. 100,000.

(d) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount is equal to or exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations.

(e) NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation; by other eligible Non Resident Bidders for a minimum of such number of Equity Shares and in multiples of [●] Equity Shares thereafter that the Bid Amount exceeds Rs. 100,000.

(f) Bids by Non Residents, NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis shall be in the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs) or their nominees.

(g) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

(h) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Electronic Registration of Bids

(a) The Members of the Syndicate will register the Bids using the on-line facilities of BSE and NSE. There will be at least one on-line connectivity in each city, where a stock exchange is located in India and where Bids are being accepted.

(b) The BSE and NSE 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 authorised agents during the Bidding Period. Syndicate Members can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for book building on a half hourly basis. On the Bid / Issue Closing Date, the Members of the Syndicate shall upload the Bids till such time as may be permitted by the Stock Exchanges. Bidders are cautioned that a high inflow of Bids typically experienced on the last day of bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded may not be considered for allocation.

(c) The bidding terminals shall contain an online graphical display of demand and Bid Amount(s) updated at periodic intervals not exceeding 30 minutes. The aggregate demand and price for Bids registered on the electronic facilities of BSE and NSE will be uploaded on a half hourly basis, consolidated and displayed on-line at all bidding centres and the website of BSE and NSE. A graphical representation of consolidated demand and price would be made available at the bidding centres during the Bidding Period.

(d) At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:

- Name of the investor. Bidders should ensure that the name given in the Bid cum Application Form is exactly the same as the name in which the Depositary 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, QIBs, Eligible NRI, FVCI, Mutual Fund, FII etc.;

- Numbers of Equity Shares Bid for;

- Bid price;

- Bid cum Application Form number;

- Margin Amount paid upon submission of Bid cum Application Form; and

- Depository Participant Identification Number and Client Identification Number of the beneficiary 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 member of the Syndicate does not guarantee that the Equity Shares shall be allocated/allotment 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) In case of QIB Bidders, the BRLM has the right to accept the Bid or reject it. However, such rejection should be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case on Non-Institutional Bidders and Retail Individual Bidders who Bid, Bids would not be rejected except on the technical grounds listed on page no. [•] of this Draft Red Herring Prospectus.

(h) The permission given by BSE and NSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by BSE and NSE; 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 of our Company.

(i) It is also to be distinctly understood that the approval given by BSE and NSE should not in any way be deemed or construed that this Draft Red Herring Prospectus has been cleared or approved by the BSE and NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE and NSE.

(j) Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for allocation/ Allotment. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the BRLM based on the physical records of Bid Application Forms shall be final and binding on all concerned.

Build Up of the Book and Revision of Bids

(a) The Bidding process shall be only through an electronically linked transparent bidding facility provided by the Stock Exchanges. Bids registered by various Bidders through the Members of the Syndicate shall be electronically transmitted to the BSE or NSE mainframe on a regular basis. The bidding terminals shall contain an online graphical display of demand and Bid Amount(s) updated at periodic intervals not exceeding 30 minutes.

(b) The book gets built up at various price levels. This information will be available with the BRLM on a regular basis.

(c) During the Bidding/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

(d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount 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 revised, in the Revision Form. The members of the Syndicate will not accept incomplete or inaccurate Revision Forms.

(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 had placed the original Bid.

(f) Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

(g) 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 the case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft or electronic transfer of funds through RTGS for the incremental amount in the QIB Margin, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

(h) 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.**

(i) Only Bids that are uploaded on the online IPO system of the BSE and the NSE shall be considered for allocation. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the Company, in consultation with the BRLM and the Designated Stock Exchange based on the physical records of Bid Application Forms shall be final and binding on all concerned.

(j) Under the SEBI (ICDR) Regulations, QIBs are not allowed to withdraw their Bid after the closure of the Issue.

GENERAL INSTRUCTIONS

Do's:

a) Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable laws, rules and regulations;

b) Read all the instructions carefully and complete the Resident Bid cum Application Form (white in colour) or Non-Resident Bid cum Application Form (blue in colour), as the case may be;

c) Ensure that the details about Depository Participant and Beneficiary Account are correct as allotment of Equity Shares will be in the dematerialized form only;

d) Ensure that you have Bid within the Price Band;

e) Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a member of the Syndicate;

f) Ensure that you have been given a TRS for all your Bid options;

g) Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;

h) Each of the Bidders, should mention their Permanent Account Number (PAN) allotted under the IT Act Applications in which the PAN is not mentioned will be rejected, except for Bids (i) on behalf of the Central or State Government and the officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim;

i) Ensure that the Demographic Details (as defined hereinbelow) are updated, true and correct in all respects;

j) 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, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don'ts:

(a) Do not Bid for lower than the minimum Bid size;

(b) Do not Bid/ revise Bid price to less than the lower end of the Price Band or higher than the higher end of the Price Band;

(c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate;

(d) Do not pay the Bid Amount in cash, by money order or by postal order or by stock invest;

(e) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only;

(f) Do not Bid at Cut Off Price (for QIB Bidders and Non-Institutional Bidders);

(g) Do not Bid at Bid Amount exceeding Rs. 100,000, in the case of a Bid by Retail Individual Bidder;

(h) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

(i) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

Bidder's Depository Account and Bank Details

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 the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Bidders. Hence, Bidders are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLM 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.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT 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.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs/Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

In case of Bidders receiving refunds through electronic transfer of funds, delivery of refund orders/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 Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) 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 of refunds through electronic modes as detailed in the Red Herring Prospectus, Bidders may note that refunds may get delayed if bank particulars obtained from the Depository Participant are incorrect.

In case no corresponding record is available with the Depositories, which 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, then such Bids are liable to be rejected.

We, in our 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.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of

bank charges and/ or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. The Company 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 are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FIIs and foreign venture capital funds and all Non Residents, NRI, FII and foreign venture capital funds 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, 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 of Association and Articles of Association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made pursuant to a power of attorney by FIIs, 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 lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of Bids made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of Bids made by provident funds with minimum corpus of Rs. 250 million (subject to applicable law) and pension funds with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

PAYMENT INSTRUCTIONS

Escrow Mechanism

The Company and the members of the Syndicate shall open Escrow Accounts with one or more Escrow Collection Bank(s) for the collection of the Bid Amount 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 and 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, and the members of the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Terms of Payment and Payments in Escrow Accounts

Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/ or on allocation/ Allotment as per the following terms.

1. Each category of Bidders i.e., QIB Bidders, Non-Institutional Bidders and Retail Individual Bidders, shall provide the applicable Margin Amount, with the submission of the Bid cum Application Form by drawing a cheque or demand draft for the Bid Amount in favour of the Escrow Account of the Escrow Collection Bank(s) and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid cum Application Forms accompanied by cash shall not be accepted. The Margin Amount payable by each category of Bidders is mentioned under the section titled "Issue Structure" on page no. 169 of this Draft Red Herring Prospectus.

2. 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/ allotted 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 BRLM. If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled.

3. The payment instruments for payment into the Escrow Account should be drawn in favour of:

   - In case of Resident QIB Bidders: "Mittal Corp – Escrow Account – QIB"
   - In case of Non-Resident QIB Bidders: "Mittal Corp – Escrow Account – QIB - NR"
   - In case of Resident Bidders: "Mittal Corp – Escrow Account"
   - In case of Non Resident Bidders: "Mittal Corp – Escrow Account - NR"
   - In case of Anchor Investors: "Mittal Corp – Escrow Account – Anchor Investors"
   - In case of Non-resident Anchor Investors: "Mittal Corp – Escrow Account – Anchor Investors - NR"

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 Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.

5. In the case of Bids by Eligible NRIs applying on a non-repatriation basis, the payments must be made by 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 authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an 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 a FCNR or an NRO Account.

6. In case of Bids by FIIs or FVCIs, the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to

Special Rupee Account.

7. Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable by the Pay-In Date on the Equity Shares allocated will be refunded to the Bidder from the Refund Account.

8. Where a Bidder has been allocated a lesser number of Equity Shares than it 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.

9. The monies deposited in the Escrow Accounts will be held for the benefit of the Bidders until the Designated Date.

10. No later than 15 days from the Bid/Issue Closing Date, the Refund Banks shall refund all amounts payable to unsuccessful Bidders and the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

11. 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/ Allotment to the Bidders.

12. 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.

Payment by Stock invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 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 would not be accepted in this Issue.

Submission of Bid-cum-Application Form

All Bid-cum-Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid.

Separate receipts shall not be issued for the money payable on the submission of Bid-cum-Application Forms or Revision Forms. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid-cum-Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid-cum-Application Form for the records of the Bidder.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name and age will be accumulated and taken to a separate process file, which will serve as a multiple master document.
2. In this master, a check will be carried out for the same PAN numbers. In cases where the PAN numbers are different, the same will be deleted from this master.
3. The addresses of all these applications from the multiple master will be strung from the address master. This involves including the addresses in a single line after deleting non-alpha and nonnumeric characters, i.e., commas, full stops, hashes, etc. Sometimes, the name, the first line of the address and pin code will be converted into a string for each application received and a photo match will be performed among the applications processed. A printout of the addresses will be made to check for common names. Applications with the same name and same address will be treated as multiple applications.
4. The applications will be scanned for similar DP ID and client identity numbers. If applications bear the same numbers, these will be treated as multiple applications.
5. After the aforesaid procedures, a print-out of the multiple master will be taken and the applications physically verified to tally signatures and also father's/husband's names. Upon completion of this exercise, 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.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories.

The Company reserves the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number or PAN

Except for Bids (i) on behalf of the Central or State Government and the officials appointed by the courts, and (ii) (subject to the SEBI circular dated April 3, 2008) from residents of the state of Sikkim, each Bidder should mention his/her Permanent Account Number (PAN allotted under the Income Tax Act, 1961 ("IT Act").

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**.

OUR RIGHT TO REJECT BIDS

In case of QIB Bidders, the Company in consultation with the BRLM may reject Bids at the time of acceptance of the Bid provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders and Retail Individual Bidders who Bid, our Company has a right to reject Bids based on technical grounds only.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares bid for;

- Age of First Bidder not given;

- 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;

- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not stated or GIR number stated instead (except for Bids on behalf of the Central or State Government and the officials appointed by the courts and (subject to the SEBI circular dated April 3, 2008) from residents of the state of Sikkim) ;
- GIR number furnished instead of PAN;
- Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than 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 Non-Institutional and QIB Bidders;
- Bids for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Bids as defined in this Draft 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;
- Signature of sole and/ or joint Bidders missing;
- Bid cum Application Forms does not have the stamp of the BRLM, or Syndicate Members;
- Bid cum Application Forms does not have Bidder's depository account details;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches 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 account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Bids by QIBs not submitted through the BRLM or the Syndicate Members;
- Bids by OCBs;
- Bids by US persons other than in reliance on Regulation S;
- Bids not duly signed by the sole/ joint Bidders;

- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Bids or revisions thereof by QIB Bidders, Non Institutional Bidders where the Bid Amount is in excess of Rs. 100,000, uploaded after 4.00 pm on the Bid/ Issue Closing Date;

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

(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."

Price Discovery and Allocation

(a) After the Bid/Issue Closing Date, the BRLM will analyse the demand generated at various price levels and discuss the pricing strategy with the Company.

(b) The Company in consultation with the BRLM shall finalise the Issue Price and the Anchor Investor Issue Price.

(c) The allocation to QIBs, not being more than 50% of the Issue (including 5% specifically reserved for Mutual Funds) shall be on a proportionate basis, in a manner specified in the SEBI (ICDR) Regulations and the Red Herring Prospectus, subject to valid Bids being received at or above the Issue Price. The allocation to Non-Institutional and Retail Individual Bidders of not less than 15% and 35% of the Issue, respectively, shall be on a proportionate basis, in a manner specified in the SEBI (ICDR) Regulations and the Red Herring Prospectus, in consultation with the Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.

(d) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. If the aggregate demand by Mutual Funds (excluding the Anchor Investor Portion) is less than [•] Equity shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. In the event, the aggregate demand in the QIB Portion has not been met, under-subscription, if any, shall be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM.

(e) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

(f) The BRLM, in consultation with us, shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.

(g) The Company reserves the right to cancel the Issue any time after the Bid/Issue Opening Date without assigning any reasons whatsoever. In terms of the SEBI (ICDR) Regulations, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.

(h) 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 BRLM, 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.

Filing of the Prospectus with the RoC

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.

Announcement of pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall after receiving final observations, if any, on the Draft Red Herring Prospectus from SEBI, publish an advertisement, in the form prescribed by the SEBI (ICDR) Regulations in two widely circulated newspapers (one each in English and Hindi) and one regional daily with wide circulation.

Advertisement regarding Issue Price and Prospectus

The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of a Confirmation of Allocation Note ("CAN")

(a) Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or 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 allotment 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 and Non-Institutional Bidders. However, the investor should note that the Company shall ensure that the instructions for credit of the Equity Shares to all investors in this Issue shall be given on the same date of Allotment.

(b) The BRLM or members of the Syndicate would dispatch a 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 entire Issue Price for all the Equity Shares allocated to such Bidder. Those Bidders who have not paid the entire Bid Amount 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 the Bid Amount 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 his or her cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for the allotment to such Bidder.

(d) The Issuance of CAN is 'Subject to "Allotment Reconciliation and Revised CANs" as set forth below:

Notice to QIBs: Allotment Reconciliation and Revised CANs

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. Based on the electronic book, 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 reconciled book prepared by the Registrar. Subject to SEBI (ICDR) Regulations, 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. As a result, a revised CAN may 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 and allotment of Equity Shares

(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 and by the SCSBs from the accounts of the ASBA Bidders to the ASBA Public Issue Account, our Company would ensure credit of the Equity Shares to the successful Bidders depository account shall be within two working days of the date of allotment.

(b) In accordance with the SEBI (ICDR) Regulations, Equity Shares will be issued, transferred and allotment shall be made only in the dematerialised form to the allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

(c) Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be credited to their depository account pursuant to this Issue.

Basis of Allotment

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

- The Issue size less allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the method of proportionate basis of allotment, refer below.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

- The Issue size less allotment to QIBs and Retail Portion shall be available for allotment to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares. For the method of proportionate basis of allotment refer below.

C. For QIBs

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allotment to all the QIB Bidders will be made at the Issue Price.
- The Issue less allocation to Non-Institutional Portion and Retail Portion shall be available for allotment to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:

(d) Allocation shall be undertaken to Anchor Investors as per the SEBI (ICDR) Regulations.

(e) After allocation to Anchor Investors, in the first instance allocation to Mutual Funds for up to 5% of the QIB Portion (to be adjusted for Anchor Investor Portion, if applicable) shall be determined as follows:

(i) In the event that Mutual Fund Bids exceeds 5% of the QIB Portion (to be adjusted for Anchor Investor Portion, if applicable), allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion (to be adjusted for Anchor Investor Portion, if applicable).

(ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (to be adjusted for Anchor Investor Portion, if applicable)then all Mutual Funds shall get full allotment to the extent of valid bids received above the Issue Price.

(iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for allotment to all QIB Bidders as set out in (b) below;

(f) In the second instance allotment to all QIBs shall be determined as follows:

(i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.

(ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.

(iii) Under-subscription below 5% of the QIB Portion (to be adjusted for Anchor Investor Portion, if applicable), if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

(c) 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.

(d) The aggregate allotment to QIB Bidders shall not be less than [•] Equity Shares.

The BRLM, the Registrar to the Issue and the executive director or the managing director of the Designated Stock Exchange shall ensure that the basis of Allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations. The drawing 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.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Issue Details

Sr. No.	Particulars	Issue details
1	Issue size	200 million equity shares
2	Allocation to QIB (50%)	100 million equity shares
3	Anchor Investor Portion	30 million equity shares
4	Portion available to QIBs other than Anchor Investors	70 million equity shares
	Of which:	
	a. Allocation to MF (5%)	3.5 million equity shares
	b. Balance for all QIBs including MFs	66.5 million equity shares
5	No. of QIB applicants	10
6	No. of shares applied for	500 million equity shares

B. Details of QIB Bids

S.No	Type of QIB bidders#	No. of shares bid for (in million)
1	A1	50
2	A2	20
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	Total	**500**

A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C.Details of Allotment to QIB Bidders/ Applicants

(Number of equity shares in million)

Type of QIB bidders	Shares bid for	Allocation of 3.5 equity shares to MFs proportionately (please see note 2 below)	Allocation of balance 66.5 equity shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	**(II)**	**(III)**	**(IV)**	**(V)**
A1	50	0	6.65	
A2	20	0	2.66	
A3	130	0	17.29	

Type of QIB bidders	Shares bid for	Allocation of 3.5 equity shares to MFs proportionately (please see note 2 below)	Allocation of balance 66.5 equity shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
A4	50	0	6.65	
A5	50	0	6.65	
MF1	40	0.7	5.32	6.02
MF2	40	0.7	5.32	6.02
MF3	80	1.4	10.64	12.04
MF4	20	0.35	2.66	3.01
MF5	20	0.35	2.66	3.01
	500	**3.5**	**66.5**	**30.1**

Please note:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in the section titled "Issue Structure" beginning on page no. 169 of this Draft Red Herring Prospectus.
2. Out of 70 million equity shares allocated to QIBs, 3.5 million (i.e. 5%) will be allocated on proportionate basis among 5 Mutual Fund applicants who applied for 200 shares in QIB category.
3. The balance 66.5 million Equity Shares (i.e. 70-3.5 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who applied for 500 Equity Shares (including 5 MF applicants who applied for 200 equity shares).
4. The figures in the fourth column titled "Allocation of balance 66.5 million equity shares to QIBs proportionately" in the above illustration are arrived as under:

   - For QIBs other than Mutual Funds (A1 to A5)= No. of shares bid for (i.e. in column II) X 66.5/ 496.5

   - For Mutual Funds (MF1 to MF5) = [(No. of shares bid for (i.e. in column II of the table above) less Equity Shares allotted (i.e., column III of the table above)] X 66.5/496.5

   - The numerator and denominator for arriving at allocation of 66.5 million shares to the 10 QIBs are reduced by 3.5 million shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, we shall finalize the basis of allotment in consultation with the Designated Stock Exchange. The executive director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of allotment is finalized in a fair and proper manner.

The allotment shall be made in marketable lots, on a proportionate basis as explained below:

a) Bidders will be categorized according to the number of Equity Shares applied for 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 Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.

c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

d) In all Bids where the proportionate allotment is less than [•] Equity Shares per Bidder, the allotment shall be made as follows:

- Each successful Bidder shall be allotted a minimum of [•] Equity Shares; and
- The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above.

e) If the proportionate allotment to a Bidder is a number that is more than [•] but is not a multiple of one (1) (which is the marketable lot), the decimal will be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it will be rounded off to the lower whole number. Allotment to all Bidders in such categories shall be arrived at after such rounding off.

f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

PAYMENT OF REFUND

Bidders must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid-cum-Application Form, the Registrar will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the BRLM shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The permissible modes of making refunds are as follows:

1. In case of applicants residing in any of the centers specified by the Board – by crediting of refunds to the bank accounts of applicants through electronic transfer of funds by using ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer), as is for the time being permitted by the Reserve Bank of India;

2. In case of other applicants – by dispatch of refund orders by registered post, where the value is Rs. 1,500 or more, or under certificate of posting in other cases, (subject however to postal rules); and

3. In case of any category of applicants specified by the Board – crediting of refunds to the applicants in any other electronic manner permissible under the banking laws for the time being in force which is permitted by the board from time to time.

We 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.

In accordance with the Companies Act, the requirements of the stock exchanges and SEBI Regulations, the Company further undertakes that allotment/ transfer of Equity Shares shall be made only in dematerialized form within 15 days of the Bid/ Issue Closing Date.

The payment of refund, if any, would be done through various modes as given hereunder:

1. **ECS** - Payment of refund would be done through ECS for applicants having an account at any of the

following sixty eight centers:

Managed by the Reserve Bank of India: Ahmedabad, Bangalore, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram

Managed by State Bank of India: 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 Punjab National Bank: Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakhpur and Jammu

Managed by State Bank of Indore: Indore

Managed by Union Bank of India: Pune, *Salem* and Jamshedpur

Managed by Andhra Bank: Visakhapatnam

Managed by Corporation Bank: Mangalore

Managed by Bank of Baroda: Coimbatore and *Rajkot*

Managed by State Bank of Travancore: Kochi/*Ernakulam*

Managed by Central Bank of India: Bhopal

Managed by Canara Bank: Madurai

Managed by Oriental Bank of Commerce: Amritsar

Managed by United Bank of India: Haldia (non- MICR)

Managed by State Bank of Hyderabad: Vijaywada

Managed by State Bank of Bikaner and Jaipur: Bhilwara

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 through ECS for applicants having a bank account at any of the abovementioned 68 centers, except where the applicant, being eligible, opts to receive refund through NEFT, 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. **NEFT** - Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the IFSC, which can be linked to a MICR, if any, available to that particular bank branch. IFSC will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC of that particular bank branch and the payment of refund will be made to the applicants through this method. 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.

3. **Direct Credit -** Applicants having bank accounts with the Refund Banks shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Banks for the same would be borne by the Company.

4. **RTGS -** Applicants having a bank account at any of the above mentioned 68 centers and whose refund

amount exceeds Rs. 10 lacs, 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 Banks for the same would be borne by our Company. Charges, if any, levied by the applicants' bank receiving the credit would be borne by the applicant.

5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under certificate of posting for value up to 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 centers will be payable by the Bidders. Please note that only Bidders having a bank account at any of the 68 centers where the clearing houses for the ECS are managed by the RBI are eligible to receive refunds through the modes stated above. For all the other Bidders, including Bidders who have not updated their bank particulars, along with the nine-digit MICR code, the refund orders shall be dispatched .Under Certificate of Posting for refund orders less than Rs. 1,500 and through speed post/registered post for refund orders exceeding Rs. 1,500.

Letters of Allotment or Refund Orders

The Company shall credit each Equity Share Allotted to the applicable beneficiary account with their Depository Participant within 15 days of the Bid/Issue Closing Date. Applicants residing at 68 centres where clearing houses are managed by the RBI and other banks, will get refunds through ECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit and RTGS. The Company shall ensure dispatch of refund orders, if any, of value up to 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 at the sole or First Bidder's sole risk within 15 days of the Bid/ Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be send a letter through ordinary post intimating them about the mode of credit of refund within 15 days of closure of Bid/ Issue.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI (ICDR) Regulations, the Company further undertakes that:

- Allotment of Equity Shares will be made only in dematerialized form within 15 days of the Bid/Issue Closing Date; and

- Dispatch of refund orders/refund advice will be done within 15 days of the Bid/Issue Closing Date;

The Company shall pay interest upto 15% per annum (for any delay beyond the 15 day time period as mentioned above), if Allotment is not made, refund orders are not dispatched, or in cases where the refund or portion thereof is made electronically, the refund instructions have not been given to the relevant clearing system and/or demat credits are not made to investors within the 15 day time prescribed above.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by us, as Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

We shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the bidders receiving refunds through this mode within 15 days of Bid/ Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

We 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 Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI (ICDR) Regulations, we further undertake that:

- Allotment of Equity Shares shall be made only in dematerialized form within 15 (fifteen) days of the Bid/Issue Closing Date;

- Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (fifteen) days of the Bid/Issue Closing Date would be ensured; and

- We shall pay interest upto 15% (fifteen) per annum for any delay beyond the 15 (fifteen)-day time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 15 (fifteen)-day time prescribed above.

UNDERTAKINGS BY OUR COMPANY

We undertake the following:

- that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily. The Company has authorized the Company Secretary and Compliance Officer to redress all complaints, if any, of the investors participating in the Issue;

- that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of the basis of Allotment;

- that the Company shall apply in advance for the listing of Equity Shares;

- that the funds required for dispatch of refund orders or allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;

- that the Equity Shares are free and clear of all liens or encumbrances and shall be allotted to the successful Bidders within the specified time;

- that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Bid/ Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- that adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalizing the basis of allotment;

- that the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time; and

- that no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.

The Company shall not have recourse to the Issue proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Utilisation of Issue proceeds

Our Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;

- details of all monies utilised out of Issue shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised;

- details of all unutilised monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilised monies have been invested;

- the Company shall comply with the requirements of Clause 49 of the Listing Agreement in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

The Company shall not have recourse to the proceeds of the Issue until the final listing and trading approvals from all the Stock Exchanges have been obtained.

Withdrawal of the Issue

Our Company, in consultation with the BRLM reserves the right not to proceed with the Issue at anytime, including after the Bid/Issue Closing Date but before the Board meeting for Allotment, and if so, the reason thereof shall be given as a public notice, in two national newspapers (one each in English and Hindi) and in one local newspaper. The Stock Exchanges shall also be informed promptly. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which the Company shall apply for after Allotment.

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

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

As per the provisions of Section 68B of the Companies Act, the allotment of Equity Shares in this Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among the Company, the respective Depositories and the Registrar to the Issue:

a) Agreement dated [•], 2009 with NSDL, the Company and the Registrar to the Issue;

b) Agreement dated [•], 2009 with CDSL, the Company and the Registrar to the Issue.

All Bidders can seek allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.

b) The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.

c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder

d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.

g) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

h) The trading of the Equity Shares of the Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

i) Non-transferable allotment advice or refund orders will be directly sent to the Bidders by the Registrar to the Issue.

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

ANCHOR INVESTOR PORTION

The Company may consider participation by Anchor Investor in the Issue for up to [●] Equity Shares in accordance with the applicable SEBI (ICDR) Regulations. The Anchor Investor Bid/Issue Period shall be one day prior to the Bid/Issue Opening Date. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor category. In accordance with the SEBI (ICDR) Regulations, the key terms for participation in the Anchor Investor Portion are as follows:

a) Anchor Investors shall be QIBs as defined in the SEBI (ICDR) Regulations.
b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds Rs. 100 million and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than 30% of the QIB Portion.
c) One-third of the Anchor Investor Portion shall be reserved for allocation to domestic mutual funds.
d) The Bidding for Anchor Investors shall open one day before the Bid/Issue Opening Date and shall be completed on the same day.
e) The Company, in consultation with the BRLM, shall finalise Allocation to the Anchor Investors on a discretionary basis, subject to compliance with requirements regarding minimum number of allottees.
f) The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLM before the Bid/Issue Opening Date.
g) Anchor Investors shall pay Anchor Investor Margin Amount representing 25% on the Bid Amount at the time of submission of the Bid. Any difference between the amount payable by the Anchor Investor for Equity Shares Allocated and the Anchor Investor Margin Amount paid at the time of Bidding, shall be payable by the Anchor Investor within two days of the Bid/ Issue Closing Date.
h) In case the Issue Price is greater than the price at which Equity Shares are allocated to Anchor Investors, the additional amount being the difference between the Issue Price and the price at which Equity Shares were allocated to the Anchor Investors shall be paid by the Anchor Investors. In the event the Issue Price is lower than the price at which Equity Shares are allocated to Anchor Investors,

the allotment to Anchor Investors shall be at the higher price i.e. the price at which Equity Shares were allocated under the Anchor Investor Portion.

i) The Equity Shares allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of allotment in the Issue.
j) The BRLM or any person related to the BRLM / Promoters/Promoter Group shall not participate in the Anchor Investor Portion.
k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
l) The payment instruments for payment into the Escrow Account should be drawn in favour of:
   - In case of Resident Anchor Investors: "Mittal Corp – Escrow Account – Anchor Investor"
   - In case of Non-Resident Anchor Investor: "Mittal Corp – Escrow Account – Anchor Investor - NR"

The Draft Red Herring Prospectus, in so far as it relates to terms of the Issue should be read in conjunction with the aforestated paragraphs, to the extent applicable.

ISSUE PROCEDURE FOR ASBA BIDDERS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.
The list of banks who have been notified by SEBI to act as SCSB for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI link.

ASBA Process

An ASBA Bidder shall submit his Bid through an ASBA Bid cum Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Bidder or bank account utilised by the ASBA Bidder ("**ASBA Account**") is maintained. The SCSB shall block an amount equal to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form, physical or electronic, on the basis of an authorisation to this effect given by the account holder at the time of submitting the Bid. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchanges. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Bidders to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the BRLM.

ASBA Bid cum Application Form

ASBA Bidders shall use the ASBA Bid cum Application Form bearing the code of the Syndicate Member and/or the Designated Branch of SCSB, as the case may be, for the purpose of making a Bid in terms of the Red Herring Prospectus. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Bid cum Application form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA account held with SCSB, and accordingly registering such Bids. The ASBA Bidders can submit only one Bid option in the ASBA Bid cum Application Form which shall be at Cut-off Price.

Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the Designated Branch of the SCSB, the ASBA Bidder is deemed to have authorized our Company to make the necessary changes in the Draft Red Herring

Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed colour of the ASBA Bid cum Application Form shall be green.

Who can Bid?

In accordance with the SEBI (ICDR) Regulations, all Bidders except QIBs can submit their application through ASBA process to Bid for the Equity Shares of our Company.

Information for the ASBA Bidders:

(a) The BRLM shall ensure that adequate arrangements are made to circulate copies of the Draft Red Herring Prospectus and ASBA Bid cum Application Form to the SCSBs and the SCSBs will then make available such copies to investors applying under the ASBA process. Additionally, the BRLM shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the ASBA Bid cum Application Form. SCSBs shall make the same available on their websites.

(b) ASBA Bidders, under the ASBA process, who would like to obtain the Draft Red Herring Prospectus and/or the ASBA Bid cum Application Form can obtain the same from the Designated Branches of the SCSBs or the BRLM. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid cum Application Form in electronic form on the websites of the SCSBs.

(c) The Bids should be submitted on the prescribed ASBA Bid cum Application Form if applied in physical mode. SCSBs may provide the electronic mode of Bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors.

(d) ASBA Bid cum Application Forms should bear the code of the Designated Branch of the SCSB.

(e) ASBA Bidders shall correctly mention the bank account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch.

(f) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

(g) ASBA Bidders shall correctly mention their DP ID and Client ID in the ASBA Bid cum Application Form. For the purpose of evaluating the validity of Bids, the demographic details of ASBA Bidders shall be derived from the DP ID and Client ID mentioned in the ASBA Bid cum Application Form.

(h) ASBA NRI Bidders shall not be allowed to revise their Bid and shall not Bid under any reserved category. correctly mark the column in the ASBA Bid cum Application Form indicating their intent to apply as NRI.

Method and Process of Bidding

(a) ASBA Bidders are required to submit their Bids, either in physical or electronic mode. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form shall submit their Bids either using the internet enabled bidding and banking facility of the SCSBs or such other electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors, and accordingly registering such Bids. Every Designated Branch of the SCSB shall accept Bids from all such investors who hold accounts with them and desire to place Bids through them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the SEBI (ICDR) Regulations and Red Herring Prospectus.

(b) The Designated Branches of the SCSBs shall give an acknowledgment specifying the application number to the ASBA Bidders as a proof of acceptance of the ASBA Bid cum Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares Bid for shall be Allocated to the ASBA Bidders.

(c) Each ASBA Bid cum Application Form will give the ASBA Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels" on page no. 181) 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 considered as multiple Bids. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

(d) An ASBA Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders and Bidders in the Employee Reservation Portion may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for Non-Institutional Bidders and such Bids from the Non-Institutional Bidders. ASBA Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band.

(e) Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

(f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.

(g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA Bid cum Application Form, if submitted in physical mode, or the Bid information submitted through the electronic mode made available by the SCSBs, as the case may be, into the electronic bidding system of the Stock Exchanges and generate a Transaction Registration Slip ("**TRS**"). The TRS shall be furnished to the ASBA Bidder on request.

(h) An ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form after bidding on one ASBA Bid cum Application Form, either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs or uploaded by the ASBA Bidder, as the case may be. Submission of a second ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form to either the same or to another Designated Branch of the SCSB will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the Allocation or Allotment of Equity Shares in this Issue.

Bidding

(a) The Price Band and the minimum Bid lot size for the Issue will be decided by the Company in consultation with the BRLM and advertised in two national newspapers (one each in English and Hindi) and in one local newspaper with wide circulation at least two working days prior to the Bid/Issue Opening Date.

(b) In accordance with the SEBI (ICDR) Regulations, our Company reserves the right to revise the Price Band during the Bidding Period. 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.

(c) In case of revision in the Price Band, the Bid/Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two national newspapers (one each in English and Hindi) and a local newspaper and also by indicating the change on the websites of the BRLM, SCSBs and at the terminals of the members of the Syndicate.

(d) Our Company in consultation with the BRLM, can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the ASBA Bidders.

(e) ASBA Bidders agree that they shall purchase the Equity Shares at any price within the Price Band. In the event the Bid Amount is higher than the subscription amount payable, the ASBA Account shall be unblocked to the extent to such excess of Bid Amount over the subscription amount payable.

(f) In case of an upward revision in the Price Band, announced as above, ASBA Bidders comprising the Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid, or (ii) shall place instructions to block additional amount 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 with the Designated Branch of SCSB 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 Portion in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or place such instructions and the Issue Price is higher than the cap of the Price Band prior to the revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that the no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price..

(g) In case of a downward revision in the Price Band, announced as above, ASBA Bidders comprising the Retail Individual Bidders and Bidders in the Employee Reservation Portion who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be unlocked from the ASBA Account.

(h) In case of an upward revision in the Price Band announced as above, Eligible Employees could either (i) revise their Bid or (ii) shall place instructions to block additional amount 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 with the Designated Branch of SCSB 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 rejected. If, however, the Eligible Employee does not either revise the Bid or place such restrictions and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from the Eligible Employee and the Eligible Employee is deemed to have approved such revised Bid at Cut-off Price.

Mode of Payment

Upon submission of an ASBA Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount, in the bank account maintained with the SCSB.

Bid Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Account, in terms of the SEBI (ICDR) Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Bid Amount, as per the ASBA Bid cum Application Form submitted by the respective ASBA Bidders, would be required to be blocked in the respective ASBA Accounts until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Electronic registration of Bids by SCSBs

(a) In case of ASBA Bid cum Application Forms, whether in physical or electronic mode, the Designated Branch of the SCSBs will register the Bids using the online facilities of the Stock Exchanges. SCSB shall not upload any ASBA Application Form in the electronic bidding system of the Stock Exchange(s) unless

 (i) it has received the ASBA Bid Cum Application Form in a physical or electronic form; and

 (ii) it has blocked the application money in the ASBA Account specified in the ASBA Bid Cum Application Form or has systems to ensure that Electronic ASBAs are accepted in the system only after blocking of application money in the relevant bank account opened with it.

(b) The Stock Exchanges offer a screen-based facility for registering Bids for the Issue which will be available on the terminals of Designated Branches during the Bid/Issue Period. The Designated Branches can also set up facilities for offline electronic registration of Bids subject to the condition that they will subsequently upload the offline data file into the online facilities for book building on a regular basis. On the Bid/Issue Closing Date, the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. ASBA Bidders are cautioned that high inflow of Bids typically received on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that are not uploaded may not be considered for allocation.

(c) The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be displayed online on the websites of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available on the websites of the Stock Exchanges during the Bidding Period.

(d) At the time of registering each Bid, the Designated Branches of the SCSBs shall enter the information pertaining to the investor into the online system, including the following details:

- Name of the Bidder(s);
- Application Number;
- Permanent Account Number;
- Number of Equity Shares Bid for in each Bid;
- Depository Participant identification No.;
- Client identification No. of the Bidder's beneficiary account; and
- Bid rate for each Bid.

In case of electronic ASBA, the ASBA Bidder shall himself fill in all the above mentioned details, except the application number which shall be system generated. The SCSBs shall thereafter upload all the above mentioned details in the electronic bidding system provided by the Stock Exchange(s).

(e) A system generated TRS will be given to the ASBA Bidder upon request as proof of the registration of the Bid. **It is the ASBA Bidder's responsibility to obtain the TRS from the Designated Branches of the SCSBs.** The registration of the Bid by the Designated Branch of the SCSB does not guarantee that the Equity Shares Bid for shall be Allocated to the ASBA Bidders.

(f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(g) It is to be distinctly understood that the permission given by the Stock Exchanges to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company or the BRLM or the Designated Branches of the SCSBs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of our Company, our management or any scheme of our Company.

(h) The SCSB may reject the ASBA Bid, if the ASBA Account maintained with the SCSB as mentioned in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Subsequent to the acceptance of the Bid by the Designated Branch, our Company would have a right to reject the Bids only on technical grounds.

(i) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. In case of discrepancy of data between the BSE or NSE and the Designated Branches of the SCSBs, the decision of the Registrar, based on the physical records of the ASBA Bid cum Application Forms shall be final and binding on all concerned.

Build up of the book and revision of Bids

(a) Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLM and the Stock Exchanges on a regular basis.

(c) During the Bidding/ Issue Period, any ASBA 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 ASBA Revision Form, which is a part of the ASBA Bid cum Application Form.

(d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the ASBA Revision Form. Apart from mentioning the revised options in the revision form, the ASBA Bidder must also mention the details of all the options in his or her ASBA Bid cum Application Form or earlier ASBA Revision Form. For example, if an ASBA Bidder has Bid for three options in the ASBA Bid cum Application Form and is changing only one of the options in the ASBA Revision Form, he must still fill the details of the other two options that are not being revised, in the ASBA Revision Form. The Designated Branches of the SCSB will not accept incomplete or inaccurate ASBA Revision Forms.

(e) The ASBA Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the ASBA Bidders will have to use the services of the Designated Branch of the SCSB through whom he or she had placed the original Bid.

(f) ASBA Bidders are advised to retain copies of the blank ASBA Revision Form and the revised Bid must be made only in such ASBA Revision Form or copies thereof.

(g) When an ASBA Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the Designated Branch of the SCSB. It is the responsibility of the ASBA Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

(h) The SCSBs shall provide aggregate information about the numbers of ASBA Bid cum Application Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue.

(i) Only Bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/ Allotment.

Bids and revisions of Bids must be:

(a) Made only in the prescribed ASBA Bid cum Application Form, which is white in colour if submitted in physical mode, or electronic mode.

(b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA Bid cum Application Form or in the ASBA Revision Form. Incomplete ASBA Bid cum Application Forms or ASBA Revision Forms are liable to be rejected.

(c) For ASBA Bidders comprising Retail Individual Bidders and Bidders in the Employee Reservation Portion, the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum Bid Amount of Rs. 100,000.

(d) For ASBA Bidders comprising Non-Institutional Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount is equal to or exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations.

(e) Bids by Non Residents, NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis shall be in the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs) or their nominees.

(f) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

(g) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Price Discovery and Allocation

After the Bid/Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process and which details are provided to them by the SCSBs with the Retail Individual Investor applied under the non ASBA process to determine the demand generated at different price levels. For further details, refer to the section titled "Issue Procedure" beginning on page no. 176 of this Draft Red Herring Prospectus.

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, Hindi national newspaper of wide circulation and a Local newspaper with wide circulation at the place where the registered office of the issuer is situated. 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 CAN

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches of the SCSBs, a list of the ASBA Bidders who have been allocated Equity Shares in the Issue. Investors should note that our Company shall endeavour to ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue; and

(b) The ASBA Bidders shall directly receive the CAN from the Registrar. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the ASBA Bidder.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalisation of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Bid, as the case may be.

Allotment of Equity Shares

(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 bank account of the ASBA Bidders to the ASBA Public Issue Account on the Designated Date, to the extent applicable, our Company would ensure the credit of the Allotted Equity Shares to the depository accounts of all successful ASBA Bidders' within two working days from the date of Allotment.

(b) As per the SEBI (ICDR) Regulations, Equity Shares will be issued, transferred and allotted only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares so Allotted, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

GENERAL INSTRUCTIONS

Do's:

(a) Check if you are a Retail Individual Bidder, an Eligible NRI or a Non-Institutional Bidder and eligible to Bid under ASBA process.

(b) Ensure that you use the ASBA Bid cum Application Form specified for the purposes of ASBA process.

(c) Read all the instructions carefully and complete the ASBA Bid cum Application Form (if the Bid is submitted in physical mode, the prescribed ASBA Bid cum Application Form is white in colour).

(d) Ensure that you have Bid within the Price Band.

(e) Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be allotted in dematerialised form only.

(f) Ensure that your Bid is submitted at a Designated Branch of an SCSB, with a branch of which the ASBA Bidder or a person whose bank account will be utilized by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to the Company or Registrar or BRLM to the Issue.

(g) Ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder.

(h) Ensure that you have mentioned the correct bank account numbers in the ASBA Bid cum Application Form.

(i) Ensure that you have funds equal to the number of Equity Shares Bid for at Cut-off Price available in the ASBA Account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB.

(j) Ensure that you have correctly checked the authorisation box in the ASBA Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in your ASBA Account maintained with a branch of the concerned SCSB.

(k) Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA Bid cum Application Form.

(l) Ensure that you have mentioned your Permanent Account Number ("**PAN**") allotted under the I.T. Act.

(m) Ensure that the name(s) and PAN given in the ASBA Bid cum Application Form is exactly the same as the name(s) and PAN in which the beneficiary account is held with the Depository Participant. In case the ASBA Bid is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the ASBA Bid cum Application Form.

(n) Ensure that the Demographic Details are updated, true and correct, in all respects.

(o) Ensure that, in case of revision of price band, the bids are revised to keep the Bid Amount is up to Rs.100,000 in case of Retail Individual Investors and more than Rs 100,000 in case of Non Institutional Investors for allotment in the same category as per the original bid form.

Don'ts:

(a) Do not submit an ASBA Bid if you are not a a QIB.

(b) Do not Bid for lower than the minimum Bid size.

(c) Do not Bid on another ASBA or Non-ASBA Bid cum Application Form after you have submitted a Bid to a Designated Branch of the SCSB.

(d) Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSBs, shall not be accepted under the ASBA process.

(e) Do not send your physical ASBA Bid cum Application Form by post; instead submit the same to a Designated Branch of the SCSB only.

(f) Do not submit the GIR number instead of the PAN Number.

(g) Do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process.

ASBA Bidder's depository account and bank details

ALL ASBA BIDDERS SHALL RECEIVE THE EQUITY SHARES ALLOTTED TO THEM IN DEMATERIALISED FORM. ALL ASBA BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, BENEFICIARY ACCOUNT NUMBER AND PAN IN THE ASBA BID CUM APPLICATION FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME GIVEN IN THE ASBA BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, PAN IN THE ASBA BID CUM APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED WITH THE DEPOSITORY PARTICIPANT. IN CASE THE ASBA BID CUM APPLICATION FORM IS

SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE ASBA BID CUM APPLICATION FORM.

ASBA Bidders should note that on the basis of name of the ASBA Bidders, PAN, Depository Participant's name and identification number and beneficiary account number provided by them in the ASBA Bid cum Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the ASBA Bidders including address, ("Demographic Details"). Hence, ASBA Bidders should carefully fill in their Depository Account details in the ASBA Bid cum Application Form.

As these Demographic Details would be used for all correspondence with the ASBA Bidders they are advised to update their Demographic Details as provided to their Depository Participants.

By signing the ASBA Bid cum Application Form, the ASBA Bidder is deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

CAN/Allocation advice and letters intimating unblocking of bank account of the respective ASBA Bidder would be mailed at the address of the ASBA Bidder as per the Demographic Details received from the Depositories. ASBA Bidders may note that delivery of CAN/Allocation advice or letters intimating unblocking of bank account may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Note that any such delay shall be at the sole risk of the ASBA Bidders and neither of the Designated Branches of the SCSBs, the members of the Syndicate, or the Company shall be liable to compensate the ASBA Bidder for any losses caused to the ASBA Bidder due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the ASBA Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such Bids are liable to be rejected.

ASBA Bidders are required to ensure that the beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

Payment mechanism under ASBA

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the application money in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount.

In the event of withdrawal or rejection of Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the Controlling Branch of the SCSB to unblock the application money in the relevant bank account. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

ASBA Bids under Power of Attorney

In case of ASBA Bids made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the ASBA Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject such ASBA Bids.

Our Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Bid cum Application Form, subject to such terms and conditions that we, in consultation with the BRLM may deem fit.

OTHER INSTRUCTIONS

Withdrawal of ASBA Bids

In case an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bid/Issue Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall do the necessary, including deletion of details of the withdrawn ASBA Bid Cum Application Form from the electronic bidding system of the Stock Exchange(s) and unblocking of funds in the relevant bank account.

In case an ASBA Bidder wants to withdraw the ASBA cum Application Form after the Bid/ Issue Closing date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalisation of Basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB on finalisation of the Basis of Allotment.

Joint ASBA Bids

ASBA Bids may be made in single or joint names (not more than three). In case of joint ASBA Bids, all communication will be addressed to the first Bidder and will be dispatched to his address.

Multiple ASBA Bids

An ASBA Bidder should submit only one Bid for the total number of Equity Shares desired. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are described in “**Issue Procedure - Multiple Bids**” on page no. 190 of this Draft Red Herring Prospectus.

Permanent Account Number

For details, see “**Permanent Account Number or PAN**” on page no. 191 of this Draft Red Herring Prospectus.

Right to Reject ASBA Bids

The Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder’s bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder’s bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds.

Further, in case any DP ID, Client ID or PAN mentioned in the ASBA Bid cum Application Form does not match with one available in the Depository Participant’s database, such ASBA Bid shall be rejected by the Registrar to the Issue.

GROUNDS FOR TECHNICAL REJECTIONS UNDER THE ASBA PROCESS

In addition to the grounds listed under “**Grounds for Technical Rejections**” on page no. 191 of this Draft Red Herring Prospectus, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Amount mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of Equity Shares Bid for;

2. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;

3. Multiple Bids as defined in this Draft Red Herring Prospectus;

4. ASBA Bid cum Application Form does not have the Bidder‘s depository account details;

5. Bid made by QIBs;

6. Bids by US persons other than in reliance on Regulation S;

7. Bids for lower number of Equity Shares than specified for that category of investors;

8. Bids at a price less than lower end of the Price Band;

9. Bids at a price more than the higher end of the Price Band;

10. Bids at Cut Off Price by Non-Institutional Bidders;

11. Bids or revisions thereof by Non Institutional Bidders uploaded after 4.00 pm on the Bid/ Issue Closing Date;

12. Authorisation for blocking funds in the ASBA Bidder's bank account not ticked or provided;

13. ASBA Bids accompanied by stockinvest/ money order/ postal order/ cash;

14. Signature of sole and/or joint Bidders missing in case of ASBA Bid cum Application Forms submitted in physical mode;

15. ASBA Bid cum Application Form does not have the stamp of the SCSB and/or a member of the Syndicate;

16. ASBA Bid cum Application Form is not delivered, either in physical or electronic form, by the Bidder within the time prescribed and as per the instructions provided in the ASBA Bid cum Application Form and the Draft Red Herring Prospectus;

17. 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 DP ID and the beneficiary account number; and

18. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the ASBA Account.

Bidders are advised that ASBA Bids not uploaded in the electronic book of the Stock Exchanges, due to any of the grounds mentioned above, would be rejected.

COMMUNICATIONS

All future communication in connection with ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first ASBA Bidder, ASBA Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA Bid cum Application Form, name and address of the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, bank account number in which the amount equivalent to the Bid Amount was blocked and a copy of the acknowledgement slip. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or wilful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the BRLM, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI (ICDR) Regulations.

ASBA Investors can contact the Compliance Officer, the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, or the Registrar to the Issue in case of any pre- or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, unblocking of excess Bid Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the ASBA Bid cum Application Form was submitted by the ASBA Bidders.

Impersonation

For details, see section titled "**Issue Procedure- Impersonation**" on page no. 193 of this Draft Red Herring Prospectus.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY IN INSTRUCTIONS TO SCSBs BY THE REGISTRAR TO THE ISSUE

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI (ICDR) Regulations, the Company undertakes that:

- Allotment and transfer shall be made only in dematerialised form within 15 days from the Bid/Issue Closing Date;
- Instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 15 days from the Bid/Issue Closing Date; and
- If the instructions to SCSBs to unblock funds in the ASBA accounts are not given within 8 days after our Company becomes liable to repay all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus, i.e. within 7 days from the Bid/Issue Closing Date, then the Company and every Director of the Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

Basis of Allocation

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA and non-ASBA Bidders will be that applicable to the Retail Individual Bidders and the Non-Institutional Bidders. For details, see section "**Issue Procedure- Basis of Allotment**" on page no. 195 of this Draft Red Herring Prospectus.

Method of Proportionate basis of allocation in the Issue

ASBA Bidders, along with non-ASBA Bidders, will be categorised as Retail Individual Bidders and the Non-Institutional Bidders. No preference shall be given vis-à-vis ASBA and non-ASBA Bidders.

Undertaking by our Company

In addition to our undertakings described under "**Issue Procedure - Undertaking by our Company**", with respect to the ASBA Bidders, the Company undertakes that adequate arrangement shall be made to consider ASBA Bidders similar to other Bidders while finalizing the basis of allotment

Utilisation of Issue Proceeds

Our Board has provided certain certifications with respect to the utilization of Issue Proceeds. For details, see "**Issue Procedure- Utilisation of Issue Proceeds**" on page no. 203 of this Draft Red Herring Prospectus.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy of the GoI, as notified through press notes and press releases issued from time to time, and FEMA and circulars and notifications issued thereunder. 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 up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures and reporting requirements for making such investment. The government bodies responsible for granting foreign investment approvals are the Foreign Investment Promotion Board of the Government of India ("FIPB") and the RBI.

Currently, the Industrial Policy and FEMA stipulate that investments by persons resident outside India in companies in the sector that we operate is under the automatic route up to 100% of the outstanding capital of the company.

However, it may be distinctly understood that there is no reservation for FIIs, NRIs or OCBs and in view of the SEBI Guidelines, the allotment and/or transfer of shares to FIIs, NRIs or OCBs would be made in the manner detailed in "Terms of the Issue" on page no. 169 of this Draft Red Herring Prospectus.

Investment by Non-Resident Indians

A variety of special facilities for making investments in India in shares of Indian companies is available to individuals of Indian nationality or origin residing outside India ("**NRIs**"). These facilities permit NRIs to make portfolio investments in shares and other securities of Indian companies on a basis not generally available to foreign investors. Under the portfolio investment scheme, NRIs are permitted to purchase and sell equity shares of a company through a registered broker on the stock exchanges. NRIs collectively should not own more than 10% of the post-offer paid up capital of the company. However, this limit may be increased to 24% if the shareholders of the company pass a special resolution to that effect. No single NRI may own more than 5% of the post-offer paid up capital of the company. NRI investment in foreign exchange is now fully repatriable whereas investments made in Indian Rupees through rupee accounts remain non-repatriable.

As per the RBI, Exchange Control Department Circular no. ADP (DIR Series) 13 dated November 29, 2001, OCBs are not permitted to invest under the portfolio investment scheme in India. However, OCBs would continue to be eligible for making foreign direct investment under FEMA and the regulations thereunder as per notification no. FEMA 20/20000 RB dated May 3, 2000. Also, OCBs can sell their existing shareholdings through a registered broker on the stock exchanges.

For restrictions on investments by Foreign Institutional Investors and Foreign Venture Capital Investors, see "Issue Procedure" on page no. 176 of this Draft Red Herring Prospectus.

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of the Company.

CAPITAL

1. The Authorised Share Capital of the Company is Rs. 60,00,00,000/- (Rupees Sixty Crores only) divided into 6,00,00,000 (Six Crores Only) Equity Shares of Rs.10/-(Ten only) each with a power to increase or reduce the share capital of the Company and to divide the shares in the capital for the time being into several classes and to attach preferential, cumulative convertible preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association..

ISSUE OF PREFERENCE SHARES

2. Subject to the provisions of Section 80, any preference shares may, with the sanction of the members in general meeting be issued on such terms that they may decide.

REDUCTION OF SHARE CAPITAL

3. The Company may, by special resolution, reduce in any manner and with, subject to, any incident authorized and consent required by law:

    a) Its share capital

    b) Any capital redemption reserve account or

    c) Any share premium account

ALTERTION AND CONSOLIDATION OF CAPITAL

4. The Company may from time to time but subject to the provisions of Section 94 of the Act, alter the conditions of its Memorandum as follows:-

    a) Increase its share capital by such amount as it thinks expedient by issuing new shares:

    b) Consolidate and divide all or any of its share capital into shares or larger amount than its existing shares;

    c) Convert all or any of its fully paid up shares in to stock, and reconvert that stock into fully paid up shares of any denominations:

    d) Sub-divide its shares, or any of them, in to shares of smaller amount than is fixed by memorandum, so however, that in the sub-division the proportion between the amount if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced shares are derived.

    e) Cancel any shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of shares so cancelled.

    f) The resolutions where by any share is subdivided may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantages as regards dividend, capital, voting or otherwise over or as compared with the others.

VOTING RIGHTS OF MEMBERS

5. 1) Every member holding any equity shares shall have a right to vote in respect, of such shares on every resolution placed before the meeting. On a show of hands every such member present in person shall have one vote. On a poll, his voting right in respect on his equity shares shall be in proportion to his share of the paid up capital in respect of the equity shares.

   2) In the event of the company issuing any preference shares the holders of such preference shares shall have the voting rights set out in that behalf in Section 87 of the Act.

BUY-BACK OF SECURITIES

6. Power of the Company to purchase its own securities.

   Notwithstanding anything contained in these Articles but subject to the provisions of section 77 A and 77B of the Act the Company may purchase its own securities or other specified securities (hereinafter referred to as Buy-back) out of.

   a) Its Free Reserves: or
   b) The Securities premium Account; or
   c) The proceeds of any shares, or other specified securities.

   In accordance with provision of section 77A and 77B of the Act and rules prescribed the central Government or by securities and Exchange Board of India in this behalf.

COMMISSION FOR PLACING SHARES, DEBENTURES ETC

7. 1) Subject to the provisions of Section 76 of the Act, the Company may on any Public Issue pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, debentures or debenture-stock of the Company but so that the statutory conditions and requirements shall be observed and complied with the amount of rate of commission shall not exceed five percent of the price at which the shares are issued and in case of debentures the rate of commission shall not exceed two and a half per cent of the price at which the debentures are issued.

   2) The Company may also, on any issue, pay such brokerage as may be lawful.

SHARES AND CERTIFICATES

8. Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in that company made for the first time after its formation, which ever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares, then the same shall be in accordance with provisions of Section 81.

SHARES AT THE DISPOSAL OF THE DIRECTORS

9. Subject to the provisions of the Act and these Articles, the board of directors may allot and issue shares in the capital of the Company in full payment or in part payment for any property or assets of any kind whatsoever sold, supplied or transferred, or for goods or machinery supplied or for services rendered to the Company in connection with the formation or promotion of the Company or the conduct of its business, and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if issued, shall be deemed to be fully paid up or partly paid up shares, as the case may be.

RIGHTS TO CERTIFICATE

10. Every person whose name is entered as a member in the Register shall be entitled to receive without payment;

a) One certificate for all his shares: or

b) Where the shares so allotted at any one time exceed the number of shares fixed as marketable lot in accordance with the usages of the stock exchange or at the request of the shareholder, several certificates on each per marketable lot and one for the balance.

11. The company shall within two months after the allotment or within one month after application for the registration of the transfer of any share or debentures complete and have ready for delivery, the certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares or debentures otherwise provide.

    i. Every certificate shall be under the seal and shall specify the number and distinctive number of shares to which it relates and the amount paid up thereon and shall be in such form as the Directors may prescribe and approve

    ii. The provisions of clauses (2) & (3) above shall apply mutatis mutandis to debentures and debenture stock allotted or transferred.

    iii. No fee shall be charged for the issue of a new share certificate either for sub-division of the existing share certificates or for the consolidation of several share certificates into one or for issue of fresh share certificates in lieu of share certificates on the back of which there is no space for endorsement for transfer or for registration of any probate, letters of Administration, Succession certificate or like document, or for registration of any power of Attorney or other similar documents.

    iv. The Company shall observe such rules and conditions as may be prescribed by the Government or required by the Stock Exchanges on which the shares are listed, for renewal of Share Certificates or issue of duplicate Share Certificates.

RENEWAL OF CERTIFICATE

12. If any certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ***Rs.2/-*** for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the directors shall comply with such rules or regulations or requirements of any stock exchanges or rules made under the Act or rules made under Securities Contracts (Regulations) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall mutatis mutandis apply to debentures of the Company.

BOARD'S RIGHT TO REFUSE TO REGISTER

13. 1) Subject to the provisions of Section 111A of the Act, and other applicable provisions of the Act or any other law for the time being in force, the Board may at any time in their absolute discretion and without assigning any reasons decline to register any transfer of or transmission by operation of law of the right to a share, whether fully paid up or not and whether the transferee is a member of the company or not and may also decline to register any transfer of shares on which the company has a lien. Provided further that the registration of transfer shall not be refused on the ground of the transferor being alone or either jointly with any other person or persons indebted to the company on any account except a lien on the shares.

    2) If the Board refuses to register any transfer or transmission of right, they shall within 1 month from the date on which the instrument of transfer or the intimation of such transmission was delivered to the company send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be.

3) In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by section 111 of the Act.

4) The Provisions of this clause shall apply to transfers of stock also.

FURTHER RIGHT OF BOARD OF DIRECTORS TO REFUSE TO REGISTER

14. The Board of Directors may also decline to recognise any instrument of transfer unless.

    a) The instrument of transfer is accompanied by the certificate of shares to which it relates and such other evidence as the Board of Directors may reasonably require to show the right of transfer to make the transfer and

    b) The instrument of transfer is in respect of only one class of shares.

FORM OR INSTRUMENT OF TRANSFER

15. The instrument of transfer of any physical shares in the company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof. The instrument of transfer shall be in respect of only one class of shares and should be in the form prescribed under Section 108 of the Act.

FEES FOR TRANSFER

16. No fee shall be charged for registration of transfer of shares and debentures, or for transmission of shares and debentures.

PAYMENT ON CALL IN ADVANCE

17. 1) The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

    2) The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

    3) The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

CALLS ON SHARES

18. Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time make such calls as they; think 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 date, time and place or at the dates, times and places appointed by the Board of Directors.

CALL WHEN DEEMED TO BE MADE

19. The Board of Directors may, when making a call by resolution determine the date on which such call shall be deemed to have been made not been earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no

such date is fixed the call shall be deemed to have been made on the date on which the resolution of the Board making the call was passed.

NOTICE FOR CALL

20. Not less than thirty days notice of any call shall be given specifying the date, time and place of payment provided that before the time for payment of such call, the Directors may, by Notice writing to the members, extend the time for payment thereof.

SUMS PAYABLE AT FIXED DATE TO BE TREATED AS CALLS

21. If by the terms of issue of any share or otherwise any amount is made payable at any fixed date or by instalments at fixed dates whether on account of nominal value of share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.

CALLS TO CARRY INTEREST

22. 1) If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay; interest upon the sum at such rate not exceeding six percent per annum as may be fixed by the Board of Directors from the day appointed for the payment thereof to the time of the actual payment, but the Board of Directors shall be at liberty to waive payment of that interest wholly or in part.

    2) The provisions of this Article as to payment of interest 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 date. Whether on account of the amount of the share or by way of premium, as if the same had became payable by virtue of a call duly made and notified.

FORFEITURE OF SHARES

23. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day named, the shares in respect of which the call was made will be liable to be forfeited.

24. If the requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made, be forfeited by a Resolution of the Board of Directors to that effect.

25. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board of Directors may think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Board of directors may think fit.

26. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding remain liable to pay and shall forthwith pay to the Company all moneys which at the date of forfeiture were presently payable by him to 1he Company in respect of the shares, but his liability shall cease if and when the Company receives payment in full of the nominal amount of shares

27. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on the 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 that declaration and receipt of the Company for the consideration, given for the shares on the sale or disposition thereof, shall constitute a good title to the share, and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money nor shall his title to the share be affected by way of any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

COMPANY'S LIEN ON SHARES/DEBENTURES

28. The company shall have a first and paramount lien upon all the shares/debentures (Other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempted from the provisions of this clause.

SHARE WARRANTS

29. 1) The company may issue share warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly, the Board may in their discretion, with respect to any share registered as fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence, if any, as the Board may, from time to time, required as to the identity of the person signing the application, and on receiving the certificate if any of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time prescribe, issue a share warrant and may provide by coupons or otherwise for the payments of the future dividends on the shares specified in the share warrant.

    2) A share warrant shall entitle the bearer to the shares included in (1) above and the shares shall be transferred by the delivery of the share warrant and the provisions of the Articles of the company with respect to transfer and transmission of shares shall not apply thereto.

    3) The bearer of a share warrant shall on surrender of the warrant to the company for cancellation and on payment of such fee as the Board may from time to time prescribe, be entitled to have his name entered as a member in the register of members in respect of the shares included in the warrant.

BORROWING

30. The Board of Directors may from time to time but with such consent of the company in General Meeting as may be required under Section 293 raise any moneys or sums of money for the purpose of the company, provided that the moneys to be borrowed by the company apart from temporary loans obtained from the company's bankers in the ordinary course of business shall not without the sanction of the company at a general meeting exceed the aggregate of the paid up capital of the company at its free reserves, that is to say reserves not set apart for any specific purpose and in particular, but subject to the provisions of the Sections 292 of the Act, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the company, by the issue of debentures perpetual or otherwise, including debentures convertible into shares of this or any other company or perpetual annuities and in security of any such money so borrowed, raised, or received, mortgage. Pledge or charge the whole or any part of the property, assets or revenue of the company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities;

    Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the powers to borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

31. The Directors may by a resolution at a meeting of the Board delegate the above powers to borrow money otherwise than on debentures to a Committee of Directors or the managing Director if any, within the limits prescribed.

32. Subject to the provisions of the above sub-clause, the Directors may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose

of the Company, at such time and in such manner and upon such terms and conditions in all respects as they think fit, and in particular by promissory notes or by opening current accounts or by receiving deposits and advances with or without security, or by the issue of bonds, perpetual or redeemable debentures or debenture-stock of the company (both present and future) including its un called capital for the time being, or by mortgaging or charging or pledging any lands, buildings, goods or other property and securities of the Company, or by such other means as to them may seem expedient.

DIRECTORS AND OFFICERS

Number of Directors

33. Unless otherwise determined by a general Meeting, the number of directors shall not be less than three (3) and not more than twelve (12) including all kind of directors but excluding alternative directors.

Share qualification not necessary

34. Any person whether member of the company or not may be appointed as a Director and no qualification by way of holding share shall be required of any Director.

Additional Directors

35. The Board of Directors shall have power at anytime, and from time to time, to appoint one or more persons as additional Directors, provided that the number Directors and additional Directors together shall not exceed the maximum number fixed. Any additional Director so appointed shall hold office upto the date of the next annual general meeting, but he shall be eligible for election by the Company at that meeting.

Alternate Directors

36. The Board of Directors may appoint an alternate Director to act for a Director (hereinafter called the original Director) during the absence of the original Director for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An alternate Director so appointed shall vacate office if and when the office of original Director is determined before he so returns to the State aforesaid, any provision for the automatic reappointment of retiring Director in default of another appointment shall apply to the original, and not to the alternate Director.

Nominee Directors

37. At the option of the corporation, such corporation Director/s shall not be required to hold any share qualification in the company. Also at the option of the corporation, such corporation Director/s shall not be liable to retirement by rotation of Directors, subject as aforesaid, the corporation Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other, Director of the company.

Rotation Of Directors

38. Not less than two thirds of the total number of the directors of the company for the time being holding office shall be directors whose period of office is liable to be determined, by retirement by rotation and who shall be appointed by the Company in General Meeting.

39. At each Annual General Meeting of the Company one third of such of the directors as are liable to retire by rotation for the time being of if their number in not three or multiple of three, then the number nearest to one third shall retire from office. An Additional Director appointed by the Board shall not be liable to retire by rotation within the meaning of this Article.

40. A retiring director shall be eligible for re-election and the Company at the Annual General Meeting at which a director retires in the manner aforesaid may fill up the vacated office by electing a person thereto.

41. The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became director on the some day, those to retire shall unless they otherwise agree among themselves be determined by lot.

42. Subject to the provisions of Section 256 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating director is not filled up and the meeting has not expressly resolved not to fill up the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place, and if at the adjourned meeting the place of retiring directors is not filed up and that meeting has also not expressly resolved not to fill up the vacancy then the retiring directors or such of them as have not had their places filed up shall be deemed to have been reappointed at the adjourned meeting.

43. Subject to the provisions of Section 284 of the Act, the company may by an ordinary resolution in General Meeting remove any director before the expiration of his period of office, and may by an ordinary resolution appoint another person instead the person so appointed shall be subject to retirement at the time as if he has become a director on the day on which the director in whose place he is appointed was last elected as director.

44. A person not being a retiring director shall be eligible for appointment to the office of a director at any General Meeting if he or some other member intending to propose him as a director not less than 14 days before the meeting has left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the director or the intention of such member to propose him as a candidate for the office as the case may be, along with a deposit of such sum provided in the Act which shall be refunded to such person or as the case may be to such member, if the person succeeds in getting elected as director.

Casual Vacancy

45. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, and the person so appointed shall hold office upto the date which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

Remuneration Of Directors

46. Each Director of the Company shall be entitled to receive out of the funds of the company for his services in attending meetings of the Board, such maximum amount as is permissible be paid to the Director as sitting fees under the provisions of the Act.

MEETING OF THE BOARD

47. The Board of Directors shall meet at least once in every three calendar months for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it think fit provided that at least four such meetings shall be held in every year.

How to convene

48. The Managing Director may at any time summon a meeting of the Board and the Managing Director or a Secretary on the requisition of a Director shall at any time summon a meeting of the Board, Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director.

Quorum

49. The quorum for a meeting of the Board shall be one-third of the total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher provided that where at any time the number of interested Directors is equal to or exceeds two third of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at that time.

Validity of acts done by a board or a committee

50. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a Director shall not withstanding that it may be afterwards 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 be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

Resolution by circulation

51. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the directors or to all the members of the committee then in India, not being less in number than the quorum fixed for the meeting of the Board or the committee, as the case may be, and to all other Directors or members at their usual addresses in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

Chairman of board and general meeting

52. The office of Chairman shall be held by Mr. Karan Mittal or any other person as may be nominated by the Board. The Chairman shall be entitled to Chair at all meetings of the Board or committee thereof and at all general meetings of the Company.

Powers to delegate to committee

53. Subject to provisions of Section 292 of the Act, and other provisions of the Act, the Board may delegate from time to time and at any time to a committee formed out of the directors all or any of the powers authorities and discretions for the time being vested in the Board and any such delegations may be made on such terms and subject to such conditions as the Board may think fit.

SPECIFIC POWERS OF DIRECTORS

54. Without prejudice to the generality of the foregoing, it is hereby expressly declared that the Directors shall have the following powers, that is to say, power:

    1) To carry on and transact the several kinds of business specified in Clause III of the Memorandum of Association of the company.

    2) To draw, accept, endorse, discount, negotiate and discharge on behalf of the company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, government promissory notes, other government instruments, bonds, debentures or debenture stocks of corporation, local bodies, port trusts, improvement trusts or other corporate bodies and to execute transfer deeds for transferring stocks, shares or stock certificates of the government and other local or corporate bodies in connection with any business or any subject of the company.

    3.) At their discretion, to pay for any property rights or privileges acquired by or services rendered to the company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any such bonds, debentures or other securities may be either specifically charged upon all or any of the property of the company or not so charged.

4.) To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisors, accountants, cashiers agents, commission agents, dealers, brokers, foremen, servants, employees of every description and to employ such professional or technical or skilled assistants as from time to time may in their option be necessary or advisable in the interest of the company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as the Directors think fit.

5.) To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof, subject to the provisions of the Act in relation to reduction of capital.

6.) To secure the fulfillment of any contracts or agreements entered into by the company by mortgage or charge of all or any of the property of the company or in such other manner as they may think fit.

7.) To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the company or its officers or otherwise concerning the affairs of the company and also to compound or compromise or subject to arbitration the same actions, Suits and legal proceedings.

8.) To make and give receipts, releases and other discharges for money payable to the company and for the claims and demands of the company.

9.) To determine who shall be entitled to sign on the company's behalf bills of exchange, pro notes, dividend warrants, cheques and other negotiable instruments, receipts, acceptance endorsements, releases, contracts, deeds and documents.

10). From time to time to regulate the affairs of the company abroad in such manner as they think fit and in particular to appoint any person to be the attorneys or agents of the company either abroad or in India with such powers including power to sub-delegate and upon such terms as may be thought fit.

11). To invest and deal with any moneys of the company not immediately required for the purposes thereof upon such securities as they think fit.

12.) To execute in the name and on behalf of the company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the company such mortgages the company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, convenience and provisions as shall be agreed upon.

13). To give to any person employed by the company a commission on the profits, of any particular business or transactions, or a share in the general profits of the company, and such commission or such share of profits shall be treated as part of the working expenses of the company.

14). From time to time to make, very and repeal bye-laws for the regulations or the business of the company, its officers and servants.

15). To enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the company.

16). To pay gratuities, bonus, rewards, presents and gifts to employees or dependents of any deceased employees to charitable institutions or purposes, to subscribe for provident funds and other associations for the benefit of the employees.

MANAGING DIRECTORS/WHOLE-TIME DIRECTORS

Appointment of Managing Directors/Whole Time Directors

55. a) The Board may from time to time with such sanction of the Central Government as may be required by law, appoint one or more persons to the office of the Managing Director or Managing Directors or whole time director(s).

    b) The Directors may from time to time resolve that there shall be either one or more Managing Directors or whole time Directors.

    c) In the event of any vacancy arising in the office of a Managing Director or whole time Director. If the Directors resolve to increase the number of Managing Directors or whole time Directors, the vacancy shall be filled by the Board of Directors and the Managing Director or whole time Director so appointed shall hold the office for such period as the Board of Directors may fix and approved by the central Government.

    d) If a Managing Director or whole time Director ceases to hold office as Director, he shall ipso facto and immediately cease to be a Managing Director/whole time Director.

    e) The Managing Director or whole time Director shall not be liable to retirement by rotation as long as he holds office as Managing Director or whole time Director.

Powers and duties of managing director or wholetime director

56. The Managing Director / whole time Director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors as they may think fit and confer such powers for such time and to be exercised for such objects, purposes and upon such terms and conditions and with such restrictions as they may think expedient and they may from time to time revoke, withdraw, alter or vary all or any of such powers. The Managing Directors /whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

Remuneration of managing directors/wholetime directors

57. Subject to the provisions of the Act and subject to such sanction of the Central Government as may be required for the purpose, the Managing Directors/whole time Directors shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the company in General Meeting may from time to time determine.

Business to be carried on by managing director/wholetime director

58. 1) The Managing Director/whole time Director shall have subject to the supervision control and discretions of the Board, the management of the whole of the business of the company and of all its affairs and shall exercise all powers and perform all duties in relation to the management of the affairs and transactions of the company, except such powers and such duties as are required by law or by these presents to be exercised or done by the company in General Meeting or by the Board of Directors and also subject to such conditions or restrictions, imposed by the companies Act or by these presents.

    2) Without prejudice to the generality of the foregoing and subject to the supervision and control of the Board of Directors, the business of the company shall be carried on by the Managing Director/whole time Director and he shall have and exercise all the powers set out in Article 131 above, except those which are by the law or by these presents or by any resolution of the Board required to be done by the company in General Meeting or by the Board.

SECRETARY

59. The Board shall have power to appoint as the Secretary a person possessing the prescribed qualifications and fit in their opinion for the said office for such period and on such terms and

conditions as regards remuneration and otherwise as they may determine. The Secretary shall have such powers and duties as may, from time to time be delegated or entrusted to him by the Directors.

ANNUAL GENERAL MEETING

60. The company shall in addition to other meetings hold a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions specified below:

a) The first Annual General Meeting of the company shall be held within eighteen months of its incorporation subject to Section 210 (3) of the Act.

b) Thereafter an annual general meeting of the company shall be held once in every calendar year within 6 months after the expiry of each financial year, subject, however, to the power of the Registrar of companies to extend the time within which such a meeting can be held for a period not exceeding 3 months and subject thereto not more than fifteen months shall elapse from the date of one annual general meeting and that of the next.

c) Every annual general meeting shall be called for at a time during the business hours on a day that is not a public holiday and shall be held either at the registered office of the company or at some other place within the city, town or village in which the registered office of the company is situated.

d) Notice calling such meetings shall specify them as the annual general meetings.

e) All other meetings shall be referred to as extraordinary general meeting.

EXTRA-ORDINARY GENERAL MEETINGS

61. The Board of Directors may, whenever think fit, convene an Extraordinary general meeting at such time and at such place as they deem fit. Subject to such directions, if any, given by the board, the Managing Director or the Secretary may convene an Extra-ordinary General Meeting.

Extra-ordinary general meeting by requisition

62. a) The Board of Directors shall on the requisition of such number of members of the company as is specified below proceed duly to call an Extra-ordinary General meeting of the company and comply with the provisions of the Act in relation to meetings on requisition.

b) The requisition shall set out matters for consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the registered office of the company or send to the company by registered post addressed to the company at its registered office.

c) The requisition may consist of several documents like form, each signed by one or more requisitionists.

d) The number of members entitled to requisition a meeting with regard to any matter shall be such number of them as held at the date of the depositor dispatch to the registered office of the requisition, not less than 1/10 the of such of the paid up capital of the company as at that date carries the right of voting in regard to the matter set out in requisition.

e) If the Board of Directors do not, within twenty-one days from the date of deposit of requisition with regard to any matters, proceed duly to call a meeting for the consideration of those matters on a date not later than forty five days from the date of the deposit of the requisition the meeting may be called by the requisitionists themselves or such of the requisitionists as represent either majority in value of the paid up share capital held by ail of them or of not less than 1/10 the of such paid up capital of the company as is referred to in sub clause(d) above.

QUORUM

63. Five members personally present shall be a quorum for a general meeting and no business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business.

VOTING RIGHTS OF MEMBERS

64. 1) Every member holding any equity shares shall have a right to vote in respect, of such shares on every resolution placed before the meeting. On a show of hands every such member present in person shall have one vote. On a poll, his voting right in respect on his equity shares shall be in proportion to his share of the paid up capital in respect of the equity shares.

    2) In the event of the company issuing any preference shares the holders of such preference shares shall have the voting rights set out in that behalf in Section 87 of the Act.

VOTING RIGHTS OF JOINT HOLDERS

65. In the case of joint holders the vote of the first named of such joint holders who tender a vote whether in person or by proxy, shall be accepted to the exclusions of the votes of the other joint holders.

PROXY

66. On a poll, votes may be given either personally or by proxy.

67. Any member entitled to attend and vote at a meeting of the company shall be entitled to appoint any person whether a member or not as his proxy to attend and vote instead of himself, but the proxy so appointed shall not unless he is a member be entitled to vote except on a poll.

Instrument of proxy

68. 1) The instrument appointing a proxy shall be in writing under the hand of the appointed or of his attorney duly authorized in writing, or if the appointed is a corporation either under the common seal or under the hand of an officer or attorney so authorized. Any person may act as proxy whether he is a member or not.

    2) Corporate body (whether a Company within the meaning of the Act or not) may, if it is a member or a creditor or debenture holder of the Company, by the resolution of its Board of Directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting or any class of members of the Company or at any meeting of the creditors of the company held in pursuance of the provision contained in any Debenture or Trust Deed as the case may be. The person so authorize by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.

    3) So as an authorization under clause (2) above is in force, the power to appoint proxy shall be exercised only by the person so appointed as representative.

Proxy to be deposited at the office

69. The instrument appointing a proxy and the power of attorney if any, under which it is signed or a notarised certified copy of that instrument or power of attorney, shall be deposited at the registered office of the company not less than 48 hours before the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll in default of which the instrument of proxy shall not be treated as valid.

Validity of vote by proxy

70. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or the revocation proxy of or transfer of shares

in respect of which the proxy is appointed provided no intimation in writing of the death, revocation or transfer shall have been received at the registered office of the Company before the commencement of the meeting or adjourned meeting for which the proxy is appointed.

71. Every instrument appointing a proxy shall be retained by the company and shall be in either of the forms specified in Schedule IX of the Act or a form as near thereto as circumstances will admit.

ACCOUNTS

72. 1) The Board of Directors shall cause true accounts to be kept of all sums of money received and expended by company and the matters in respect of which such receipts and expenditure take place, of all sales and purchase of goods by the company, and of assets, credits and liabilities of the company.

2) If the company shall have a Branch office, whether in India or outside, proper books of account relating to the transacts effected at that office shall be kept at that office, and proper summarized returns, made upto date at intervals, of not more than three months, shall be sent by the Branch office to the company at its registered office or to such other place in India, as the Board thinks fit, where the main books of the company are kept.

3) All the aforesaid books shall give a fair and true view of the affairs of the company or of its branch office, as the case may be, with respect to the matters aforesaid and explain its transactions.

73. The Books of Account shall be kept at the Registered Office or at such other place in India as the Directors think fit.

74. The Board of Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts of books and documents of the company or any of them shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the company except as conferred by statue or authorised by the Directors or by a resolution of the company in the general meeting.

SECRECY

75. No member shall be entitled to inspect the Company's works without the permission of the Directors, or Managing Director, or to require discovery of on any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a secret, mystery of trade or secret process which may relate to the conduct of the business the company and which in the opinion of the Directors it will be inexpedient in the interest company to communicate to the public.

76. Every Director, Managing Director, Manger, Secretary, Auditor, Trustee, Members Committee, Officer, Servant, Agent, Accountant or other person employed in the business the Company, shall if so required by the Directors before entering upon his duties, or at time during his term of office, sign a declaration pledging himself to observe strict secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do the Directors or any general meeting or by a court of Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of provisions of these Articles or Law.

INDEMNITY AND RESPONSIBILITY

77. a) Subject to the provisions of Section 201 of the Act, the Managing Director and every Director, Manager, Secretary and other Officer or Employee of the Company shall be indemnified by the Company against any liability and it shall be the duty of Directors out the funds of the Company

to pay, all costs and losses and expenses (including traveling expenses) which any such Director, officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Managing Direct-Director, Officer or Employee or in any way in the discharge of his duties.

b) Subject to as aforesaid the Managing Director and every Director, Manager, Secretary, other officer or Employee of the Company shall be indemnified against any liability incurred by them or him defending any proceedings whether civil or criminal in which judgment given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

COMMON SEAL

78. The Board shall provide a common seal for the company and they shall have power from time to time to destroy the same substitute a new seal in lieu thereof, and the common seal shall be kept at the Registered Office of the company and committed to the custody of the Managing Director or the Secretary if there is one.

79. The seal shall not be affixed to any instrument except by authority of a resolution of the Board or of a committee thereof and unless the Board otherwise determines every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company be signed by two Directors and by the Secretary or such other person as may from time to time be authorised the Board provided nevertheless that any instrument bearing the seal of the company and issued for valuable consideration shall be binding on the company notwithstanding any irregularity touching the authority to issue the same. The share certificate shall however be sealed and signed in accordance with the provisions of the companies (issue of share certificates) rules 1960.

AUDIT

80. Every Balance Sheet and the Profit and Loss Account shall be audited by one or more auditors to be appointed as hereinafter set out.

1) The first Auditor of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the auditor or auditors so appointed shall hold office until the conclusion of first annual general meeting. Provided further that if the Board fails to appoint the First Auditor of the Company as required under this Article, the Company in General Meeting may appoint the first auditor or auditors.

2) The company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General meeting and every auditor so appointed shall be intimated of his appointed within seven days.

Provided that before the appointment or re-appointment of Auditor or Auditors is made by Company at any General Meeting a written certificate shall be obtained by the Company from the Auditor or Auditors proposed to be so appointed to the effect that the appointment or appointments if made will be in accordance with the limits specified in sub-section I-B of the Section 224,. Every Auditor so appointed shall within 30 days of the receipt from the Company of the intimation of his appointment inform the Registrar of Companies in writing that he had accepted or refused to accept the appointment.

3) The Director may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors (if any) may act, where such a vacancy is caused by the resignation of the Auditor, the vacancy shall only filled by the company General Meeting.

REMUNERATION TO THE AUDITORS

81. The remuneration of the Auditors shall be fixed by the Company in the General Meeting or in such manner as the Company in General Meeting may determine except that the remuneration of any Auditor appointed to fill any casual vacancy may be fixed by the Board.

82. 1) All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

2) The Auditor shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and the Profit and Loss Account and on every offer document declared by this Act to be part of or annexed to the Balance Sheet and the Profit and Loss Account which are laid by the Company in Annual General Meeting during his tenure of office, and the report shall state whether, in his opinion and to best of his information and according to the explanations given to him, the said accounts give the information by the Act in the manner so required and give a true and fair view.

3) The auditors report shall be read before the company in General Meeting and shall be opened to inspection by any member of the Company.

83. Every account of the Company when audited and approved by the members in a General Meeting shall be the final and conclusive account.

DIVIDENDS

84. a) The profits of the company, subject to any special rights relating thereto created or authorized to be created by these presents and subject to the provisions of these presents, as to the Reserve Fund, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively on the last day of the year of account in respect of which such dividend is declared and in the case of interim dividends on the close of the last day of the period in respect of which such interim dividend is paid.

b) Where capital is paid up on any shares in advance of calls, upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

Declaration of dividends

85. The company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

Interim Dividends

86. The Board may from time to time pay to the members such interim dividends as appear to them to be justified by the profits of the company.

Dividends to be paid out of profits only

87. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 205 of the Act.

Reserve funds

88. 1) The Board may before recommending any dividends set aside out of the profits of the company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provisions for meeting contingencies or for equalising dividends and pending such applications may, at the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, form time to time thinks fit.

2) The Board may also carry forward any profits when it may think prudent not to divide, without setting them aside as reserve.

Unclaimed dividend

89. 1) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called unpaid dividend account of "Mittal Corp Limited - Unpaid Dividend Account".

    The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 205C of the Act.

    The Board shall forfeit no unclaimed or unpaid dividend.

90. No unclaimed dividend shall be forfeited by the Board of Directors and the company shall comply with all the provisions of the Section 205 A of the Act, in respect of unclaimed and unpaid dividend.

CAPITALISATION OF PROFITS

91. 1) The Company in General Meeting may on recommendation of the Board, resolve:

    a) That it is desirable to capitalise any part of the amount for the time being standing to the credit of the company's reserve accounts or the credit of the profit and loss accounts are otherwise available for distribution: and

    b) That such sum be accordingly set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

    2) The amount aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in sub-clause (3) either in or towards:

    I) Paying up any amounts for the time being unpaid on shares held by such members respectively.
    II) Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid, or
    III) Partly in the way specified in sub-clause (I) and partly in that specified in sub-clause (II)

    3) A share premium account and a capital redemption reserve account may, for the purpose of this regulation only, be applied in paying up of unissued shares to be issued to members of the company as fully paid bonus shares.

    4) The Board shall give effect to the resolutions passed by the company in pursuance of this regulation.

WINDING UP

92. Subject to the provisions of the Act as to preferential payments the assets of the Company shall on its winding up, be applied in satisfaction of its liabilities pari-passu and, subject such application shall be distributed among the members according to their rights and interest in the Company.

93. If the company shall be wound up whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, divide among the contributories in specie or kind any part of the

assets of the Company in trustees upon such trusts for the benefit of the contributors or any of them, as the liquidators with the like sanction shall think fit. In case any shares to I divided as aforesaid involve a liability to calls or otherwise any persons entitled under sin division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the liquidators to sell his proportion and pay him the proceeds and the liquidators shall, if practicable, act accordingly.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and documents (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts and documents, copies of which have been attached to the copy of this Draft Red Herring Prospectus, delivered to the Registrar of Companies, Maharashtra at Mumbai for registration and also the documents for inspection referred to hereunder, may be inspected at the registered office/corporate office of our Company from 10.00 am to 4.00 pm on working days from the date of the Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts to the Issue

1. Engagement Letter dated January 6, 2010 between the BRLM and our Company.
2. Agreement between our Company and the BRLM, dated February 17, 2010
3. Memorandum of Understanding between our Company and Registrar to the Issue, dated December 12, 2009.
4. Escrow Agreement dated [•], 2010 between the Company, the BRLM, the Escrow Banks, and the Registrar to the Issue.
5. Syndicate Agreement dated [•], 2010 between the Company, the BRLM and the Syndicate Members.
6. Underwriting Agreement dated [•], 2010 between the Company, the BRLM and Syndicate Members.

Material Documents

1. Our Memorandum and Articles of Association as amended from time to time.
2. Our certification of incorporation.
3. Board resolution dated December 4, 2009 in relation to the Issue.
4. Shareholders' resolution dated December 28, 2009 in relation to the Issue.
5. Resolutions of the general body for appointment and remuneration of our whole-time Directors.
6. Statement of Tax Benefits from Statutory Auditors Mahendra Badjatya & Co. dated December 07, 2009 and from Haribhakti & Co dated December 04, 2009, Chartered Accountants on possible income-tax benefits available to the Company and its shareholders.
7. Copies of annual reports of our Company for the financial years ended March 31, 2005, 2006, 2007, 2008 and 2009.
8. Consent of Mahendra Badjatya & Co. and Haribhakti & Co., our Statutory Auditors for inclusion of their reports on restated financial statements and auditors report on audited financial statements as at and for the financial year ended March 31, 2005, 2006, 2007, 2008 and 2009 in the form and context in which they appear in this Draft Red Herring Prospectus.
9. Financial Appraisal Report dated December 16, 2009 issued by SBI Capital Markets Limited in relation to the Wire Rod Project.
10. Techno Economic Feasibility Report dated November 14, 2009 issued by KORUS Engineering Solutions Private Limited in relation to the Wire Rod Project.
11. Consents of Bankers to the Company, BRLM, Syndicate Members, Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue, Statutory Auditors, Technical Consultant, Legal Counsel to the Issue, IPO Grading Agency, Directors of the Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
12. Fund Deployment Certificate dated January 14, 2010 issued by Mahendra Badjatya & Co.

13. IPO Grading Report dated [•] from [•];
14. Initial listing applications dated [•], 2009 and [•], 2009 filed with BSE and NSE respectively
15. In-principle listing approval dated [•], 2009 and [•], 2009 from BSE and NSE respectively
16. Tripartite Agreement between NSDL, our Company and the Registrar to the Issue dated [•], 2009
17. Tripartite Agreement between CDSL, our Company and the Registrar to the Issue dated [•], 2009
18. Due diligence certificate dated February 17, 2010 to SEBI from the BRLM.
19. SEBI observation letter No. [•] dated [•], 2010.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of 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

All relevant provisions of the Companies Act, 1956, and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made thereunder or guidelines or regulations issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Signed by the Directors of our Company

Karan Mittal

Dinesh Kumar Agrawal

C.P. Swarnkar

Vinod Kumar

N.S. Datar

Atul Kumar Shukla

Signed by the Chief Financial Officer

Mr. M.K. Jain

Signed by the Company Secretary and Compliance officer

Ms. Pooja Bansal

Date: February 18, 2010

Place: Mumbai